

## STATE OF MINNESOTA

## NINETY-THIRD SESSION — 2023

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 FORTY-FIRST DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 27, 2023

The House of Representatives convened at 3:30 p.m. and was called to order by Melissa Hortman, Speaker of the House.

Prayer was offered by Representative Dawn Gillman, District 17A, Dassel, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Acomb	Daudt	Harder	Koegel	Neu Brindley	Schultz
Agbaje	Davids	Hassan	Kotyza-Witthuhn	Newton	Scott
Altendorf	Davis	Heintzeman	Kozlowski	Niska	Sencer-Mura
Anderson, P. E.	Demuth	Hemmingsen-Jaeger	Koznick	Noor	Skraba
Anderson, P. H.	Dotseth	Her	Kraft	Norris	Smith
Backer	Edelson	Hicks	Kresha	Novotny	Stephenson
Bahner	Elkins	Hill	Lee, F.	O'Driscoll	Swedzinski
Bakeberg	Engen	Hollins	Lee, K.	Olson, B.	Tabke
Baker	Feist	Hornstein	Liebling	Olson, L.	Torkelson
Becker-Finn	Finke	Howard	Lillie	Pelowski	Urdahl
Bennett	Fischer	Hudella	Lislegard	Pérez-Vega	Vang
Berg	Fogelman	Hudson	Long	Perryman	West
Bierman	Franson	Huot	McDonald	Petersburg	Wiener
Bliss	Frazier	Hussein	Mekeland	Pfarr	Wiens
Brand	Frederick	Igo	Moller	Pinto	Witte
Burkel	Freiberg	Jacob	Mueller	Pryor	Wolgamott
Carroll	Gillman	Johnson	Murphy	Pursell	Xiong
Cha	Gomez	Jordan	Myers	Quam	Youakim
Clardy	Greenman	Joy	Nadeau	Rehm	Zelevnikar
Coulter	Grossell	Keeler	Nash	Reyer	Spk. Hortman
Curran	Hansen, R.	Klevorn	Nelson, M.	Richardson	
Daniels	Hanson, J.	Knudsen	Nelson, N.	Robbins	

A quorum was present.

Garofalo, Kiel, O'Neill and Schomacker were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

## REPORTS OF STANDING COMMITTEES AND DIVISIONS

Pelowski from the Committee on Higher Education Finance and Policy to which was referred:

H. F. No. 20, A bill for an act relating to unemployment insurance; modifying wage credits and providing reimbursement; authorizing transfers from the general fund; providing unemployment insurance aid; requiring a report; appropriating money; amending Minnesota Statutes 2022, sections 126C.43, subdivision 2; 127A.45, subdivision 12; 268.085, subdivision 7; 268.19, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 124D; 268; repealing Minnesota Statutes 2022, section 268.085, subdivision 8.

Reported the same back with the following amendments:

Page 3, line 17, delete everything after the period

Page 3, delete lines 18 to 20

Page 6, line 16, delete "reimbursement" and insert "unemployment insurance aid" and delete ", subdivision 5"

Page 6, line 17, delete "reimbursement" and insert "unemployment insurance aid"

Page 6, line 21, delete "reimbursement" and insert "unemployment insurance aid" and delete ", subdivision 3"

Page 6, line 23, delete "reimbursement" and insert "unemployment insurance aid" and delete ", subdivision 4"

Page 7, delete section 6 and insert:

"Sec. 6. **[268.193] POSTSECONDARY UNEMPLOYMENT INSURANCE AID.**

Subdivision 1. **Postsecondary institutions.** For the purposes of this section, an eligible postsecondary institution means:

(1) the University of Minnesota;

(2) a postsecondary institution governed by the Board of Trustees of the Minnesota State Colleges and Universities; or

(3) a Tribal college, which means Leech Lake Tribal College, White Earth Tribal College, or Red Lake Nation Tribal College.

Subd. 2. **Unemployment insurance aid.** Eligible postsecondary institutions are eligible to receive unemployment insurance aid under this section. For each fiscal year, an eligible entity's aid is the difference between fiscal year 2022's unemployment insurance costs and the current year's unemployment insurance costs, as reflected in the unemployment insurance employer accounts maintained by the state. If the total eligible unemployment insurance aid for a fiscal year is greater than the annual appropriation for that year, the Board of Trustees of the Minnesota State Colleges and Universities or the commissioner of the Office of Higher Education, as applicable, must proportionately reduce the aid payment to each eligible entity.

**EFFECTIVE DATE.** This section is effective for aid beginning in fiscal year 2024."

Page 9, line 20, delete "REPORT" and insert "REPORTS"

Page 9, line 21, before "By" insert "(a)"

Page 9, line 23, delete everything after "legislature" and insert "the balances in unemployment insurance aid accounts and information about the annual changes in reimbursable costs for school workers receiving unemployment insurance benefits."

Page 9, line 24, delete everything before "To"

Page 9, line 25, delete "categorize eligible employees" and insert "break out the costs" and after "by" insert "district and" and delete "class" and insert "classes"

Page 9, after line 26, insert:

"(b) By January 15 of each year, the Board of Regents of the University of Minnesota, the Board of Trustees of the Minnesota State Colleges and Universities, and the Office of Higher Education, in consultation with the Department of Employment and Economic Development, must each report to the higher education committees of the legislature the balances in unemployment insurance aid accounts and information about the annual changes in reimbursable costs for higher education workers receiving unemployment insurance benefits. To the extent possible, the report must break out the costs by campus and major job classes. The report must be filed according to Minnesota Statutes, section 3.195."

Page 9, delete section 8 and insert:

**Sec. 8. APPROPRIATION; UNIVERSITY OF MINNESOTA.**

\$366,000 in fiscal year 2024 and \$366,000 in fiscal year 2025 are appropriated from the general fund to the Board of Regents of the University of Minnesota for the purposes of unemployment insurance aid for the University of Minnesota under Minnesota Statutes, section 268.193.

**Sec. 9. APPROPRIATION; MINNESOTA STATE COLLEGES AND UNIVERSITIES.**

\$809,000 in fiscal year 2024 and \$809,000 in fiscal year 2025 are appropriated from the general fund to the Board of Trustees of the Minnesota State Colleges and Universities for the purposes of unemployment insurance aid to individual Minnesota State Colleges and Universities governed by the Board of Trustees under Minnesota Statutes, section 268.193.

**Sec. 10. APPROPRIATION; OFFICE OF HIGHER EDUCATION.**

\$495,000 in fiscal year 2024 and \$495,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of the Office of Higher Education. Of this amount, \$471,000 is for the purposes of unemployment insurance aid to individual Tribal colleges under Minnesota Statutes, section 268.193, and \$24,000 is for administration of the unemployment insurance aid."

Page 10, line 15, delete "....." and insert "275,000"

Page 10, line 16, delete "200,000" and insert "175,000"

Page 10, line 17, delete "\$200,000" and insert "\$175,000"

Page 10, line 23, delete "161,755,000" and insert "135,199,000"

Page 11, lines 7 and 8, delete "217,000" and insert "321,000"

Page 11, line 9, delete "\$217,000" and insert "\$321,000"

Page 11, lines 16 and 17, delete "66,000" and insert "25,000"

Page 11, line 18, delete "\$66,000" and insert "\$25,000"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "a report" and insert "reports"

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Stephenson from the Committee on Commerce Finance and Policy to which was referred:

H. F. No. 100, A bill for an act relating to cannabis; establishing the Office of Cannabis Management; establishing advisory councils; requiring reports relating to cannabis use and sales; legalizing and limiting the possession and use of cannabis by adults; providing for the licensing, inspection, and regulation of cannabis businesses; requiring testing of cannabis flower and cannabinoid products; requiring labeling of cannabis flower and cannabinoid products; limiting the advertisement of cannabis flower, cannabinoid products, and cannabis businesses; providing for the cultivation of cannabis in private residences; transferring regulatory authority for the medical cannabis program; taxing the sale of adult-use cannabis; establishing grant and loan programs; clarifying the prohibition on operating a motor vehicle while under the influence of cannabis; amending criminal penalties; establishing expungement procedures for certain individuals; requiring reports on expungements; providing for expungement of certain evictions; clarifying the rights of landlords and tenants regarding use of certain forms of cannabis; establishing labor standards for the use of cannabis by employees and testing of employees; providing for the temporary regulation of certain edible cannabinoid products; providing for professional licensing protections; providing for local registration of certain cannabis retail establishments; amending the scheduling of marijuana and tetrahydrocannabinols; classifying data; making miscellaneous cannabis-related changes and additions; making clarifying and technical changes; appropriating money; amending Minnesota Statutes 2022, sections 13.411, by adding a subdivision; 13.871, by adding a subdivision; 34A.01, subdivision 4; 144.99, subdivision 1; 144A.4791, subdivision 14; 151.72; 152.01, by adding subdivisions; 152.02, subdivisions 2, 4; 152.021, subdivisions 1, 2; 152.022, subdivisions 1, 2; 152.023, subdivisions 1, 2; 152.024, subdivision 1; 152.025, subdivisions 1, 2; 152.11, subdivision 2; 169A.03, by adding subdivisions; 169A.20, subdivision 1; 169A.51, subdivisions 1, 4; 169A.72; 175.45, subdivision 1; 181.938, subdivision 2; 181.950, subdivisions 2, 4, 5, 8, 13, by adding a subdivision; 181.951, by adding subdivisions; 181.952, by adding a subdivision; 181.953; 181.954; 181.955; 181.957, subdivision 1; 244.05, subdivision 2; 245C.08, subdivision 1; 256.01, subdivision 18c; 256B.0625, subdivision 13d; 256D.024, subdivisions 1, 3; 256J.26, subdivisions 1, 3; 273.13, subdivision 24; 275.025, subdivision 2; 290.0132, subdivision 29; 290.0134, subdivision 19; 297A.61, subdivision 3; 297A.67, subdivisions 2, 7; 297A.70, subdivisions 2, 18; 297A.99, by adding a subdivision; 297D.01; 297D.04; 297D.06; 297D.07; 297D.08; 297D.085; 297D.09, subdivision 1a; 297D.10; 297D.11; 340A.412, subdivision 14; 484.014, subdivision 3; 504B.171, subdivision 1; 609.135, subdivision 1; 609.2112, subdivision 1; 609.2113, subdivisions 1, 2, 3; 609.2114, subdivisions 1, 2; 609.5311, subdivision 1; 609.5314, subdivision 1; 609.5316, subdivision 2; 609A.01; 609A.03, subdivisions 5, 9; 609B.425, subdivision 2; 609B.435, subdivision 2; 624.712, by adding subdivisions; 624.713, subdivision 1; 624.714, subdivision 6; 624.7142, subdivision 1; 624.7151; proposing coding for new law in Minnesota Statutes, chapters 3; 116J; 116L; 120B; 144; 152; 169A; 289A; 295; 340A; 504B; 609A; 624; proposing coding for new law as Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2022, sections 151.72; 152.027, subdivisions 3, 4; 152.21; 152.22, subdivisions 1, 2, 3, 4, 5, 5a, 5b, 6, 7, 8, 9, 10, 11, 12, 13, 14; 152.23;

152.24; 152.25, subdivisions 1, 1a, 1b, 1c, 2, 3, 4; 152.26; 152.261; 152.27, subdivisions 1, 2, 3, 4, 5, 6, 7; 152.28, subdivisions 1, 2, 3; 152.29, subdivisions 1, 2, 3, 3a, 4; 152.30; 152.31; 152.32, subdivisions 1, 2, 3; 152.33, subdivisions 1, 1a, 2, 3, 4, 5, 6; 152.34; 152.35; 152.36, subdivisions 1, 1a, 2, 3, 4, 5; 152.37.

Reported the same back with the following amendments:

Page 2, delete article 1 and insert:

"ARTICLE 1  
REGULATION OF ADULT-USE CANNABIS

Section 1. **[342.01] DEFINITIONS.**

Subdivision 1. **Terms.** For the purposes of this chapter, the following terms have the meanings given them.

Subd. 2. **Adult-use cannabis concentrate.** "Adult-use cannabis concentrate" means cannabis concentrate that is approved for sale by the office or is substantially similar to a product approved by the office. Adult-use cannabis concentrate does not include any artificially derived cannabinoid.

Subd. 3. **Adult-use cannabis flower.** "Adult-use cannabis flower" means cannabis flower that is approved for sale by the office or is substantially similar to a product approved by the office. Adult-use cannabis flower does not include medical cannabis flower.

Subd. 4. **Adult-use cannabis product.** "Adult-use cannabis product" means a cannabis product that is approved for sale by the office or is substantially similar to a product approved by the office. Adult-use cannabis product does not include medical cannabinoid product.

Subd. 5. **Advertisement.** "Advertisement" means any written or oral statement, illustration, or depiction that is intended to promote sales of cannabis flower, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, or sales at a specific cannabis business and includes any newspaper, radio, internet and electronic media, or television promotion; the distribution of fliers and circulars; and the display of window and interior signs in a cannabis business. Advertisement does not include a fixed outdoor sign that meets the requirements in section 342.64, subdivision 2, paragraph (b).

Subd. 6. **Artificially derived cannabinoid.** "Artificially derived cannabinoid" means a cannabinoid extracted from a cannabis plant, cannabis flower, hemp plant, or hemp plant parts with a chemical makeup that is changed after extraction to create a different cannabinoid or other chemical compound by applying a catalyst other than heat or light. Artificially derived cannabinoid includes but is not limited to any tetrahydrocannabinol created from cannabidiol but does not include cannabis concentrate, cannabis products, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products.

Subd. 7. **Batch.** "Batch" means:

(1) a specific quantity of cannabis plants that are cultivated from the same seed or plant stock, are cultivated together, are intended to be harvested together, and receive an identical propagation and cultivation treatment;

(2) a specific quantity of cannabis flower that is harvested together; is uniform and intended to meet specifications for identity, strength, purity, and composition; and receives identical sorting, drying, curing, and storage treatment; or

(3) a specific quantity of a specific cannabis product, lower-potency hemp edible, artificially derived cannabinoid, hemp-derived consumer product, or hemp-derived topical product that is manufactured at the same time and using the same methods, equipment, and ingredients that is uniform and intended to meet specifications for identity, strength, purity, and composition, and that is manufactured, packaged, and labeled according to a single batch production record executed and documented during the same cycle of manufacture and produced by a continuous process.

Subd. 8. **Batch number.** "Batch number" means a unique numeric or alphanumeric identifier assigned to a batch of cannabis plants, cannabis flower, cannabis products, lower-potency hemp edibles, artificially derived cannabinoid, hemp-derived consumer products, or hemp-derived topical products.

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

Subd. 10. **Cannabinoid.** "Cannabinoid" means any of the chemical constituents of hemp plants or cannabis plants that are naturally occurring, biologically active, and act on the cannabinoid receptors of the brain. Cannabinoid includes but is not limited to tetrahydrocannabinol and cannabidiol.

Subd. 11. **Cannabinoid extraction.** "Cannabinoid extraction" means the process of extracting cannabis concentrate from cannabis plants or cannabis flower using heat, pressure, water, lipids, gases, solvents, or other chemicals or chemical processes, but does not include the process of extracting concentrate from hemp plants or hemp plant parts or the process of creating any artificially derived cannabinoid.

Subd. 12. **Cannabinoid profile.** "Cannabinoid profile" means the amounts of each cannabinoid that the office requires to be identified in testing and labeling, including but not limited to delta-9 tetrahydrocannabinol, tetrahydrocannabinolic acid, cannabidiol, cannabidiolic acid, and cannabigerol in cannabis flower, a cannabis product, a batch of artificially derived cannabinoid, a lower-potency hemp edible, a hemp-derived consumer product, or a hemp-derived topical product expressed as percentages measured by weight and, in the case of cannabis products, lower-potency hemp edibles, and hemp-derived consumer products, expressed as milligrams in each serving and package.

Subd. 13. **Cannabis business.** "Cannabis business" means any of the following licensed under this chapter:

(1) cannabis microbusiness;

(2) cannabis mezzobusiness;

(3) cannabis cultivator;

(4) cannabis manufacturer;

(5) cannabis retailer;

(6) cannabis wholesaler;

(7) cannabis transporter;

(8) cannabis testing facility;

(9) cannabis event organizer;

(10) cannabis delivery service;

(11) medical cannabis cultivator;

(12) medical cannabis processor; and

(13) medical cannabis retailer.

**Subd. 14. Cannabis concentrate.** (a) "Cannabis concentrate" means:

(1) the extracts and resins of a cannabis plant or cannabis flower;

(2) the extracts or resins of a cannabis plant or cannabis flower that are refined to increase the presence of targeted cannabinoids; or

(3) a product that is produced by refining extracts or resins of a cannabis plant or cannabis flower and is intended to be consumed by combustion or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product.

(b) Cannabis concentrate does not include hemp concentrate, artificially derived cannabinoid, or hemp-derived consumer products.

**Subd. 15. Cannabis flower.** "Cannabis flower" means the harvested flower, bud, leaves, and stems of a cannabis plant. Cannabis flower includes adult-use cannabis flower and medical cannabis flower. Cannabis flower does not include cannabis seed, hemp plant parts, or hemp-derived consumer products.

**Subd. 16. Cannabis industry.** "Cannabis industry" means every item, product, person, process, action, business, or other thing related to cannabis flower and cannabis products and subject to regulation under this chapter.

**Subd. 17. Cannabis paraphernalia.** "Cannabis paraphernalia" means all equipment, products, and materials of any kind that are knowingly or intentionally used primarily in:

(1) cultivating or harvesting cannabis plants or cannabis flower;

(2) manufacturing cannabis products;

(3) ingesting, inhaling, or otherwise introducing cannabis flower or cannabis products into the human body; and

(4) testing the strength, effectiveness, or purity of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products.

**Subd. 18. Cannabis plant.** "Cannabis plant" means all parts of the plant of the genus Cannabis that is growing or has not been harvested and has a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis.

**Subd. 19. Cannabis product.** (a) "Cannabis product" means any of the following:

(1) cannabis concentrate;

(2) a product infused with cannabinoids, including but not limited to tetrahydrocannabinol, extracted or derived from cannabis plants or cannabis flower; or

(3) any other product that contains cannabis concentrate.

(b) Cannabis product includes adult-use cannabis products, including but not limited to edible cannabis products and medical cannabinoid products. Cannabis product does not include cannabis flower, artificially derived cannabinoid, lower-potency edible hemp edibles, hemp-derived consumer products, or hemp-derived topical products.

Subd. 20. **Cannabis prohibition.** "Cannabis prohibition" means the system of state and federal laws that prevented establishment of a legal market and instead established petty offenses and criminal offenses punishable by fines, imprisonment, or both for the cultivation, possession, and sale of all parts of the plant of any species of the genus Cannabis, including all agronomical varieties, whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin.

Subd. 21. **Cannabis seed.** "Cannabis seed" means the viable seed of the plant of the genus Cannabis that is reasonably expected to grow into a cannabis plant. Cannabis seed does not include hemp seed.

Subd. 22. **Cannabis worker.** "Cannabis worker" means any individual employed by a cannabis business and any individual who is a contractor of a cannabis business whose scope of work involves the handling of cannabis plants, cannabis flower, or cannabis products.

Subd. 23. **Child-resistant.** "Child-resistant" means packaging that meets the poison prevention packaging standards in Code of Federal Regulations, title 16, section 1700.15.

Subd. 24. **Cooperative.** "Cooperative" means an association conducting business on a cooperative plan that is organized or is subject to chapter 308A or 308B.

Subd. 25. **Council.** "Council" means the Cannabis Advisory Council.

Subd. 26. **Cultivation.** "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis plants, cannabis flower, hemp plants, or hemp plant parts.

Subd. 27. **Division of Medical Cannabis.** "Division of Medical Cannabis" means a division housed in the Office of Cannabis Management that operates the medical cannabis program.

Subd. 28. **Division of Social Equity.** "Division of Social Equity" means a division housed in the Office of Cannabis Management that promotes development, stability, and safety in communities that have experienced a disproportionate, negative impact from cannabis prohibition.

Subd. 29. **Edible cannabis product.** "Edible cannabis product" means any product that is intended to be eaten or consumed as a beverage by humans; contains a cannabinoid other than an artificially derived cannabinoid in combination with food ingredients; is not a drug; and is a type of product approved for sale by the office, or is substantially similar to a product approved by the office including but not limited to products that resemble nonalcoholic beverages, candy, and baked goods. Edible cannabis product does not include lower-potency hemp edibles.

Subd. 30. **Health care practitioner.** "Health care practitioner" means a Minnesota-licensed doctor of medicine, a Minnesota-licensed physician assistant acting within the scope of authorized practice, or a Minnesota-licensed advanced practice registered nurse who has an active license in good standing and the primary responsibility for the care and treatment of the qualifying medical condition of an individual diagnosed with a qualifying medical condition.

Subd. 31. **Health record.** "Health record" has the meaning given in section 144.291, subdivision 2.

Subd. 32. **Hemp business.** (a) "Hemp business" means either of the following licensed under this chapter:

(1) lower-potency hemp edible manufacturer; or



(2) lower-potency hemp edible retailer.

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

**Subd. 33. Hemp concentrate.** (a) "Hemp concentrate" means:

(1) the extracts and resins of a hemp plant or hemp plant parts;

(2) the extracts or resins of a hemp plant or hemp plant parts that are refined to increase the presence of targeted cannabinoids; or

(3) a product that is produced by refining extracts or resins of a hemp plant or hemp plant parts and is intended to be consumed by combustion or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product.

(b) Hemp concentrate does not include artificially derived cannabinoids, lower-potency hemp edibles, hemp-derived consumer products, or hemp-derived topical products.

**Subd. 34. Hemp consumer industry.** "Hemp consumer industry" means every item, product, person, process, action, business, or other thing related to artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products and subject to regulation under this chapter.

**Subd. 35. Hemp-derived consumer product.** (a) "Hemp-derived consumer product" means a product intended for human or animal consumption, does not contain cannabis flower or cannabis concentrate, and:

(1) contains or consists of hemp plant parts; or

(2) contains hemp concentrate or artificially derived cannabinoids in combination with other ingredients.

(b) Hemp-derived consumer product does not include artificially derived cannabinoids, lower-potency hemp edibles, hemp-derived topical products, hemp fiber products, or hemp grain.

**Subd. 36. Hemp-derived topical product.** "Hemp-derived topical product" means a product intended for human or animal consumption that contains hemp concentrate, is intended for application externally to a part of the body of a human or animal, and does not contain cannabis flower or cannabis concentrate.

**Subd. 37. Hemp fiber product.** "Hemp fiber product" means an intermediate or finished product made from the fiber of hemp plant parts that is not intended for human or animal consumption. Hemp fiber product includes but is not limited to cordage, paper, fuel, textiles, bedding, insulation, construction materials, compost materials, and industrial materials.

**Subd. 38. Hemp grain.** "Hemp grain" means the harvested seeds of the hemp plant intended for consumption as a food or part of a food product. Hemp grain includes oils pressed or extracted from harvested hemp seeds.

**Subd. 39. Hemp plant.** "Hemp plant" means all parts of the plant of the genus Cannabis that is growing or has not been harvested and has a delta-9 tetrahydrocannabinol concentration of no more than 0.3 percent on a dry weight basis.

**Subd. 40. Hemp plant parts.** "Hemp plant parts" means any part of the harvested hemp plant, including the flower, bud, leaves, stems, and stalk, but does not include derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers that are separated from the plant. Hemp plant parts does not include hemp fiber products, hemp grain, or hemp seed.

Subd. 41. **Hemp seed.** "Hemp seed" means the viable seed of the plant of the genus Cannabis that is intended to be planted and is reasonably expected to grow into a hemp plant. Hemp seed does not include cannabis seed or hemp grain.

Subd. 42. **Hemp worker.** "Hemp worker" means any individual employed by a hemp business and any individual who is a contractor of a hemp business whose scope of work involves the handling of artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products.

Subd. 43. **Industrial hemp.** "Industrial hemp" has the meaning given in section 18K.02, subdivision 3.

Subd. 44. **Intoxicating cannabinoid.** "Intoxicating cannabinoid" means a cannabinoid, including an artificially derived cannabinoid, that when introduced into the human body impairs the central nervous system or impairs the human audio, visual, or mental processes. Intoxicating cannabinoid includes but is not limited to any tetrahydrocannabinol.

Subd. 45. **Labor peace agreement.** "Labor peace agreement" means an agreement between a cannabis business and a bona fide labor organization that protects the state's interests by, at minimum, prohibiting the labor organization from engaging in picketing, work stoppages, or boycotts against the cannabis business. This type of agreement shall not mandate a particular method of election or certification of the bona fide labor organization.

Subd. 46. **License holder.** "License holder" means a person, cooperative, or business that holds any of the following licenses:

- (1) cannabis microbusiness;
- (2) cannabis mezzobusiness;
- (3) cannabis cultivator;
- (4) cannabis manufacturer;
- (5) cannabis retailer;
- (6) cannabis wholesaler;
- (7) cannabis transporter;
- (8) cannabis testing facility;
- (9) cannabis event organizer;
- (10) cannabis delivery service;
- (11) lower-potency hemp edible manufacturer;
- (12) lower-potency hemp edible retailer;
- (13) medical cannabis cultivator;
- (14) medical cannabis processor; or
- (15) medical cannabis retailer.

Subd. 47. **Local unit of government.** "Local unit of government" means a home rule charter or statutory city, county, town, or other political subdivision.

Subd. 48. **Lower-potency hemp edible.** "Lower-potency hemp edible" means any product that:

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

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

(3) is not a drug;

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

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

(6) does not contain an artificially derived cannabinoid other than delta-9 tetrahydrocannabinol;

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

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

Subd. 49. **Matrix barcode.** "Matrix barcode" means a code that stores data in a two-dimensional array of geometrically shaped dark and light cells capable of being read by the camera on a smartphone or other mobile device.

Subd. 50. **Medical cannabinoid product.** (a) "Medical cannabinoid product" means a product that:

(1) consists of or contains cannabis concentrate or hemp concentrate or is infused with cannabinoids, including but not limited to artificially derived cannabinoids; and

(2) is provided to a patient enrolled in the registry program; a registered designated caregiver; or a parent, legal guardian, or spouse of an enrolled patient, by a cannabis retailer or medical cannabis retailer to treat or alleviate the symptoms of a qualifying medical condition.

(b) A medical cannabinoid product must be in the form of:

(1) liquid, including but not limited to oil;

(2) pill;

(3) liquid or oil for use with a vaporized delivery method;

(4) water-soluble cannabinoid multiparticulate, including granules, powder, and sprinkles;

(5) orally dissolvable product, including lozenges, gum, mints, buccal tablets, and sublingual tablets;

(6) edible products in the form of gummies and chews;

(7) topical formulation; or

(8) any allowable form or delivery method approved by the office.

(c) Medical cannabinoid product does not include adult-use cannabis products.

Subd. 51. **Medical cannabis business.** "Medical cannabis business" means an entity licensed under this chapter to engage in one or more of the following:

(1) the cultivation of cannabis plants for medical cannabis flower;

(2) the manufacture of medical cannabinoid products; and

(3) the retail sale of medical cannabis flower and medical cannabinoid products.

Subd. 52. **Medical cannabis flower.** "Medical cannabis flower" means cannabis flower provided to a patient enrolled in the registry program; a registered designated caregiver; or a parent, legal guardian, or spouse of an enrolled patient by a cannabis retailer or medical cannabis business to treat or alleviate the symptoms of a qualifying medical condition. Medical cannabis flower does not include adult-use cannabis flower.

Subd. 53. **Medical cannabis paraphernalia.** "Medical cannabis paraphernalia" means a delivery device, related supply, or educational material used by a patient enrolled in the registry program to administer medical cannabis and medical cannabinoid products.

Subd. 54. **Nonintoxicating cannabinoid.** "Nonintoxicating cannabinoid" means a cannabinoid that when introduced into the human body does not impair the central nervous system and does not impair the human audio, visual, or mental processes. Nonintoxicating cannabinoid includes but is not limited to cannabidiol and cannabigerol but does not include any artificially derived cannabinoid.

Subd. 55. **Office.** "Office" means the Office of Cannabis Management.

Subd. 56. **Outdoor advertisement.** "Outdoor advertisement" means an advertisement that is located outdoors or can be seen or heard by an individual who is outdoors and includes billboards; advertisements on benches; advertisements at transit stations or transit shelters; advertisements on the exterior or interior of buses, taxis, light rail transit, or business vehicles; and print signs that do not meet the requirements in section 342.64, subdivision 2, paragraph (b), but that are placed or located on the exterior property of a cannabis business.

Subd. 57. **Patient.** "Patient" means a Minnesota resident who has been diagnosed with a qualifying medical condition by a health care practitioner and who has met all other requirements for patients under this chapter to participate in the registry program.

Subd. 58. **Patient registry number.** "Patient registry number" means a unique identification number assigned by the Division of Medical Cannabis to a patient enrolled in the registry program.

Subd. 59. **Qualifying medical condition.** "Qualifying medical condition" means a diagnosis of any of the following conditions:

(1) Alzheimer's disease;

(2) autism spectrum disorder that meets the requirements of the fifth edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association;

(3) cancer, if the underlying condition or treatment produces one or more of the following:

(i) severe or chronic pain;

(ii) nausea or severe vomiting; or

- (iii) cachexia or severe wasting;
  - (4) chronic motor or vocal tic disorder;
  - (5) chronic pain;
  - (6) glaucoma;
  - (7) human immunodeficiency virus or acquired immune deficiency syndrome;
  - (8) intractable pain as defined in section 152.125, subdivision 1, paragraph (c);
  - (9) obstructive sleep apnea;
  - (10) post-traumatic stress disorder;
  - (11) Tourette's syndrome;
  - (12) amyotrophic lateral sclerosis;
  - (13) seizures, including those characteristic of epilepsy;
  - (14) severe and persistent muscle spasms, including those characteristic of multiple sclerosis;
  - (15) inflammatory bowel disease, including Crohn's disease;
  - (16) irritable bowel syndrome;
  - (17) obsessive-compulsive disorder;
  - (18) sickle cell disease;
  - (19) terminal illness, with a probable life expectancy of under one year, if the illness or its treatment produces one or more of the following:
    - (i) severe or chronic pain;
    - (ii) nausea or severe vomiting; or
    - (iii) cachexia or severe wasting; or
  - (20) any other medical condition or its treatment approved by the office.
- Subd. 60. Registered designated caregiver. "Registered designated caregiver" means an individual who:**
- (1) is at least 18 years old;
  - (2) is not disqualified for a criminal offense according to rules adopted pursuant to section 342.15, subdivision 2;
  - (3) has been approved by the Division of Medical Cannabis to assist a patient with obtaining medical cannabis flower and medical cannabinoid products from a cannabis retailer or medical cannabis retailer and with administering medical cannabis flower and medical cannabinoid products; and

(4) is authorized by the Division of Medical Cannabis to assist a patient with the use of medical cannabis flower and medical cannabinoid products.

Subd. 61. **Registry or registry program.** "Registry" or "registry program" means the patient registry established under this chapter listing patients authorized to obtain medical cannabis flower, medical cannabinoid products, and medical cannabis paraphernalia from cannabis retailers and medical cannabis retailers and administer medical cannabis flower and medical cannabinoid products.

Subd. 62. **Registry verification.** "Registry verification" means the verification provided by the Division of Medical Cannabis that a patient is enrolled in the registry program and that includes the patient's name, patient registry number, and, if applicable, the name of the patient's registered designated caregiver or parent, legal guardian, or spouse.

Subd. 63. **Restricted area.** "Restricted area" means an area where cannabis flower or cannabis products are cultivated, manufactured, or stored by a cannabis business.

Subd. 64. **Statewide monitoring system.** "Statewide monitoring system" means the system for integrated cannabis tracking, inventory, and verification established or adopted by the office.

Subd. 65. **Synthetic cannabinoid.** "Synthetic cannabinoid" means a substance with a similar chemical structure and pharmacological activity to a cannabinoid but is not extracted or derived from cannabis plants, cannabis flower, hemp plants, or hemp plant parts and is instead created or produced by chemical or biochemical synthesis.

Subd. 66. **Veteran.** "Veteran" means an individual who satisfies the requirements in section 197.447.

Subd. 67. **Visiting designated caregiver.** "Visiting designated caregiver" means an individual who is authorized under a visiting patient's jurisdiction of residence to assist the visiting patient with the use of medical cannabis flower and medical cannabinoid products. To be considered a visiting designated caregiver, the individual must possess a valid verification card or its equivalent that is issued by the visiting patient's jurisdiction of residence and that verifies that the individual is authorized to assist the visiting patient with the administration of medical cannabis flower and medical cannabinoid products under the laws or regulations of the visiting patient's jurisdiction of residence.

Subd. 68. **Visiting patient.** "Visiting patient" means an individual who is not a Minnesota resident and who possesses a valid registration verification card or its equivalent that is issued under the laws or regulations of another state, district, commonwealth, or territory of the United States verifying that the individual is enrolled in or authorized to participate in that jurisdiction's medical cannabis or medical marijuana program.

Subd. 69. **Volatile solvent.** "Volatile solvent" means any solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures. Volatile solvent includes but is not limited to butane, hexane, and propane.

## Sec. 2. **[342.02] OFFICE OF CANNABIS MANAGEMENT.**

Subdivision 1. **Establishment.** The Office of Cannabis Management is created with the powers and duties established by law. In making rules, establishing policy, and exercising its regulatory authority over the cannabis industry and hemp consumer industry, the office must:

(1) promote the public health and welfare;

(2) protect public safety;

(3) eliminate the illicit market for cannabis flower and cannabis products;

(4) meet the market demand for cannabis flower and cannabis products;

(5) promote a craft industry for cannabis flower and cannabis products; and

(6) prioritize growth and recovery in communities that have experienced a disproportionate, negative impact from cannabis prohibition.

Subd. 2. **Powers and duties.** The office has the following powers and duties:

(1) to develop, maintain, and enforce an organized system of regulation for the cannabis industry and hemp consumer industry;

(2) to establish programming, services, and notification to protect, maintain, and improve the health of citizens;

(3) to prevent unauthorized access to cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products by individuals under 21 years of age;

(4) to establish and regularly update standards for product testing, packaging, and labeling;

(5) to promote economic growth with an emphasis on growth in areas that experienced a disproportionate, negative impact from cannabis prohibition;

(6) to issue and renew licenses;

(7) to require fingerprints from individuals determined to be subject to fingerprinting, including the submission of fingerprints to the Federal Bureau of Investigation where required by law and to obtain criminal conviction data for individuals seeking a license from the office on the individual's behalf or as a cooperative member or director, manager, or general partner of a business entity;

(8) to receive reports required by this chapter and inspect the premises, records, books, and other documents of license holders to ensure compliance with all applicable laws and rules;

(9) to authorize the use of unmarked motor vehicles to conduct seizures or investigations pursuant to the office's authority;

(10) to impose and collect civil and administrative penalties as provided in this chapter;

(11) to publish such information as may be deemed necessary for the welfare of cannabis businesses, cannabis workers, hemp businesses, hemp workers, and the health and safety of citizens;

(12) to make loans and grants in aid to the extent that appropriations are made available for that purpose;

(13) to authorize research and studies on cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, hemp-derived consumer products, the cannabis industry, and the hemp consumer industry;

(14) to provide reports as required by law;

(15) to establish limits on the potency of cannabis flower and cannabis products that can be sold to customers by licensed cannabis retailers and licensed cannabis microbusinesses with an endorsement to sell cannabis flower and cannabis products to customers; and

(16) to exercise other powers and authority and perform other duties required by law.

Subd. 3. **Medical cannabis program.** The powers and duties of the Department of Health with respect to the medical cannabis program under Minnesota Statutes 2022, sections 152.22 to 152.37, are transferred to the Office of Cannabis Management under section 15.039. State employees shall not be displaced by the transfer of duties from the Department of Health medical cannabis program to the Office of Cannabis Management under this subdivision.

Subd. 4. **Interagency agreements.** (a) The office and the commissioner of agriculture shall enter into interagency agreements to ensure that edible cannabis products and lower-potency hemp edibles are handled, manufactured, and inspected in a manner that is consistent with the relevant food safety requirements in chapters 28A, 31, and 34A and associated rules.

(b) The office may cooperate and enter into other agreements with the commissioner of agriculture and may cooperate and enter into agreements with the commissioners and directors of other state agencies and departments to promote the beneficial interests of the state.

Subd. 5. **Rulemaking.** The office may adopt rules to implement any provisions in this chapter. Rules for which notice is published in the State Register before July 1, 2025, may be adopted using the expedited rulemaking process in section 14.389.

Subd. 6. **Director.** (a) The governor shall appoint a director of the office with the advice and consent of the senate. The director must be in the unclassified service and must serve at the pleasure of the governor.

(b) The salary of the director must not exceed the salary limit established under section 15A.0815, subdivision 3.

(c) While serving as the director and within two years after terminating service, the director is prohibited from having a direct or an indirect financial interest in a cannabis business or hemp business licensed under this chapter.

(d) The director must not have been a member of the Minnesota legislature or held a constitutional office for at least four years before appointment.

(e) No later than June 15, 2023, the governor shall appoint an advisory committee to consult with during the hiring process for the director. The advisory committee shall be comprised of:

(1) two members of the house of representatives, one appointed by the majority party and one by the minority party;

(2) two members of the senate, one appointed by the majority party and one by the minority party;

(3) an expert in cannabis policy;

(4) an expert in economic equity;

(5) an expert in cannabis science;

(6) an expert in restorative justice;

(7) an expert in harm reduction;

(8) an expert on race, equity, and inclusion;

(9) a medical cannabis patient;

(10) an individual who has been justice involved for the sale of cannabis; and



(11) an individual with experience in implementing an adult use legalization program.

(f) While serving on the search committee, members may not:

(1) have a financial interest in a cannabis business or hemp business;

(2) be a director or officer of a pharmaceutical company; or

(3) be a registered lobbyist.

(g) Members of the advisory committee are not eligible for reimbursement.

(h) The governor shall designate a chair of the committee who shall convene the first meeting. The committee may elect other officers as needed. Meetings of the committee are subject to chapter 13D.

(i) The commissioner of agriculture shall provide space and support for the advisory committee. The advisory committee expires on August 1, 2023.

**Subd. 7. Employees.** (a) The office may employ other personnel in the classified service necessary to carry out the duties in this chapter.

(b) Upon request by the office, a prospective employee of the office must submit a completed criminal history records check consent form, a full set of classifiable fingerprints, and the required fees to the office. Upon receipt of this information, the office must submit the completed criminal history records check consent form, full set of classifiable fingerprints, and required fees to the Bureau of Criminal Apprehension. After receiving this information, the bureau must conduct a Minnesota criminal history records check of the prospective employee. The bureau may exchange a prospective employee's fingerprints with the Federal Bureau of Investigation to obtain the prospective employee's national criminal history record information. The bureau must return the results of the Minnesota and federal criminal history records checks to the director to determine if the prospective employee is disqualified under rules adopted pursuant to section 342.15.

(c) While employed by the office and within two years after terminating employment, an employee may not have a direct or an indirect financial interest in a cannabis business licensed under this chapter.

**Subd. 8. Division of Social Equity.** The office must establish a Division of Social Equity. At a minimum, the division must:

(1) administer grants to communities that experienced a disproportionate, negative impact from cannabis prohibition in order to promote economic development, provide services to prevent violence, support early intervention programs for youth and families, and promote community stability and safety;

(2) act as an ombudsperson for the office to provide information, investigate complaints under this chapter, and provide or facilitate dispute resolutions; and

(3) report to the office on the status of complaints and social equity in the cannabis industry.

**EFFECTIVE DATE.** This section is effective July 1, 2023, except for subdivision 2, paragraphs (e), (f), (g), (h), and (i), which are effective the day following final enactment, and subdivision 3, which is effective January 1, 2024.

**Sec. 3. [342.03] CANNABIS ADVISORY COUNCIL.**

**Subdivision 1. Membership.** (a) The Cannabis Advisory Council is created consisting of the following members:

(1) the director of the Office of Cannabis Management or a designee;

- (2) the commissioner of employment and economic development or a designee;
- (3) the commissioner of revenue or a designee;
- (4) the commissioner of health or a designee;
- (5) the commissioner of public safety or a designee;
- (6) the commissioner of human rights or a designee;
- (7) the commissioner of labor or a designee;
- (8) the commissioner of agriculture or a designee;
- (9) the commissioner of the Pollution Control Agency or a designee;
- (10) the superintendent of the Bureau of Criminal Apprehension or a designee;
- (11) a representative from the League of Minnesota Cities appointed by the league;
- (12) a representative from the Association of Minnesota Counties appointed by the association;
- (13) an expert in minority business development appointed by the governor;
- (14) an expert in economic development strategies for under-resourced communities appointed by the governor;
- (15) an expert in farming or representing the interests of farmers appointed by the governor;
- (16) an expert representing the interests of cannabis workers appointed by the governor;
- (17) an expert representing the interests of employers appointed by the governor;
- (18) an expert in municipal law enforcement with advanced training in impairment detection and evaluation appointed by the governor;
- (19) an expert in social welfare or social justice appointed by the governor;
- (20) an expert in criminal justice reform to mitigate the disproportionate impact of drug prosecutions on communities of color appointed by the governor;
- (21) an expert in the prevention and treatment of substance use disorders appointed by the governor;
- (22) an expert in minority business ownership appointed by the governor;
- (23) an expert in women-owned businesses appointed by the governor;
- (24) an expert in cannabis retailing appointed by the governor;
- (25) an expert in cannabis product manufacturing appointed by the governor;
- (26) an expert in laboratory sciences and toxicology appointed by the governor;

(27) an expert in providing legal services to cannabis businesses appointed by the governor;

(28) an expert in cannabis cultivation appointed by the governor;

(29) two patient advocates, one who is a patient enrolled in the medical cannabis program and one patient with experience in the mental health system or substance use disorder treatment system appointed by the governor;

(30) a veteran appointed by the governor;

(31) one member of each of the following federally recognized Tribes, designated by the elected Tribal president or chairperson of the governing bodies of:

(i) the Fond du Lac Band;

(ii) the Grand Portage Band;

(iii) the Mille Lacs Band;

(iv) the White Earth Band;

(v) the Bois Forte Band;

(vi) the Leech Lake Band;

(vii) the Red Lake Nation;

(viii) the Upper Sioux Community;

(ix) the Lower Sioux Indian Community;

(x) the Shakopee Mdewakanton Sioux Community; and

(xi) the Prairie Island Indian Community; and

(32) a representative from the Local Public Health Association of Minnesota appointed by the association.

(b) While serving on the Cannabis Advisory Council and within two years after terminating service, a council member shall not serve as a lobbyist, as defined under section 10A.01, subdivision 21.

Subd. 2. **Terms; compensation; removal; vacancy; expiration.** The membership terms, compensation, removal of members appointed by the governor, and filling of vacancies of members are provided in section 15.059. Notwithstanding section 15.059, subdivision 6, the advisory council shall not expire.

Subd. 3. **Officers; meetings.** (a) The director of the Office of Cannabis Management or the director's designee must chair the Cannabis Advisory Council. The advisory council must elect a vice-chair and may elect other officers as necessary.

(b) The advisory council shall meet quarterly or upon the call of the chair.

(c) Meetings of the advisory council are subject to chapter 13D.

Subd. 4. **Duties.** (a) The duties of the advisory council shall include:

(1) reviewing national cannabis policy;

(2) examining the effectiveness of state cannabis policy;

(3) reviewing developments in the cannabis industry;

(4) reviewing developments in the study of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency edible products, and hemp-derived consumer products;

(5) taking public testimony; and

(6) making recommendations to the Office of Cannabis Management.

(b) At its discretion, the advisory council may examine other related issues consistent with this section.

Sec. 4. **[342.04] STUDIES; REPORTS.**

(a) The office shall conduct a study to determine the expected size and growth of the regulated cannabis industry, including an estimate of the demand for cannabis flower and cannabis products, the number and geographic distribution of cannabis businesses needed to meet that demand, and the anticipated business from residents of other states.

(b) The office shall conduct a study to determine the size of the illicit cannabis market, the sources of illicit cannabis flower and illicit cannabis products in the state, the locations of citations issued and arrests made for cannabis offenses, and the subareas, such as census tracts or neighborhoods, that experience a disproportionately large amount of cannabis enforcement.

(c) The office shall conduct a study on impaired driving to determine the number of accidents involving one or more drivers who admitted to using cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products, or who tested positive for cannabis or tetrahydrocannabinol, the number of arrests of individuals for impaired driving in which the individual tested positive for cannabis or tetrahydrocannabinol, and the number of convictions for driving under the influence of cannabis flower, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, or tetrahydrocannabinol.

(d) The office shall provide preliminary reports on the studies conducted pursuant to paragraphs (a) to (c) to the legislature by January 15, 2024, and shall provide final reports to the legislature by January 15, 2025. Each report may be consolidated with other annual reports that the office is required to submit.

(e) The office shall conduct a study on the state's mental health system and substance use disorder treatment system to determine the rates at which individuals access those systems. At a minimum, the report shall include information about the number of people admitted to emergency rooms for treatment of a mental illness or substance use disorder, ordered by a court to participate in mental health or substance use programming, and who voluntarily agreed to accept mental health or substance use treatment or admission to a state-operated treatment program or treatment facility. The report must include summary data disaggregated by the month of admission or order; age, race, and sex of the individuals; whether the admission or order was for a mental illness or substance use disorder; and, to the extent known, the substance of abuse that resulted in the admission or order. Data must be obtained, retained, and reported in a way that prevents the unauthorized release of private data on individuals as defined in section 13.02. The office shall submit the report by January 15, 2027, and the report may be combined with the annual report submitted by the office.

(f) The office shall conduct an annual market analysis on the status of the regulated cannabis industry and submit a report of the findings. The office shall submit the report by January 15 of each year and the report may be combined with the annual report submitted by the office. The process of completing the market analysis must include holding public meetings to solicit the input of consumers, market stakeholders, and potential new applicants and must include an assessment as to whether the office has issued the necessary number of licenses in order to:

(1) ensure the sufficient supply of cannabis flower and cannabis products to meet demand;

(2) provide market stability;

(3) ensure a competitive market; and

(4) limit the sale of unregulated cannabis flower and cannabis products.

(g) The office shall submit an annual report to the legislature by January 15, 2024, and each January 15 thereafter. The annual report shall include but not be limited to the following:

(1) the status of the regulated cannabis industry;

(2) the status of the illicit cannabis market;

(3) the number of accidents, arrests, and convictions involving drivers who admitted to using cannabis flower, cannabis products, lower-potency hemp products, or hemp-derived consumer products, or who tested positive for cannabis or tetrahydrocannabinol;

(4) the change in potency, if any, of cannabis flower and cannabis products available through the regulated market;

(5) progress on providing opportunities to individuals and communities that experienced a disproportionate, negative impact from cannabis prohibition, including but not limited to providing relief from criminal convictions and increasing economic opportunities;

(6) the status of racial and geographic diversity in the cannabis industry;

(7) proposed legislative changes;

(8) information on the adverse effects of second-hand smoke from any cannabis flower, cannabis products, and hemp-derived consumer products that are consumed by combustion or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product; and

(9) recommendations for levels of funding for:

(i) a coordinated education program to address and raise public awareness about the top three adverse health effects, as determined by the commissioner of health, associated with the use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products by individuals under 21 years of age;

(ii) a coordinated education program to educate pregnant women, breastfeeding women, and women who may become pregnant on the adverse health effects of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products;

(iii) training, technical assistance, and educational materials for home visiting programs and Tribal home visiting programs regarding safe and unsafe use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in homes with infants and young children;

(iv) model programs to educate middle school and high school students on the health effects on children and adolescents of the use of cannabis flower, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, and other intoxicating or controlled substances;

(v) grants issued through the CanTrain, CanNavigate, CanStartup, and CanGrow programs;

(vi) grants to organizations for community development in social equity communities through the CanRenew program;

(vii) training of peace officers and law enforcement agencies on changes to laws involving cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products, and the law's impact on searches and seizures;

(viii) training of peace officers to increase the number of drug recognition experts;

(ix) training of peace officers on the cultural uses of sage and distinguishing use of sage from the use of cannabis flower, including whether the Board of Peace Officer Standards and Training should approve or develop training materials;

(x) the retirement and replacement of drug detection dogs; and

(xi) the Department of Human Services and county social service agencies to address any increase in demand for services.

(h) In developing the recommended funding levels under paragraph (g), clause (9), items (vii) to (xi), the office shall consult with local law enforcement agencies, the Minnesota Chiefs of Police Association, the Minnesota Sheriff's Association, the League of Minnesota Cities, the Association of Minnesota Counties, and county social services agencies.

#### **Sec. 5. [342.05] STATEWIDE MONITORING SYSTEM.**

Subdivision 1. **Statewide monitoring.** The office must contract with an outside vendor to establish a statewide monitoring system for integrated cannabis tracking, inventory, and verification to track all cannabis plants, cannabis flower, and cannabis products from seed, immature plant, or creation until disposal or sale to a patient or customer.

Subd. 2. **Data submission requirements.** The monitoring system must allow cannabis businesses to submit monitoring data to the office through the use of monitoring system software commonly used within the cannabis industry and may also permit cannabis businesses to submit monitoring data through manual data entry with approval from the office.

#### **Sec. 6. [342.06] APPROVAL OF CANNABIS FLOWER, PRODUCTS, AND CANNABINOIDS.**

(a) The office shall approve types of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products for retail sale.

(b) The office may establish limits on the total THC of cannabis flower, cannabis products, and hemp-derived consumer products. As used in this paragraph, "total THC" means the sum of the percentage by weight of tetrahydrocannabinolic acid multiplied by 0.877 plus the percentage by weight of all tetrahydrocannabinols.

(c) The office shall not approve any cannabis product, lower-potency hemp edible, or hemp-derived consumer product that:

(1) is or appears to be a lollipop or ice cream;

(2) bears the likeness or contains characteristics of a real or fictional person, animal, or fruit;

(3) is modeled after a type or brand of products primarily consumed by or marketed to children;

(4) contains a synthetic cannabinoid;

(5) is 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; or

(6) if the product is an edible cannabis product or lower-potency hemp edible, contains an ingredient, other than a cannabinoid, that is not approved by the United States Food and Drug Administration for use in food.

(d) The office must not approve any cannabis flower, cannabis product, or hemp-derived consumer product that:

(1) is intended to be consumed by combustion or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product; and

(2) imparts a taste or smell, other than the taste or smell of cannabis flower, that is distinguishable by an ordinary person before or during consumption of the product.

(e) The office may adopt rules to limit or prohibit ingredients in or additives to cannabis flower, cannabis products, or hemp-derived consumer products to ensure compliance with the limitations in paragraph (d).

Sec. 7. **[342.07] AGRICULTURAL AND FOOD SAFETY PRACTICES; RULEMAKING.**

Subdivision 1. **Plant propagation standards.** In consultation with the commissioner of agriculture, the office by rule must establish certification, testing, and labeling requirements for the methods used to grow new cannabis plants or hemp plants, including but not limited to growth from seed, clone, cutting, or tissue culture. The requirements must prohibit the cultivation of cannabis plants derived from genetic engineering, as defined in section 18F.02, subdivision 4.

Subd. 2. **Agricultural best practices.** In consultation with the commissioner of agriculture and representatives from the University of Minnesota Extension Service, the office shall establish best practices for:

(1) the cultivation and preparation of cannabis plants; and

(2) the use of pesticides, fertilizers, soil amendments, and plant amendments in relation to growing cannabis plants.

Subd. 3. **Edible cannabinoid product handler endorsement.** (a) Any person seeking to manufacture, process, sell, handle, or store an edible cannabis product or lower-potency hemp edible, other than an edible cannabis product or lower-potency hemp edible that has been placed in its final packaging, must first obtain an edible cannabinoid product handler endorsement.

(b) In consultation with the commissioner of agriculture, the office shall establish an edible cannabinoid product handler endorsement.

(c) The office must regulate edible cannabinoid product handlers and assess penalties in the same manner provided for food handlers under chapters 28A, 31, and 34A and associated rules, with the following exceptions:

(1) the office must issue an edible cannabinoid product handler endorsement, rather than a license;

(2) eligibility for an edible cannabinoid product handler endorsement is limited to persons who possess a valid license issued by the office;

(3) the office may not charge a fee for issuing or renewing the endorsement;

(4) the office must align the term and renewal period for edible cannabinoid product handler endorsements with the term and renewal period of the license issued by the office; and

(5) an edible cannabis product or lower-potency hemp edible must not be considered adulterated solely because the product contains tetrahydrocannabinol, cannabis concentrate, hemp concentrate, artificially derived cannabinoids, or any other material extracted or derived from a cannabis plant, cannabis flower, hemp plant, or hemp plant parts.

(d) The edible cannabinoid product handler endorsement must prohibit the manufacture of edible cannabis products at the same premises where food is manufactured, except for the limited production of edible products produced solely for product development, sampling, or testing. This limitation does not apply to the manufacture of lower-potency hemp edibles.

Sec. 8. **[342.08] ESTABLISHMENT OF ENVIRONMENTAL STANDARDS.**

Subdivision 1. **Water standards.** In consultation with the commissioner of the Pollution Control Agency, the office by rule must establish appropriate water standards for cannabis businesses.

Subd. 2. **Energy use.** In consultation with the commissioner of commerce, the office by rule must establish appropriate energy standards for cannabis businesses.

Subd. 3. **Solid waste.** In consultation with the commissioner of the Pollution Control Agency, the office by rule must establish appropriate solid waste standards for the disposal of:

(1) cannabis flower and cannabis products;

(2) packaging;

(3) recyclable materials, including minimum requirements for the use of recyclable materials; and

(4) other solid waste.

Subd. 4. **Odor.** The office by rule must establish appropriate standards and requirements to limit odors produced by cannabis businesses.

Subd. 5. **Applicability; federal, state, and local laws.** A cannabis business must comply with all applicable federal, state, and local laws related to the subjects of subdivisions 1 to 4.

Subd. 6. **Rulemaking.** (a) The office may only adopt a rule under this section if the rule is consistent with and at least as stringent as applicable state and federal laws related to the subjects of subdivisions 1 to 4.

(b) The office must coordinate and consult with a department or agency of the state regarding the development and implementation of a rule under this section if the department or agency has expertise or a regulatory interest in the subject matter of the rule.



Sec. 9. **[342.09] PERSONAL ADULT USE OF CANNABIS.**

**Subdivision 1. Personal adult use, possession, and transportation of cannabis flower and cannabinoid products.** (a) An individual 21 years of age or older may:

(1) use, possess, or transport cannabis paraphernalia;

(2) possess or transport two ounces or less of adult-use cannabis flower in a public place;

(3) possess 1.5 pounds or less of adult-use cannabis flower in the individual's private residence;

(4) possess or transport eight grams or less of adult-use cannabis concentrate;

(5) possess or transport edible cannabis products and lower-potency hemp edibles infused with a combined total of 800 milligrams or less of tetrahydrocannabinol;

(6) give for no remuneration two ounces or less of adult-use cannabis flower, eight grams or less of adult-use cannabis concentrate, or edible cannabis products and lower-potency hemp edibles infused with 800 milligrams or less of tetrahydrocannabinol to an individual who is at least 21 years of age; and

(7) use adult-use cannabis flower and adult-use cannabis products in the following locations:

(i) a private residence, including the individual's curtilage or yard;

(ii) on 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

(iii) on the premises of an establishment or event licensed to permit on-site consumption.

(b) Except as provided in paragraph (c), an individual may not:

(1) use, possess, or transport cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products if the individual is under 21 years of age;

(2) use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a motor vehicle as defined in section 169A.03, subdivision 15;

(3) use cannabis flower, cannabis products, or hemp-derived consumer products in a manner that involves the inhalation of smoke, aerosol, or vapor at any location where smoking is prohibited under section 144.414;

(4) use or possess cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a public school, as defined in section 120A.05, subdivisions 9, 11, and 13, or in a charter school governed by chapter 124E, including all facilities, whether owned, rented, or leased, and all vehicles that a school district owns, leases, rents, contracts for, or controls;

(5) use or possess cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a state correctional facility;

(6) operate a motor vehicle while under the influence of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products;

(7) give for no remuneration cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to an individual under 21 years of age; or

(8) give for no remuneration cannabis flower or cannabis products as a sample or promotional gift if the giver is in the business of selling goods or services.

(c) The prohibitions under paragraph (b), clauses (1) to (4), do not apply to use other than by smoking or by a vaporized delivery method, possession, or transportation of medical cannabis flower or medical cannabinoid products by a patient; a registered designated caregiver; or a parent, legal guardian, or spouse of a patient.

(d) A proprietor of a family or group family day care program must disclose to parents or guardians of children cared for on the premises of the family or group family day care program, if the proprietor permits the smoking or use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products on the premises outside of its hours of operation. Disclosure must include posting on the premises a conspicuous written notice and orally informing parents or guardians.

**Subd. 2. Home cultivation of cannabis for personal adult use.** Up to eight cannabis plants, with no more than four being mature, flowering plants may be grown at a single residence, including the curtilage or yard, without a license to cultivate cannabis issued under this chapter provided that cultivation takes place at the primary residence of an individual 21 years of age or older and in an enclosed, locked space that is not open to public view.

**Subd. 3. Home extraction of cannabis concentrate by use of volatile solvent prohibited.** No person may use a volatile solvent to separate or extract cannabis concentrate or hemp concentrate without a cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, medical cannabis processor, or lower-potency hemp edible manufacturer license issued under this chapter.

**Subd. 4. Sale of cannabis flower and products prohibited.** No person may sell cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products without a license issued under this chapter that authorizes the sale.

**Subd. 5. Importation of hemp-derived products.** No person may import lower-potency hemp edibles or hemp-derived consumer products that are manufactured outside the boundaries of the state of Minnesota with the intent to sell the products to consumers within the state or to any other person or business that intends to sell the products to consumers within the state without a license issued under this chapter that authorizes the importation of such products. This subdivision does not apply to products lawfully purchased for personal use.

**Subd. 6. Violations; penalties.** (a) In addition to penalties listed in this subdivision, a person who violates the provisions of this chapter is subject to any applicable criminal penalty.

(b) The office may assess the following civil penalties on a person who sells cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products without a license issued under this chapter that authorizes the sale:

(1) if the person sells up to two ounces of cannabis flower, up to \$3,000 or three times the retail market value of the cannabis flower, whichever is greater;

(2) if the person sells more than two ounces but not more than eight ounces of cannabis flower, up to \$10,000 or three times the retail market value of the cannabis flower, whichever is greater;

(3) if the person sells more than eight ounces but not more than one pound of cannabis flower, up to \$25,000 or three times the retail market value of the cannabis flower, whichever is greater;

(4) if the person sells more than one pound but not more than five pounds of cannabis flower, up to \$50,000 or three times the retail market value of the cannabis flower, whichever is greater;

(5) if the person sells more than five pounds but not more than 25 pounds of cannabis flower, up to \$100,000 or three times the retail market value of the cannabis flower, whichever is greater;

(6) if the person sells more than 25 pounds but not more than 50 pounds of cannabis flower, up to \$250,000 or three times the retail market value of the cannabis flower, whichever is greater; and

(7) if the person sells more than 50 pounds of cannabis flower, up to \$1,000,000 or three times the retail market value of the cannabis flower, whichever is greater.

(c) The office may assess the following civil penalties on a person who sells cannabis concentrate without a license issued under this chapter that authorizes the sale:

(1) if the person sells up to eight grams of cannabis concentrate, up to \$3,000 or three times the retail market value of the cannabis concentrate, whichever is greater;

(2) if the person sells more than eight grams but not more than 40 grams of cannabis concentrate, up to \$10,000 or three times the retail market value of the cannabis concentrate, whichever is greater;

(3) if the person sells more than 40 grams but not more than 80 grams of cannabis concentrate, up to \$25,000 or three times the retail market value of the cannabis concentrate, whichever is greater;

(4) if the person sells more than 80 grams but not more than 400 grams of cannabis concentrate, up to \$50,000 or three times the retail market value of the cannabis concentrate, whichever is greater;

(5) if the person sells more than 400 grams but not more than two kilograms of cannabis concentrate, up to \$100,000 or three times the retail market value of the cannabis concentrate, whichever is greater;

(6) if the person sells more than two kilograms but not more than four kilograms of cannabis concentrate, up to \$250,000 or three times the retail market value of the cannabis concentrate, whichever is greater; and

(7) if the person sells more than four kilograms of cannabis concentrate, up to \$1,000,000 or three times the retail market value of the cannabis concentrate, whichever is greater.

(d) The office may assess the following civil penalties on a person who imports or sells products infused with tetrahydrocannabinol without a license issued under this chapter that authorizes the importation or sale:

(1) if the person imports or sells products infused with up to 800 milligrams of tetrahydrocannabinol, up to \$3,000 or three times the retail market value of the infused product, whichever is greater;

(2) if the person imports or sells products infused with a total of more than 800 milligrams but not more than four grams of tetrahydrocannabinol, up to \$10,000 or three times the retail market value of the infused product, whichever is greater;

(3) if the person imports or sells products infused with a total of more than four grams but not more than eight grams of tetrahydrocannabinol, up to \$25,000 or three times the retail market value of the infused product, whichever is greater;

(4) if the person imports or sells products infused with a total of more than eight grams but not more than 40 grams of tetrahydrocannabinol, up to \$50,000 or three times the retail market value of the infused product, whichever is greater;

(5) if the person imports or sells products infused with a total of more than 40 grams but not more than 200 grams of tetrahydrocannabinol, up to \$100,000 or three times the retail market value of the infused product, whichever is greater;

(6) if the person imports or sells products infused with a total of more than 200 grams but not more than 400 grams of tetrahydrocannabinol, up to \$250,000 or three times the retail market value of the infused product, whichever is greater; and

(7) if the person imports or sells products infused with a total of more than 400 grams of tetrahydrocannabinol, up to \$1,000,000 or three times the retail market value of the infused product, whichever is greater.

(e) The office may assess a civil penalty of up to \$500 for each plant grown in excess of the limit on a person who grows more than eight cannabis plants or more than four mature, flowering plants, without a license to cultivate cannabis issued under this chapter.

Sec. 10. **[342.10] LICENSES; TYPES.**

The office shall issue the following types of license:

(1) cannabis microbusiness;

(2) cannabis mezzobusiness;

(3) cannabis cultivator;

(4) cannabis manufacturer;

(5) cannabis retailer;

(6) cannabis wholesaler;

(7) cannabis transporter;

(8) cannabis testing facility;

(9) cannabis event organizer;

(10) cannabis delivery service;

(11) lower-potency hemp edible manufacturer;

(12) lower-potency hemp edible retailer;

(13) medical cannabis cultivator;

(14) medical cannabis processor; or

(15) medical cannabis retailer.

Sec. 11. **[342.11] LICENSES; FEES.**

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

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

(1) for a cannabis microbusiness:

(i) an application fee of \$500;

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

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

(2) for a cannabis mezzobusiness:

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

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

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

(3) for a cannabis cultivator:

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

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

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

(4) for a cannabis manufacturer:

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

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

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

(5) for a cannabis retailer:

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

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

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

(6) for a cannabis wholesaler:

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

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

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

(7) for a cannabis transporter:

(i) an application fee of \$250;

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

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

(8) for a cannabis testing facility:

(i) an application fee of \$250;

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

(iii) a renewal license fee of \$0;

(9) for a cannabis delivery service:

(i) an application fee of \$250;

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

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

(10) for a cannabis event organizer:

(i) an application fee of \$750; and

(ii) an initial license fee of \$750;

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

(i) an application fee of \$250;

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

(iii) a renewal license fee of \$500;

(12) for a lower-potency hemp retailer:

(i) an application fee of \$250;

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

(iii) a renewal license fee of \$500;

(13) for a medical cannabis cultivator:

(i) an application fee of \$250;

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

(iii) a renewal license fee of \$0;

(14) for a medical cannabis processor:

(i) an application fee of \$250;

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

(iii) a renewal license fee of \$0; and

(15) for a medical cannabis retailer:

(i) an application fee of \$250;

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

(iii) a renewal license fee of \$0.

Sec. 12. **[342.12] LICENSES; TRANSFERS; ADJUSTMENTS.**

(a) Licenses issued under this chapter may not be transferred. A new license must be obtained when:

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

(2) the licensee dissolves, consolidates, or merges with another legal organization;

(3) within the previous 24 months, 50 percent or more of the licensee is transferred by a single transaction or multiple transactions to:

(i) another person or legal organization; or

(ii) a person or legal organization who had less than a five percent ownership interest in the licensee at the time of the first transaction; or

(4) any other event or combination of events that results in a substitution, elimination, or withdrawal of the licensee's responsibility for the operation of the licensee.

(b) Licenses must be renewed annually.

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

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

Sec. 13. **[342.13] LOCAL CONTROL.**

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

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

(c) A local unit of government may adopt reasonable restrictions on the time, place, and manner of the operation of a cannabis business or hemp business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses or hemp businesses. A local unit of government may prohibit the operation of a cannabis business within 1,000 feet of a school, day care, the Capitol or Capitol grounds, or a public park that includes a playground, athletic field, or other attraction regularly used by minors.

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

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

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

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

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

(f) Within 30 days of receiving a copy of an application from the office, a local unit of government shall certify on a form provided by the office whether a proposed cannabis business or hemp business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

(g) Upon receipt of an application for a license issued under this chapter, the office shall contact the local unit of government in which the business would be located and provide the local unit of government with 30 days in which to provide input on the application. The local unit of government may provide the office with any additional information it believes is relevant to the office's decision on whether to issue a license, including but not limited to identifying concerns about the proposed location of a cannabis business or hemp business, or sharing public information about an applicant.

(h) The office by rule shall establish an expedited complaint process to receive, review, and respond to complaints made by a local unit of government about a cannabis business or hemp business. Complaints may include alleged violations of local ordinances or other alleged violations. At a minimum, the expedited complaint process shall require the office to provide an initial response to the complaint within seven days and perform any necessary inspections within 30 days. Nothing in this paragraphs prohibits a local unit of government from enforcing a local ordinance. If a local unit of government notifies the office that a cannabis business or hemp business other than a cannabis retailer, cannabis microbusiness with a retail operations endorsement, cannabis mezzobusiness, lower-potency hemp edible retailer, or medical cannabis retailer poses an immediate threat to the health or safety of the public, the office must respond within 24 hours and may take any action described in section 342.19 or 342.21.



Sec. 14. **[342.14] CANNABIS LICENSE APPLICATION AND RENEWAL.**

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

- (1) the name, address, and date of birth of the applicant;
- (2) the disclosure of ownership and control required under paragraph (b);
- (3) the disclosure of whether the applicant or, if the applicant is a business, any officer, director, manager, and general partner of the business has ever filed for bankruptcy;
- (4) the address and legal property description of the business;
- (5) documentation showing legal possession of the premises where the business will operate;
- (6) a diagram of the premises, including a security drawing;
- (7) a copy of the security plan;
- (8) proof of trade name registration;
- (9) a copy of the applicant's business plan showing the expected size of the business; anticipated growth; the methods of record keeping; the knowledge and experience of the applicant and any officer, director, manager, and general partner of the business; the environmental plan; and other relevant financial and operational components;
- (10) an attestation signed by a bona fide labor organization stating that the applicant has entered into a labor peace agreement;
- (11) certification that the applicant will comply with the requirements of this chapter relating to the ownership and operation of a cannabis business;
- (12) identification of one or more controlling persons or managerial employees as agents who shall be responsible for dealing with the office on all matters; and
- (13) a statement that the applicant agrees to respond to the office's supplemental requests for information.

(b) An applicant must file and update as necessary a disclosure of ownership and control. The office by rule shall establish the contents and form of the disclosure. Except as provided in paragraph (f), the disclosure shall, at a minimum, include the following:

- (1) the management structure, ownership, and control of the applicant or license holder, including the name of each cooperative member, officer, director, manager, general partner or business entity; the office or position held by each person; each person's percentage ownership interest, if any; and, if the business has a parent company, the name of each owner, board member, and officer of the parent company and the owner's, board member's, or officer's percentage ownership interest in the parent company and the cannabis business;
- (2) a statement from the applicant and, if the applicant is a business, from every officer, director, manager, and general partner of the business, indicating whether that person has previously held, or currently holds, an ownership interest in a cannabis business in Minnesota, any other state or territory of the United States, or any other country;

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

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

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

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

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

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

(c) An application may include:

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

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

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

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

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

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

**Subd. 2. Application; process.** (a) An applicant must submit all required information to the office on the forms and in the manner prescribed by the office.

(b) If the office receives an application that fails to provide the required information, the office shall issue a deficiency notice to the applicant. The applicant shall have ten business days from the date of the deficiency notice to submit the required information.

(c) Failure by an applicant to submit all required information will result in the application being rejected.

(d) Upon receipt of a completed application and fee, the office shall forward a copy of the application to the local unit of government in which the business operates or intends to operate with a form for certification as to whether a proposed cannabis business or hemp business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

(e) Within 90 days of receiving a completed application and the results of any required criminal history check, the office shall issue the appropriate license or send the applicant a notice of rejection setting forth specific reasons that the office did not approve the application.

Sec. 15. **[342.15] ADULT-USE CANNABIS BUSINESS; CRIMINAL HISTORY CHECK AND DISQUALIFICATIONS.**

**Subdivision 1. Criminal history check.** (a) Upon request by the office, every applicant for a cannabis business license and prospective cannabis worker must submit a completed criminal history records check consent form, a full set of classifiable fingerprints, and the required fees to the office. Upon receipt of this information, the office must submit the completed criminal history records check consent form, full set of classifiable fingerprints, and required fees to the Bureau of Criminal Apprehension. After receiving this information, the bureau must conduct a Minnesota criminal history records check of the license applicant or prospective cannabis worker. The bureau may exchange a license applicant's or prospective cannabis worker's fingerprints with the Federal Bureau of Investigation to obtain the license applicant's or prospective cannabis worker's national criminal history record information. The bureau must return the results of the Minnesota and federal criminal history records checks to the director to determine if the license applicant or prospective cannabis worker is disqualified under rules adopted pursuant to this section.

(b) The office may, by rule, establish exceptions to the requirement under paragraph (a) for members of a cooperative who hold less than a five percent ownership interest in the cooperative.

**Subd. 2. Criminal offenses; disqualifications.** The office may by rule determine whether any felony convictions shall disqualify a person from holding or receiving a cannabis business license issued under this chapter or working for a cannabis business, and the length of any such disqualification. In adopting rules pursuant to this subdivision, the office shall not disqualify a person for a violation of section 152.025.

**Subd. 3. Risk of harm; set aside.** The office may set aside a disqualification under subdivision 2 if the office finds that the person has submitted sufficient information to demonstrate that the person does not pose a risk of harm to any person served by the applicant, license holder, or other entities as provided in this chapter.

**Subd. 4. Exception.** The background check requirements and disqualifications under this section do not apply to an applicant for a hemp business license or to hemp workers.

Sec. 16. **[342.16] CANNABIS BUSINESSES; GENERAL OWNERSHIP DISQUALIFICATIONS AND REQUIREMENTS.**

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

(1) be at least 21 years of age;

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

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

(4) reside in the state;

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

(6) if the applicant or license holder is a business entity, at least 75 percent of the business must be owned by Minnesota residents;

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

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

(9) never have had a license previously issued under this chapter revoked;

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

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

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

(13) not be disqualified under section 342.15;

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

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

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

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

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

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

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

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

Sec. 17. **[342.17] SOCIAL EQUITY APPLICANTS.**

An individual qualifies as a social equity applicant if the individual is:

(1) convicted of a cannabis-related offense prior to the effective date of this chapter, or had a parent, guardian, child, spouse, or dependent, or was a dependent of an individual who, prior to the effective date of this chapter, was convicted of a cannabis-related offense;

(2) a service-disabled veteran and national guard as well as any military veteran or national guard who lost honorable status due to a cannabis-related offense;

(3) a resident for the last five years of one or more communities disproportionately impacted by cannabis enforcement as determined by the study conducted by the office pursuant to section 342.04, paragraph (b), and reported in the preliminary report, final report, or both;

(4) socially disadvantaged farmers or ranchers as defined by United States Code, title 7, section 2003(e)(2); or

(5) a resident for the last five years of one or more census tracts where, as reported in the most recently completed decennial census published by the United States Bureau of the Census, either:

(i) the poverty rate was 20 percent or more; or

(ii) the median family income did not exceed 80 percent of 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.

Sec. 18. **[342.18] LICENSE SELECTION CRITERIA.**

Subdivision 1. **Market stability.** The office shall issue the necessary number of licenses in order to ensure the sufficient supply of cannabis flower and cannabis products to meet demand, provide market stability, ensure a competitive market, and limit the sale of unregulated cannabis flower and cannabis products.

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

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

Subd. 3. **Application score; license priority.** (a) The office shall award points to each completed application for a license to operate a cannabis business in the following categories:

(1) status as a social equity applicant or as an applicant who is substantially similar to a social equity applicant as described in paragraph (c);

(2) status as a veteran or retired national guard applicant who does not meet the definition of social equity applicant;

(3) security and record keeping;

(4) employee training plan;

(5) business plan and financial situation;

(6) labor and employment practices;

(7) knowledge and experience; and

(8) environmental plan.

(b) The office may award additional points to an application if the license holder would expand service to an underrepresented market including but not limited to participation in the medical cannabis program.

(c) The office shall establish application materials permitting individual applicants to demonstrate the impact that cannabis prohibition has had on that applicant including but not limited to the arrest or imprisonment of the applicant or a member of the applicant's immediate family, and the office may award points to such applicants in the same manner as points are awarded to social equity applicants.

(d) The office shall establish policies and guidelines, which shall be made available to the public, regarding the number of points available in each category and the basis for awarding those points. Status as a social equity applicant must account for at least 20 percent of the total available points. In determining the number of points to award to a cooperative or business applying as a social equity applicant, the office shall consider the number or ownership percentage of cooperative members, officers, directors, managers, and general partners who qualify as social equity applicants.

(e) Consistent with the goals identified in subdivision 1, the office shall issue licenses in each license category, giving priority to applicants who receive the highest score under paragraphs (a) and (b). If there are insufficient licenses available for entities that receive identical scores, the office shall utilize a lottery to randomly select license recipients from among those entities.

Sec. 19. **[342.19] INSPECTION; LICENSE VIOLATIONS; PENALTIES.**

Subdivision 1. **Authority to inspect.** (a) In order to carry out the purposes of this chapter, the office, upon presenting appropriate credentials to the owner, operator, or agent in charge, is authorized to:

(1) enter any cannabis business or hemp business without delay and at reasonable times;

(2) inspect and investigate during regular working hours and at other reasonable times, within reasonable limits and in a reasonable manner, any cannabis business or hemp business and all relevant conditions, equipment, records, and materials therein; and

(3) question privately any employer, owner, operator, agent, or employee of a cannabis business or hemp business.

(b) An employer, owner, operator, agent, or employee must not refuse the office entry or otherwise deter or prohibit the office from taking action under paragraph (a).

Subd. 2. **Powers of office.** (a) In making inspections and investigations under this chapter, the office shall have the power to administer oaths, certify as to official acts, take and cause to be taken depositions of witnesses, issue subpoenas, and compel the attendance of witnesses and production of papers, books, documents, records, and testimony. In case of failure of any person to comply with any subpoena lawfully issued, or on the refusal of any witness to produce evidence or to testify to any matter regarding which the person may be lawfully interrogated, the district court shall, upon application of the office, compel obedience proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued by the court or a refusal to testify therein.

(b) If the office finds probable cause to believe that any cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product is being distributed in violation of this chapter or rules adopted under this chapter, the office shall affix to the item a tag, withdrawal from distribution order, or other appropriate marking providing notice that the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product is, or is suspected of being, distributed in violation of this chapter, and has been detained or embargoed, and warning all persons not to remove or dispose of the item by sale or otherwise until permission for removal or disposal is given by the office or the court. It is unlawful for a person to remove or dispose of detained or embargoed cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product by sale or otherwise without the office's or a court's permission and each transaction is a separate violation of this section.

(c) If any cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product has been found by the office to be in violation of this chapter, the office shall petition the district court in the county in which the item is detained or embargoed for an order and decree for the condemnation of the item. The office shall release the cannabis plant, cannabis flower, cannabis

product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product when this chapter and rules adopted under this chapter have been complied with or the item is found not to be in violation of this chapter or rules adopted under this chapter.

(d) If the court finds that detained or embargoed cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product is in violation of this chapter or rules adopted under this chapter, the following remedies are available:

(1) after entering a decree, the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product may be destroyed at the expense of the claimant under the supervision of the office, and all court costs, fees, storage, and other proper expenses must be assessed against the claimant of the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product or the claimant's agent; and

(2) if the violation can be corrected by proper labeling or processing of the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product, the court, after entry of the decree and after costs, fees, and expenses have been paid, and a good and sufficient bond conditioned that the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product must be properly labeled or processed has been executed, may by order direct that the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product be delivered to the claimant for proper labeling or processing under the supervision of the office. The office's supervision expenses must be paid by the claimant. The cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product must be returned to the claimant and the bond must be discharged on representation to the court by the office that the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product is no longer in violation and that the office's supervision expenses have been paid.

(e) If the office finds in any room, building, piece of equipment, vehicle of transportation, or other structure any cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product that is unsound or contains any filthy, decomposed, or putrid substance, or that may be poisonous or deleterious to health or otherwise unsafe, the office shall condemn or destroy the item or in any other manner render the item as unsalable, and no one has any cause of action against the office on account of the office's action.

(f) The office may enter into an agreement with the commissioner of agriculture to analyze and examine samples or other articles furnished by the office for the purpose of determining whether the sample or article violates this chapter or rules adopted under this chapter. A copy of the examination or analysis report for any such article, duly authenticated under oath by the laboratory analyst making the determination or examination, shall be prima facie evidence in all courts of the matters and facts contained in the report.

**Subd. 3. Aiding of inspection.** Subject to rules issued by the office, a representative of a cannabis business or hemp business shall be given an opportunity to accompany the office during the physical inspection of any cannabis business or hemp business for the purpose of aiding such inspection.

**Subd. 4. Complaints and reports; priority of inspection.** (a) The office may conduct inspections of any licensed cannabis business or hemp business at any time to ensure compliance with the ownership and operation requirements of this chapter.

(b) Any person may report a suspected violation of a safety or health standard. If upon receipt of such notification the office determines that there are reasonable grounds to believe that such violation or danger exists, the office shall make a special inspection as soon as practicable to determine if such danger or violation exists.

(c) The office shall prioritize inspections of cannabis businesses and hemp businesses where there are reasonable grounds to believe that a violation poses imminent danger to the public or customers. Inspections must take place within 24 hours of the receipt of a credible report.

(d) The office shall promptly inspect cannabis businesses and hemp businesses that are the subject of complaint by a local unit of government.

**Subd. 5. Violations; administrative orders and penalties.** (a) The office may issue an administrative order to any licensed cannabis business or hemp business that the office determines has committed a violation of this chapter or rules adopted pursuant to this chapter. The administrative order may require the business to correct the violation or to cease and desist from committing the violation. The order must state the deficiencies that constitute the violation and the time by which the violation must be corrected. If the business believes that the information in the administrative order is in error, the business may ask the office to consider the parts of the order that are alleged to be in error. The request must be in writing, delivered to the office by certified mail within seven days after receipt of the order, and provide documentation to support the allegation of error. The office must respond to a request for reconsideration within 15 days after receiving the request. A request for reconsideration does not stay the correction order unless the office issues a supplemental order granting additional time. The office's disposition of a request for reconsideration is final.

(b) For each violation of this chapter or rules adopted pursuant to this chapter, the office may issue to each cannabis business or hemp business a monetary penalty of up to \$10,000, an amount that deprives the business of any economic advantage gained by the violation, or both.

(c) An administrative penalty may be recovered in a civil action in the name of the state brought in the district court of the county where the violation is alleged to have occurred or the district court where the office is housed.

(d) In addition to penalties listed in this subdivision, a person or business who violates the provisions of this chapter is subject to any applicable criminal penalty.

Sec. 20. **[342.20] DATA PRACTICES.**

Subdivision 1. **Not public data.** The following data collected, created, or maintained by the office are classified as nonpublic data, as defined by section 13.02, subdivision 9, or as private data on individuals, as defined by section 13.02, subdivision 12:

(1) application data submitted by an applicant for a cannabis business license or hemp business license, other than the data listed in subdivision 2;

(2) the identity of a complainant who has made a report concerning a license holder or applicant that appears in inactive complaint data unless the complainant consents to the disclosure;

(3) the nature or content of unsubstantiated complaints when the information is not maintained in anticipation of legal action;

(4) the record of any disciplinary proceeding except as limited by subdivision 9;

(5) data identifying retail or wholesale customers of a cannabis business or hemp business; and

(6) data identifying cannabis workers or hemp workers.



**Subd. 2. Public data on license applicants.** (a) The following application data submitted by an applicant for a cannabis business license or hemp business license are public data:

- (1) the applicant's name and designated address;
- (2) data disclosing the ownership and control of the applicant;
- (3) proof of trade name registration;
- (4) data showing the legal possession of the premises where the business will operate;
- (5) data describing whether volatile chemicals will be used in any methods of extraction or concentration;
- (6) environmental plans;
- (7) the type and number of other cannabis business licenses or hemp business licenses held by the applicant; and
- (8) the name, address, location, dates, and hours of where any proposed cannabis event will take place.

(b) Scoring and other data generated by the office in its review of an applicant for a cannabis business license or hemp business license are public data.

**Subd. 3. Public application data on license holders.** Once an applicant for a cannabis business license or hemp business license becomes a license holder, all of the application data that the license holder had previously submitted to the office are public data except that the following data remain classified as nonpublic data or private data on individuals:

- (1) data identifying retail or wholesale customers of a cannabis business or hemp business;
- (2) data identifying cannabis workers or hemp workers;
- (3) tax returns, bank account statements, and other financial account information;
- (4) business plans; and
- (5) security information and trade secret information, as defined by section 13.37.

**Subd. 4. Public disciplinary data.** Minutes, orders for hearings, findings of fact, conclusions of law, and specification of the final disciplinary action contained in the record of the disciplinary action are classified as public data. If there is a public hearing concerning the disciplinary action, the entire record concerning the disciplinary action is public data. If the license holder and the office agree to resolve a complaint without a hearing, the agreement and the specific reasons for the agreement are public data.

**Subd. 5. Data practices administration.** (a) The office must establish written procedures to ensure that only individuals authorized by law may enter, update, or access data maintained by the office and classified as nonpublic or private data on individuals. An authorized individual's ability to enter, update, or access not public data must correspond to the official duties or training level of the individual and to the statutory authorization granting access for that purpose. All queries and responses, and all actions in which not public data are entered, updated, accessed, shared, or disseminated, must be recorded in a data audit trail. Data contained in the audit trail have the same classification as the underlying data tracked by the audit trail.

(b) The office must not share data classified as nonpublic or private data on individuals under this section or other data identifying an individual applicant or license holder with any federal agency, federal department, or federal entity unless specifically ordered to do so by a state or federal court.

(c) The office must arrange for an independent audit to verify compliance with this section. The audit must be completed annually for the first two years following establishment of the office and biennially thereafter. The results of the audit are public. No later than 30 days following completion of the audit, the office must provide a report summarizing the audit results to the chairs and ranking minority members of the committees and divisions of the house of representatives and the senate with jurisdiction over commerce and data practices, and the Legislative Commission on Data Practices and Personal Data Privacy. The report must be submitted as required under section 3.195, except that printed copies are not required.

Sec. 21. **[342.21] LICENSE SUSPENSION OR REVOCATION; HEARING.**

Subdivision 1. **License revocation and nonrenewal.** The office may revoke or not renew a license when the office has cause to believe that a cannabis business or hemp business has violated an ownership or operational requirement in this chapter or rules adopted pursuant to this chapter. The office must notify the license holder in writing, specifying the grounds for revocation or nonrenewal and fixing a time of at least 20 days thereafter for a hearing on the matter.

Subd. 2. **Hearing; written findings.** (a) Before the office revokes or does not renew a license, the office must provide the license holder with a statement of the complaints made against the license holder, and the office must hold a hearing to determine whether the office should revoke the license or deny renewal of the license. The license holder shall receive notice at least 20 days before the date of the hearing and notice may be served either by certified mail addressed to the address of the license holder as shown in the license application or in the manner provided by law for the service of a summons. At the time and place fixed for the hearing, the office, or any office employee or agent authorized by the office to conduct the hearing, shall receive evidence, administer oaths, and examine witnesses.

(b) After the hearing held pursuant to paragraph (a), or upon the failure of the license holder to appear at the hearing, the office must take action as is deemed advisable and issue written findings that the office must mail to the license holder. An action of the office under this paragraph is subject to judicial review pursuant to chapter 14.

Subd. 3. **Temporary suspension.** The office may temporarily, without hearing, suspend the license and operating privilege of any business licensed under this chapter for up to 90 days if continuing the operation of the business would threaten the health or safety of any person. The office may extend the period for an additional 90 days if the office notified the business that the office intends to revoke or not renew a license and the hearing required under subdivision 2 has not taken place.

Sec. 22. **[342.22] RETAILERS; LOCAL REGISTRATION AND ENFORCEMENT.**

Subdivision 1. **Registration required.** Before making retail sales to customers or patients, a cannabis microbusiness with a retail operations endorsement, cannabis mezzobusiness with a retail operations endorsement, cannabis retailer, medical cannabis retailer, or lower-potency hemp edible retailer must register with the local unit of government in which the retail establishment is located.

Subd. 2. **Registration fee.** (a) A local unit of government may impose an initial retail registration fee of up to half the amount of the applicable initial license fee under section 342.11. The local unit of government may also impose a renewal retail registration fee of up to half the amount of the applicable renewal license fee under section 342.11. The initial license fee shall include the fee for initial registration and the first annual renewal. Any renewal fee imposed by the local unit of government shall be charged at the time of the second renewal and each subsequent annual renewal thereafter.

(b) The local unit of government may not charge an application fee.

(c) A cannabis business with a cannabis retailer license and a medical cannabis retailer license for the same location may only be charged a single registration fee.

(d) Registration fees are nonrefundable.

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

(1) has a valid license issued by the office;

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

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

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

(b) Before issuing a retail registration, the local unit of government may conduct a preliminary compliance check to ensure that the cannabis business or hemp business is in compliance with the applicable operation requirements and the limits on the types of cannabis flower, cannabinoid products, and hemp-derived consumer products that may be sold.

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

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

Subd. 4. **Compliance checks.** (a) A local unit of government shall conduct compliance checks of every cannabis business and hemp business with a retail registration issued by the local unit of government. The checks shall assess compliance with age verification requirements; the applicable operation requirements; and the applicable limits on the types of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products being sold.

(b) The local unit of government must conduct unannounced age verification compliance checks at least once each calendar year. Age verification compliance checks must involve persons at least 17 years of age, but under the age of 21, who, with the prior written consent of a parent or guardian if the person is under the age of 18, attempt to purchase cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a law enforcement officer or an employee of the local unit of government.

(c) Checks to ensure compliance with the applicable operation requirements and the limits on the types of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products that may be sold must be performed at least once each calendar year and may be performed by a law enforcement officer or an employee of the local unit of government.

Subd. 5. **Registration suspension and cancellation; notice to office; penalties.** (a) If a local unit of government determines that a cannabis business or hemp business with a retail registration issued by the local unit of government is not operating in compliance with the requirements of this chapter or that the operation of the business poses an immediate threat to the health or safety of the public, the local unit of government may suspend the retail registration of the cannabis business or hemp business. The local unit of government must immediately notify the office of the suspension and shall include a description of the grounds for the suspension.

(b) The office shall review the retail registration suspension and may order reinstatement of the retail registration or take any action described in section 342.19 or 342.21.

(c) The retail registration suspension must be for up to 30 days unless the office suspends the license and operating privilege of the cannabis business or hemp business for a longer period or revokes the license.

(d) The local unit of government may reinstate the retail registration if the local unit of government determines that any violation has been cured. The local unit of government must reinstate the retail registration if the office orders reinstatement.

(e) No cannabis microbusiness with a retail operations endorsement, cannabis mezzobusiness with a retail operations endorsement, cannabis retailer, medical cannabis retailer, or lower-potency hemp edible retailer may make any sale to a customer or patient without a valid retail registration. A local unit of government may impose a civil penalty of up to \$2,000 for each violation of this paragraph.

Sec. 23. **[342.23] CANNABIS BUSINESSES AND HEMP BUSINESSES; GENERAL OPERATIONAL REQUIREMENTS.**

Subdivision 1. **Records.** (a) Cannabis businesses and hemp businesses must retain financial records for the current and previous tax years at the primary business location and must make those records available for inspection by the office at any time during regular business hours.

(b) When applicable, a cannabis business or hemp business must maintain financial records for the previous ten tax years and must make those records available for inspection within one business day of receiving a request for inspection by the office.

(c) The office may require a cannabis business or hemp business to submit to an audit of its business records. The office may select or approve the auditor and the cannabis business or hemp business must provide the auditor with access to all business records. The cost of the audit must be paid by the cannabis business or hemp business.

Subd. 2. **Disposal; loss documentation.** (a) Cannabis businesses and hemp businesses must dispose of cannabis plants, cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products that are damaged, have a broken seal, have been contaminated, or have not been sold by the expiration date on the label.

(b) Disposal must be conducted in a manner approved by the office.

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

(d) Loss or theft of any cannabis plants, cannabis flower, cannabis products, artificially derived cannabinoids, or hemp-derived consumer products that are required to be entered into the statewide monitoring system must be reported to local law enforcement and a business must log any such loss or theft in the statewide monitoring system as soon as the loss or theft is discovered.

Subd. 3. **Sale of approved products.** Cannabis businesses and hemp businesses may only sell cannabis plants, cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products that are a type approved by the office and that comply with this chapter and rules adopted pursuant to this chapter regarding the testing, packaging, and labeling of cannabis plants, cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products.

Subd. 4. **Financial relationship.** (a) Except for the lawful sale of cannabis plants, cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products in the ordinary course of business and as otherwise provided in this subdivision, no cannabis business or hemp business may offer, give, accept, receive, or borrow money or anything else of value or accept or receive credit from any other cannabis business. This prohibition applies to offering or receiving a benefit in exchange for preferential placement by a retailer, including preferential placement on the retailer's shelves, display cases, or website. This prohibition applies to every cooperative member or every director, manager, and general partner of a cannabis business or hemp business.

(b) This prohibition does not apply to merchandising credit in the ordinary course of business for a period not to exceed 30 days.

(c) This prohibition does not apply to free samples of usable cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products packaged in a sample jar protected by a plastic or metal mesh screen to allow customers to smell the cannabis flower, cannabis product, lower-potency hemp edible, or hemp-derived consumer product before purchase. A sample jar may not contain more than eight grams of usable cannabis flower, more than eight grams of a cannabis concentrate, an edible cannabis product infused with more than 100 milligrams of tetrahydrocannabinol, a lower-potency hemp edible infused with more than 50 milligrams of tetrahydrocannabinol, or a hemp-derived consumer product with a total weight of more than eight grams.

(d) This prohibition does not apply to free samples of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products provided to a retailer or cannabis wholesaler for the purposes of quality control and to allow retailers to determine whether to offer a product for sale. A sample provided for these purposes may not contain more than eight grams of usable cannabis flower, more than eight grams of a cannabis concentrate, an edible cannabis product infused with more than 100 milligrams of tetrahydrocannabinol, a lower-potency hemp edible infused with more than 50 milligrams of tetrahydrocannabinol, or a hemp-derived consumer product with a total weight of more than eight grams.

(e) This prohibition does not apply to any fee charged by a licensed cannabis event organizer to a cannabis business or hemp business for participation in a cannabis event.

Subd. 5. **Customer privacy.** Cannabis businesses and hemp businesses must not share data on retail or wholesale customers with any federal agency, federal department, or federal entity unless specifically ordered by a state or federal court.

#### Sec. 24. [342.24] CANNABIS BUSINESSES; GENERAL OPERATIONAL REQUIREMENTS.

Subdivision 1. **Individuals under 21 years of age.** (a) A cannabis business may not employ an individual under 21 years of age and may not contract with an individual under 21 years of age if the individual's scope of work involves the handling of cannabis plants, cannabis flower, artificially derived cannabinoids, or cannabinoid products.

(b) A cannabis business may not permit an individual under 21 years of age to enter the business premises other than entry by a patient enrolled in the registry program.

(c) A cannabis business may not sell or give cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to an individual under 21 years of age unless the individual is a patient; registered designated caregiver; or a parent, legal guardian, or spouse of a patient who is authorized to use, possess, or transport medical cannabis flower or medical cannabinoid products.

Subd. 2. **Use of cannabis flower and products within a licensed cannabis business.** (a) A cannabis business may not permit an individual who is not an employee to consume cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products within its licensed premises unless the business is licensed to permit on-site consumption.

(b) Except as otherwise provided in this subdivision, a cannabis business may not permit an employee to consume cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products within its licensed premises or while the employee is otherwise engaged in activities within the course and scope of employment.

(c) A cannabis business may permit an employee to use medical cannabis flower and medical cannabinoid products if that individual is a patient.

(d) For quality control, employees of a licensed cannabis business may sample cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products. Employees may not interact directly with customers for at least three hours after sampling a product. Employees may not consume more than three samples in a single 24-hour period. All samples must be recorded in the statewide monitoring system.

**Subd. 3. Restricted access.** (a) Except as otherwise provided in this subdivision, a cannabis business may not permit any individual to enter a restricted area unless the cannabis business records the individual's name, time of entry, time of exit, and authorization to enter the restricted area through use of an electronic or manual entry log and the individual:

(1) is a cannabis worker employed by or contracted with the cannabis business;

(2) is an employee of the office or another enforcement agency;

(3) is a contractor of the cannabis business, including but not limited to an electrician, a plumber, an engineer, or an alarm technician, whose scope of work will not involve the handling of cannabis flower, cannabis products, or hemp-derived consumer products and, if the individual is working in an area with immediate access to cannabis flower, cannabis products, or hemp-derived consumer products, the individual is supervised at all times by a cannabis worker employed by or contracted with the cannabis business; or

(4) has explicit authorization from the office to enter a restricted area and, if the individual is in an area with immediate access to cannabis flower, cannabis products, or hemp-derived consumer products, the individual is supervised at all times by a cannabis worker employed by or contracted with the cannabis business.

(b) A cannabis business shall ensure that all areas of entry to restricted areas within its licensed premises are conspicuously marked and cannot be entered without recording the individual's name, time of entry, time of exit, and authorization to enter the restricted area.

**Subd. 4. Ventilation and filtration.** A cannabis business must maintain a ventilation and filtration system sufficient to meet the requirements for odor control established by the office.

**Subd. 5. Use of statewide monitoring system.** (a) A cannabis business must use the statewide monitoring system for integrated cannabis tracking, inventory, and verification to track all cannabis plants, cannabis flower, cannabis products, and hemp-derived consumer products the cannabis business has in its possession to the point of disposal, transfer, or sale.

(b) For the purposes of this subdivision, a cannabis business possesses the cannabis plants and cannabis flower that the business cultivates from seed or immature plant, if applicable, or receives from another cannabis business, and possesses the cannabis products and hemp-derived consumer products that the business manufactures or receives from another cannabis business.

(c) Sale and transfer of cannabis plants, cannabis flower, cannabis products, and hemp-derived consumer products must be recorded in the statewide monitoring system within the time established by rule.

Subd. 6. **Security.** A cannabis business must maintain and follow a security plan to deter and prevent the theft or diversion of cannabis plants, cannabis flower, cannabis products, and hemp-derived consumer products, unauthorized entry into the cannabis business, and the theft of currency.

Subd. 7. **Remuneration.** A cannabis business is prohibited from:

(1) accepting or soliciting any form of remuneration from a health care practitioner who certifies qualifying medical conditions for patients; or

(2) offering any form of remuneration to a health care practitioner who certifies qualifying medical conditions for patients.

Subd. 8. **Exclusions.** The requirements under this section do not apply to hemp businesses.

**Sec. 25. [342.25] CULTIVATION OF CANNABIS; GENERAL REQUIREMENTS.**

Subdivision 1. **Applicability.** Every cannabis business with a license or endorsement authorizing the cultivation of cannabis must comply with the requirements of this section.

Subd. 2. **Cultivation records.** A business licensed or authorized to cultivate cannabis must prepare a cultivation record for each batch of cannabis plants and cannabis flower in the form required by the office and must maintain each record for at least five years. The cultivation record must include the quantity and timing, where applicable, of each pesticide, fertilizer, soil amendment, or plant amendment used to cultivate the batch, as well as any other information required by the office in rule. The cannabis business must present cultivation records to the office, the commissioner of agriculture, or the commissioner of health upon request.

Subd. 3. **Agricultural chemicals and other inputs.** A business licensed or authorized to cultivate cannabis is subject to rules promulgated by the office governing the use of pesticides, fertilizers, soil amendments, plant amendments, and other inputs to cultivate cannabis.

Subd. 4. **Cultivation plan.** A business licensed or authorized to cultivate cannabis must prepare, maintain, and execute an operating plan and a cultivation plan as directed by the office in rule, which must include but is not limited to:

(1) water usage;

(2) recycling;

(3) solid waste disposal; and

(4) a pest management protocol that incorporates integrated pest management principles to control or prevent the introduction of pests to the cultivation site.

Subd. 5. **Pesticides; pollinator protection.** (a) A business licensed or authorized to cultivate cannabis must comply with chapters 18B, 18D, 18E, and any other pesticide laws and rules enforced by the commissioner of agriculture.

(b) A business licensed or authorized to cultivate cannabis must not apply pesticides when pollinators are present or allow pesticides to drift to flowering plants that are attractive to pollinators.

Subd. 6. **Adulteration prohibited.** A business licensed or authorized to cultivate cannabis must not treat or otherwise adulterate cannabis plants or cannabis flower with any substance or compound that has the effect or intent of altering the color, appearance, weight, or smell of the cannabis.

Subd. 7. **Indoor, outdoor cultivation authorized; security.** A business licensed or authorized to cultivate cannabis may cultivate cannabis plants indoors or outdoors, subject to the security, fencing, lighting, and any other requirements imposed by the office in rule.

Subd. 8. **Seed limitation.** The commissioner of agriculture must not issue a genetically engineered agriculturally related organism permit under chapter 18F for cannabis seed or cannabis plants. A cannabis cultivator must not cultivate a cannabis plant that is a genetically engineered organism as defined in section 18F.02, subdivision 5.

Subd. 9. **Exception.** Nothing in this section applies to the cultivation of hemp plants.

Sec. 26. **[342.26] MANUFACTURE OF CANNABIS PRODUCTS; GENERAL REQUIREMENTS.**

Subdivision 1. **Applicability.** Every cannabis business with a license or endorsement authorizing the creation of cannabis concentrate and manufacture of cannabis products and hemp-derived consumer products for public consumption must comply with the requirements of this section.

Subd. 2. **All manufacturer operations.** (a) Cannabis manufacturing must take place in an enclosed, locked facility that is used exclusively for the manufacture of cannabis products, creation of hemp concentrate, creation of artificially derived cannabinoids, creation of lower-potency hemp edibles, or creation of hemp-derived consumer products, except that a business that also holds a cannabis cultivator license may operate in a facility that shares general office space, bathrooms, entryways, and walkways.

(b) Cannabis manufacturing must take place on equipment that is used exclusively for the manufacture of cannabis products, creation of hemp concentrate, creation of artificially derived cannabinoids, creation of lower-potency hemp edibles, or creation of hemp-derived consumer products.

(c) A business licensed or authorized to manufacture cannabis products must comply with all applicable packaging, labeling, and health and safety requirements.

Subd. 3. **Extraction and concentration.** (a) A business licensed or authorized to manufacture cannabis products that creates cannabis concentrate, hemp concentrate, or artificially derived cannabinoids must obtain an endorsement from the office.

(b) A business licensed or authorized to manufacture cannabis products must inform the office of all methods of extraction and concentration that the manufacturer intends to use and identify the volatile chemicals, if any, that will be involved in the creation of cannabis concentrate or hemp concentrate. A cannabis manufacturer may not use a method of extraction and concentration or a volatile chemical without approval by the office.

(c) A business licensed or authorized to manufacture cannabis products must inform the office of all methods of conversion that the manufacturer will use, including any specific catalysts that the manufacturer will employ, to create artificially derived cannabinoids and the molecular nomenclature of all cannabinoids or other chemical compounds that the manufacturer will create. A business licensed or authorized to manufacture cannabis products may not use a method of conversion or a catalyst without approval by the office.

(d) A business licensed or authorized to manufacture cannabis products must obtain a certification from an independent third-party industrial hygienist or professional engineer approving:

(1) all electrical, gas, fire suppression, and exhaust systems; and

(2) the plan for safe storage and disposal of hazardous substances, including but not limited to any volatile chemicals.



(e) A business licensed or authorized to manufacture cannabis products that manufactures cannabis concentrate from cannabis flower received from an unlicensed person who is at least 21 years of age must comply with all health and safety requirements established by the office. At a minimum, the office shall require the manufacturer to:

(1) store the cannabis flower in an area that is segregated from cannabis flower and hemp plant parts received from a licensed cannabis business;

(2) perform the extraction and concentration on equipment that is used exclusively for extraction or concentration of cannabis flower received from unlicensed individuals;

(3) store any cannabis concentrate in an area that is segregated from cannabis concentrate, hemp concentrate, or artificially derived cannabinoids derived or manufactured from cannabis flower or hemp plant parts received from a licensed cannabis business; and

(4) provide any cannabis concentrate only to the person who provided the cannabis flower.

(f) Upon the sale of cannabis concentrate, hemp concentrate, or artificially derived cannabinoids to any person, cooperative, or business, a business licensed or authorized to manufacture cannabis products must provide a statement to the buyer that discloses the method of extraction and concentration or conversion used and any solvents, gases, or catalysts, including but not limited to any volatile chemicals, involved in that method.

**Subd. 4. Production of consumer products.** (a) A business licensed or authorized to manufacture cannabis products that produces edible cannabis products or lower-potency hemp edibles must obtain an edible cannabinoid product handler endorsement from the office.

(b) A business licensed or authorized to manufacture cannabis products must obtain an endorsement from the office to produce:

(1) cannabis products other than edible cannabis products; or

(2) hemp-derived consumer products other than lower-potency hemp edibles.

(c) All areas within the licensed premises of a business licensed or authorized to manufacture cannabis products producing cannabis products, lower-potency hemp edibles, or hemp-derived consumer products must meet the sanitary standards specified in rules adopted by the office.

(d) A business licensed or authorized to manufacture cannabis products may only add chemicals or compounds approved by the office to cannabis concentrate, hemp concentrate, or artificially derived cannabinoids.

(e) Upon the sale of any cannabis product, lower-potency hemp edible, or hemp-derived consumer product to a cannabis business or hemp business, a business licensed or authorized to manufacture cannabis products must provide a statement to the buyer that discloses the product's ingredients, including but not limited to any chemicals or compounds and any major food allergens declared by name.

(f) A business licensed or authorized to manufacture cannabis products shall not add any cannabis flower, cannabis concentrate, artificially derived cannabinoid, hemp plant part, or hemp concentrate to a product where the manufacturer of the product holds a trademark to the product's name, except that a business licensed or authorized to manufacture cannabis products may use a trademarked food product if the manufacturer uses the product as a component or as part of a recipe and where the business licensed or authorized to manufacture cannabis products does not state or advertise to the customer that the final retail cannabis product, lower-potency hemp edible, or hemp-derived consumer product contains a trademarked food product.

Subd. 5. **Exception.** Nothing in this section applies to the operations of a lower-potency hemp edible manufacturer.

Sec. 27. **[342.27] RETAIL SALE OF CANNABIS FLOWER AND PRODUCTS; GENERAL REQUIREMENTS.**

Subdivision 1. **Applicability.** Every cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products must comply with the requirements of this section.

Subd. 2. **Sale of cannabis and cannabinoid products.** (a) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may only sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products to individuals who are at least 21 years of age.

(b) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products that:

(1) are obtained from a business licensed under this chapter; and

(2) meet all applicable packaging and labeling requirements.

(c) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may sell up to two ounces of adult-use cannabis flower or hemp-derived consumer products consisting primarily of hemp plant parts, up to eight grams of adult-use cannabis concentrate or hemp-derived consumer products consisting primarily of hemp concentrate or artificially derived cannabinoids, and edible cannabis products and lower-potency hemp edibles infused with up to 800 milligrams of tetrahydrocannabinol during a single transaction to a customer.

(d) Edible cannabis products and hemp-derived consumer products intended to be eaten or consumed as a beverage may not include more than ten milligrams of tetrahydrocannabinol per serving and a single package may not include more than a total of 100 milligrams of tetrahydrocannabinol. A package may contain multiple servings of ten milligrams of tetrahydrocannabinol provided that each serving is indicated by scoring, wrapping, or other indicators designating the individual serving size.

Subd. 3. **Sale of other products.** (a) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may sell cannabis paraphernalia, including but not limited to childproof packaging containers and other devices designed to ensure the safe storage and monitoring of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products in the home to prevent access by individuals under 21 years of age.

(b) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may sell hemp-derived topical products.

(c) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may sell the following products that do not contain cannabis flower, cannabis concentrate, hemp concentrate, artificially derived cannabinoids, or tetrahydrocannabinol:

(1) drinks that do not contain alcohol and are packaged in sealed containers labeled for retail sale;

(2) books and videos on the cultivation and use of cannabis flower and products that contain cannabinoids;

(3) magazines and other publications published primarily for information and education on cannabis plants, cannabis flower, and products that contain cannabinoids;

(4) multiple-use bags designed to carry purchased items;

(5) clothing marked with the specific name, brand, or identifying logo of the retailer; and

(6) hemp fiber products and products that contain hemp grain.

**Subd. 4. Age verification.** (a) Prior to initiating a sale, an employee of a cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products must verify that the customer is at least 21 years of age.

(b) Proof of age may be established only by one of the following:

(1) a valid driver's license or identification card issued by Minnesota, another state, or a province of Canada, and including the photograph and date of birth of the licensed person;

(2) a valid Tribal identification card as defined in section 171.072, paragraph (b);

(3) a valid passport issued by the United States;

(4) a valid instructional permit issued under section 171.05 to a person of legal age to purchase adult-use cannabis or adult-use cannabinoid products, that includes a photograph and the date of birth of the person issued the permit; or

(5) in the case of a foreign national, by a valid passport.

(c) A retailer may seize a form of identification listed under paragraph (b) if the cannabis retailer has reasonable grounds to believe that the form of identification has been altered or falsified or is being used to violate any law. A retailer that seizes a form of identification as authorized under this paragraph must deliver it to a law enforcement agency within 24 hours of seizing it.

**Subd. 5. Display of cannabis flower and products.** (a) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products must designate a retail area where customers are permitted. The retail area shall include the portion of the premises where samples of cannabis flower and cannabis products available for sale are displayed. All other cannabis flower and cannabis products must be stored in the secure storage area.

(b) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may display one sample of each type of cannabis flower or cannabis product available for sale. Samples of cannabis flower and cannabis products must be stored in a sample jar or display case and be accompanied by a label or notice containing the information required to be affixed to the packaging or container containing cannabis flower and cannabis products sold to customers. A sample may not contain more than eight grams of adult-use cannabis flower or adult-use cannabis concentrate or an edible cannabis product infused with more than 100 milligrams of tetrahydrocannabinol. A cannabis retailer may allow customers to smell the cannabis flower or cannabis product before purchase.

(c) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may not sell cannabis flower or cannabis products used as a sample for display. If the retailer uses display samples of lower-potency hemp edibles or hemp-derived consumer products, the retailer may not sell the product used as a sample for display.

Subd. 6. **Posting of notices.** A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products must post all notices as required by the office, including but not limited to:

(1) information about any product recall;

(2) a statement that operating a motor vehicle under the influence of intoxicating cannabinoids is illegal; and

(3) a statement that cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products are only intended for consumption by individuals who are at least 21 years of age.

Subd. 7. **Hours of operation.** (a) Except as provided by paragraph (b), a cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may not sell cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products between 2:00 a.m. and 8:00 a.m. on the days of Monday through Saturday nor between 2:00 a.m. and 10:00 a.m. on Sunday.

(b) A city or county may adopt an ordinance to prohibit sales for any period between 9:00 p.m. and 2:00 a.m. the following day or between 8:00 a.m. and 10:00 a.m. on the days of Monday through Saturday.

(c) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may not be open to the public or sell any other products at times when the cannabis business is prohibited from selling cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products.

Subd. 8. **Building conditions.** (a) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products shall maintain compliance with state and local building, fire, and zoning requirements or regulations.

(b) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products shall ensure that the licensed premises is maintained in a clean and sanitary condition, free from infestation by insects, rodents, or other pests.

Subd. 9. **Security.** A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products shall maintain compliance with security requirements established by the office, including but not limited to requirements for maintaining video surveillance records, using specific locking mechanisms, establishing secure entries, and the number of employees working at all times.

Subd. 10. **Lighting.** A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products must keep all lighting outside and inside the dispensary in good working order and sufficient wattage for security cameras.

Subd. 11. **Deliveries.** A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may only accept deliveries of cannabis flower, cannabis products, and hemp-derived consumer products in a limited access area. Deliveries may not be accepted through the public access areas unless otherwise approved by the office.

Subd. 12. **Prohibitions.** A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products shall not:

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

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

(3) give away immature cannabis plants or seedlings, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products;

(4) operate a drive-through window;

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

(6) sell cannabis plants, cannabis flower, or cannabis products if the cannabis retailer knows that any required security or statewide monitoring systems are not operational.

**Subd. 13. Adult-use and medical cannabis; colocation.** (a) A cannabis business with a license or endorsement authorizing the retail sale of adult-use cannabis flower or adult-use cannabis products that is also a licensed medical cannabis retailer may sell medical cannabis flower and medical cannabinoid products on a portion of the business's premises.

(b) The portion of the premises of the cannabis business where medical cannabis flower and medical cannabinoid products are sold must be definite and distinct from all other areas of the cannabis retailer and must provide an appropriate space for a pharmacist employee of the medical cannabis retailer to consult with a patient to determine the proper type of medical cannabis flower and medical cannabinoid products and proper dosage for the patient.

**Subd. 14. Exception.** Nothing in this section applies to the operations of a lower-potency hemp edible retailer.

**Sec. 28. [342.28] CANNABIS MICROBUSINESS LICENSING AND OPERATIONS.**

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

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

(2) make cannabis concentrate;

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

(4) manufacture artificially derived cannabinoids;

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

(6) purchase immature cannabis plants and seedlings, cannabis flower, and hemp plant parts from another cannabis microbusiness, a cannabis mezzobusiness, a cannabis manufacturer, a cannabis wholesaler, or an industrial hemp grower;

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

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

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

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

(11) perform other actions approved by the office.

**Subd. 2. Size limitations.** (a) A cannabis microbusiness that cultivates cannabis at an indoor facility may cultivate up to 2,000 square feet of plant canopy unless the office, by rule, increases that limit. The office may, by rule, increase the limit on plant canopy to no more than 5,000 square feet if the office determines that expansion is consistent with the goals identified in section 342.02, subdivision 1. Limitations on plant canopy apply to the area in which mature, flowering plants are cultivated. A cannabis microbusiness may not operate multiple tiers of cultivation.

(b) A cannabis microbusiness that cultivates cannabis at an outdoor location may cultivate up to one-half acre of mature, flowering plants unless the office, by rule, increases that limit. The office may, by rule, increase the limit to no more than one acre if the office determines that expansion is consistent with the goals identified in section 342.02, subdivision 1.

(c) The office shall, by rule, establish a limit on the manufacturing of cannabis products, lower-potency hemp edibles, or hemp-derived consumer products a cannabis microbusiness that manufactures such products may perform. The limit must be equivalent to the amount of cannabis flower that can be harvested from a facility with a plant canopy of 2,000 square feet in a year, but may be increased to the amount that can be harvested from a facility with up to 5,000 square feet of plant canopy if the office expands the allowable area of cultivation under paragraph (a).

(d) A cannabis microbusiness with the appropriate endorsement may operate one retail location.

**Subd. 3. Additional information required.** In addition to the information required to be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section, a person, cooperative, or business seeking a cannabis microbusiness license must submit the following information in a form approved by the office:

(1) an operating plan demonstrating the proposed layout of the facility, including a diagram of ventilation and filtration systems; plans for wastewater and waste disposal for any cultivation or manufacturing activities; plans for providing electricity, water, and other utilities necessary for the normal operation of any cultivation or manufacturing activities; plans for compliance with applicable building codes and federal and state environmental and workplace safety requirements and policies; and plans to avoid sales to unlicensed cannabis businesses and individuals under 21 years of age;

(2) if the applicant is seeking an endorsement to cultivate cannabis plants and harvest cannabis flower, a cultivation plan demonstrating the proposed size and layout of the cultivation facility that will be used exclusively for cultivation, including the total amount of plant canopy;

(3) if the applicant is seeking an endorsement to create cannabis concentrate, hemp concentrate, or artificial cannabinoids, information identifying all methods of extraction, concentration, or conversion that the applicant intends to use and the volatile chemicals and catalysts, if any, that will be involved in extraction, concentration, or creation; and

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

Subd. 4. **Exception.** The requirement of an attestation signed by a bona fide labor organization stating that the applicant has entered into a labor peace agreement is not required as part of an application for a cannabis microbusiness license.

Subd. 5. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a cannabis microbusiness license may also hold a cannabis event organizer license.

(b) Except as provided in paragraph (a), no person, cooperative, or business holding a cannabis microbusiness license may own or operate any other cannabis business or hemp business or hold more than one cannabis microbusiness license.

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

Subd. 6. **Cultivation endorsement.** A cannabis microbusiness that cultivates cannabis plants and harvests cannabis flower must comply with the requirements in section 342.25.

Subd. 7. **Extraction and concentration endorsement.** A cannabis microbusiness that creates cannabis concentrate must comply with the requirements in section 342.26, subdivisions 2 and 3.

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

Subd. 9. **Retail operations endorsement.** A cannabis microbusiness that operates a retail location must comply with the requirements in section 342.27.

Subd. 10. **On-site consumption endorsement.** (a) A cannabis microbusiness may permit on-site consumption of edible cannabis products and lower-potency hemp edibles on a portion of its premises.

(b) The portion of the premises of the cannabis microbusiness where on-site consumption is permitted must be definite and distinct from all other areas of the microbusiness and must be accessed through a distinct entrance.

(c) Edible cannabis products and lower-potency hemp edibles sold for on-site consumption must comply with this chapter and rules adopted pursuant to this chapter regarding the testing, packaging, and labeling of cannabinoid products.

(d) Edible cannabinoid products and lower-potency hemp edibles sold for on-site consumption must be served in the required packaging but may be removed from the products' packaging by customers and consumed on site.

(e) Food and beverages not otherwise prohibited by this subdivision may be prepared and sold on site provided that the cannabis microbusiness complies with all relevant state and local laws, ordinances, licensing requirements, and zoning requirements.

(f) A cannabis microbusiness shall ensure that the display and consumption of any edible cannabis product or lower-potency hemp edible is not visible from outside of the licensed premises of the business.

(g) A cannabis microbusiness may offer recorded or live entertainment, provided that the cannabis microbusiness complies with all relevant state and local laws, ordinances, licensing requirements, and zoning requirements.

(h) A cannabis microbusiness may not:

(1) sell an edible cannabis product or a lower-potency hemp edible to an individual who is under 21 years of age;

(2) permit an individual who is under 21 years of age to enter the premises;

(3) sell more than one single serving of an edible cannabis product or a lower-potency hemp edible to a customer;

(4) sell an edible cannabis product or a lower-potency hemp edible to a person who is visibly intoxicated;

(5) sell or allow the sale or consumption of alcohol or tobacco on the premises;

(6) sell products that are intended to be eaten or consumed as a drink, other than packaged and labeled edible cannabis products and lower-potency hemp edibles, that contain cannabis flower or hemp plant parts or are infused with cannabis concentrate, hemp concentrate, or artificially derived cannabinoids;

(7) permit edible cannabis products or lower-potency hemp edibles sold in the portion of the area designated for on-site consumption to be removed from that area;

(8) permit adult-use cannabis flower, adult-use cannabis products, hemp-derived consumer products, or tobacco to be consumed through smoking or a vaporized delivery method on the premises; or

(9) distribute or allow free samples of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products.

Sec. 29. **[342.29] CANNABIS MEZZOBUSINESS LICENSING AND OPERATIONS.**

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

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

(2) make cannabis concentrate;

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

(4) manufacture artificially derived cannabinoids;

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

(6) purchase immature cannabis plants and seedlings, cannabis flower, and hemp plant parts from a cannabis microbusiness, another cannabis mezzobusiness, a cannabis manufacturer, a cannabis wholesaler, or an industrial hemp grower;

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

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



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

(10) perform other actions approved by the office.

**Subd. 2. Size limitations.** (a) A cannabis mezzobusiness that cultivates cannabis at an indoor facility may cultivate up to 5,000 square feet of plant canopy unless the office, by rule, increases that limit. The office may, by rule, increase the limit on plant canopy to no more than 15,000 cubic feet if the office determines that expansion is consistent with the goals identified in section 342.02, subdivision 1. Limitations on plant canopy apply to the area in which mature, flowering plants are cultivated. A cannabis mezzobusiness may not operate multiple tiers of cultivation unless authorized by the office.

(b) A cannabis mezzobusiness that cultivates cannabis at an outdoor location may cultivate up to one acre of mature, flowering plants unless the office, by rule, increases that limit. The office may, by rule, increase the limit to no more than three acres if the office determines that expansion is consistent with the goals identified in section 342.02, subdivision 1.

(c) The office shall, by rule, establish a limit on the manufacturing of cannabis products, lower-potency hemp edibles, or hemp-derived consumer products a cannabis mezzobusiness that manufactures such products may perform. The limit must be equivalent to the amount of cannabis flower that can be harvested from a facility with a plant canopy of 5,000 square feet in a year but may be increased to the amount that can be harvested from a facility with up to 15,000 cubic feet of plant canopy if the office expands the allowable area of cultivation under paragraph (a).

(d) A cannabis mezzobusiness with the appropriate endorsement may operate up to three retail locations.

**Subd. 3. Additional information required.** In addition to the information required to be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section, a person, cooperative, or business seeking a cannabis mezzobusiness license must submit the following information in a form approved by the office:

(1) an operating plan demonstrating the proposed layout of the facility, including a diagram of ventilation and filtration systems; plans for wastewater and waste disposal for any cultivation or manufacturing activities; plans for providing electricity, water, and other utilities necessary for the normal operation of any cultivation or manufacturing activities; plans for compliance with applicable building code and federal and state environmental and workplace safety requirements and policies; and plans to avoid sales to unlicensed cannabis businesses and individuals under 21 years of age;

(2) if the applicant is seeking an endorsement to cultivate cannabis plants and harvest cannabis flower, a cultivation plan demonstrating the proposed size and layout of the cultivation facility that will be used exclusively for cultivation, including the total amount of plant canopy;

(3) if the applicant is seeking an endorsement to create cannabis concentrate, hemp concentrate, or artificial cannabinoids, information identifying all methods of extraction, concentration, or conversion that the applicant intends to use and the volatile chemicals and catalysts, if any, that will be involved in extraction, concentration, or creation; and

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

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

(b) Except as provided in paragraph (a), no person, cooperative, or business holding a cannabis mezzobusiness license may own or operate any other cannabis business or hemp business or hold more than one cannabis mezzobusiness license.

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

Subd. 5. **Cultivation endorsement.** A cannabis mezzobusiness that cultivates cannabis plants and harvests cannabis flower must comply with the requirements in section 342.25.

Subd. 6. **Extraction and concentration endorsement.** A cannabis mezzobusiness that creates cannabis concentrate must comply with the requirements in section 342.26, subdivisions 2 and 3.

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

Subd. 8. **Retail operations endorsement.** A cannabis mezzobusiness that operates a retail location must comply with the requirements in section 342.27.

Sec. 30. **[342.30] CANNABIS CULTIVATOR LICENSING AND OPERATIONS.**

Subdivision 1. **Authorized actions.** A cannabis cultivator license entitles the license holder to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant, harvest cannabis flower from a mature plant, package and label immature cannabis plants and seedlings and cannabis flower for sale to other cannabis businesses, transport cannabis flower to a cannabis manufacturer located on the same premises, and perform other actions approved by the office.

Subd. 2. **Size limitations.** (a) A cannabis cultivator that cultivates cannabis at an indoor facility may cultivate up to 15,000 square feet of plant canopy unless the office, by rule, increases that limit. The office may, by rule, increase the limit on plant canopy to no more than 30,000 cubic feet if the office determines that expansion is consistent with the goals identified in section 342.02, subdivision 1. Limitations on plant canopy apply to the area in which mature, flowering plants are cultivated. A cannabis cultivator may not operate multiple tiers of cultivation unless authorized by the office.

(b) A cannabis cultivator that cultivates cannabis at an outdoor location may cultivate up to two acres of mature, flowering plants unless the office, by rule, increases that limit. The office may, by rule, increase the limit to no more than four acres if the office determines that expansion is consistent with the goals identified in section 342.02, subdivision 1.

Subd. 3. **Additional information required.** In addition to the information required to be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section, a person, cooperative, or business seeking a cannabis cultivator license must submit the following information in a form approved by the office:

(1) an operating plan demonstrating the proposed size and layout of the cultivation facility; plans for wastewater and waste disposal for the cultivation facility; plans for providing electricity, water, and other utilities necessary for the normal operation of the cultivation facility; and plans for compliance with the applicable building code and federal and state environmental and workplace safety requirements;

(2) a cultivation plan demonstrating the proposed size and layout of the cultivation facility that will be used exclusively for cultivation including the total amount of plant canopy; and

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

Subd. 4. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a cannabis cultivator license may also hold a cannabis manufacturing license, medical cannabis cultivator license, medical cannabis producer license, license to grow industrial hemp, and cannabis event organizer license.

(b) Except as provided in paragraph (a), no person, cooperative, or business holding a cannabis cultivator license may own or operate any other cannabis business or hemp business. This prohibition does not prevent the transportation of cannabis flower from a cannabis cultivator to a cannabis manufacturer licensed to the same person, cooperative, or business and located on the same premises.

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

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

Subd. 5. **Cultivation operations.** A cannabis cultivator must comply with the requirements in section 342.25.

Sec. 31. **[342.31] CANNABIS MANUFACTURER LICENSING AND OPERATIONS.**

Subdivision 1. **Authorized actions.** A cannabis manufacturer license, consistent with the specific license endorsement or endorsements, entitles the license holder to:

(1) purchase cannabis flower, cannabis products, hemp plant parts, hemp concentrate, and artificially derived cannabinoids from a cannabis microbusiness, a cannabis mezzobusiness, a cannabis cultivator, another cannabis manufacturer, a cannabis wholesaler, or an industrial hemp grower;

(2) accept cannabis flower from unlicensed persons who are at least 21 years of age provided that the cannabis manufacturer does not accept more than two ounces from an individual on a single occasion;

(3) make cannabis concentrate;

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

(5) manufacture artificially derived cannabinoids;

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

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

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

(9) perform other actions approved by the office.

Subd. 2. **Size limitations.** The office shall, by rule, establish a limit on the manufacturing of cannabis products, lower-potency hemp edibles, or hemp-derived consumer products a cannabis manufacturer may perform. The limit must be equivalent to the amount of cannabis flower that can be harvested from a facility with a plant canopy of 15,000 square feet in a year, but may be increased to the amount that can be harvested from a facility with up to 30,000 cubic feet of plant canopy if the office expands the allowable area of cultivation under section 342.30, subdivision 2.

Subd. 3. **Additional information required.** In addition to the information required to be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section, a person, cooperative, or business seeking a cannabis manufacturer license must submit the following information in a form approved by the office:

(1) an operating plan demonstrating the proposed layout of the facility, including a diagram of ventilation and filtration systems; plans for wastewater and waste disposal for the manufacturing facility; plans for providing electricity, water, and other utilities necessary for the normal operation of the manufacturing facility; and plans for compliance with applicable building code and federal and state environmental and workplace safety requirements; and

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

Subd. 4. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a cannabis manufacturer license may also hold a cannabis cultivator license, a medical cannabis cultivator license, a medical cannabis processor license, and a cannabis event organizer license.

(b) Except as provided in paragraph (a), no person, cooperative, or business holding a cannabis manufacturer license may own or operate any other cannabis business or hemp business. This prohibition does not prevent transportation of cannabis flower from a cannabis cultivator to a cannabis manufacturer licensed to the same person, cooperative, or business and located on the same premises.

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

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

Subd. 5. **Cultivation operations.** A cannabis manufacturer must comply with the requirements in section 342.26.

Sec. 32. **[342.32] CANNABIS RETAILER LICENSING AND OPERATIONS.**

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

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

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

(3) perform other actions approved by the office.

Subd. 2. **Size limitations.** A cannabis retailer may operate up to five retail locations.

Subd. 3. **Additional information required.** In addition to the information required to be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section, a person, cooperative, or business seeking a cannabis retail license must submit the following information in a form approved by the office:

(1) a list of every retail license held by the applicant and, if the applicant is a business, every retail license held, either as an individual or as part of another business, by each officer, director, manager, and general partner of the cannabis business;

(2) an operating plan demonstrating the proposed layout of the facility, including a diagram of ventilation and filtration systems; policies to avoid sales to individuals who are under 21 years of age; identification of a restricted area for storage; and plans to prevent the visibility of cannabis flower, cannabinoid products, and hemp-derived consumer products to individuals outside the retail location; and

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

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

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

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

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

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

**Subd. 5. Municipal or county cannabis store.** A city or county may establish, own, and operate a municipal cannabis store subject to the restrictions in this chapter.

Sec. 33. **[342.33] CANNABIS WHOLESALER LICENSING.**

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

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

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

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

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

(5) perform other actions approved by the office.

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

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

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

Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a cannabis wholesaler license may also hold a cannabis transporter license, a cannabis delivery service license, and a cannabis event organizer license.

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

(c) The office by rule may limit the number of cannabis wholesaler licenses a person or business may hold.

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

Sec. 34. **[342.34] CANNABIS WHOLESALER OPERATIONS.**

Subdivision 1. **Separation of products.** A cannabis wholesaler must ensure that cannabis plants, cannabis flower, and cannabis products are physically separated from all other products, including but not limited to lower-potency hemp edibles and hemp-derived consumer products, in a manner that prevents any cross-contamination.

Subd. 2. **Records and labels.** A cannabis wholesaler must maintain accurate records and ensure that appropriate labels remain affixed to cannabis plants, cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products.

Subd. 3. **Building conditions.** (a) A cannabis wholesaler shall maintain compliance with state and local building, fire, and zoning requirements or regulations.

(b) A cannabis wholesaler shall ensure that the licensed premises is maintained in a clean and sanitary condition, free from infestation by insects, rodents, or other pests.

Subd. 4. **Sale of other products.** A cannabis wholesaler may purchase and sell other products or items for which the cannabis wholesaler has a license or authorization or that do not require a license or authorization. Products for which no license or authorization is required include but are not limited to industrial hemp products, products that contain hemp grain, hemp-derived topical products, and cannabis paraphernalia, including but not limited to childproof packaging containers and other devices designed to ensure the safe storage and monitoring of cannabis flower and cannabis products in the home to prevent access by individuals under 21 years of age.

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

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

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

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

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

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

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

Sec. 35. **[342.35] CANNABIS TRANSPORTER LICENSING.**

Subdivision 1. **Authorized actions.** A cannabis transporter license entitles the license holder to transport immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, cannabis wholesalers, lower-potency hemp edible manufacturers, medical cannabis retailers, medical cannabis processors, and industrial hemp growers to cannabis microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, cannabis testing facilities, cannabis wholesalers, cannabis retailers, lower-potency hemp edible retailers, medical cannabis processors, and medical cannabis retailers and perform other actions approved by the office.

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

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

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

(3) the number and type of equipment the business will use to transport immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived consumer products;

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

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

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

Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a cannabis transporter license may also hold a cannabis wholesaler license, a cannabis delivery service license, and a cannabis event organizer license.

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

(c) The office by rule may limit the number of cannabis transporter licenses a person or business may hold.

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

Sec. 36. **[342.36] CANNABIS TRANSPORTER OPERATIONS.**

Subdivision 1. **Manifest required.** Before transporting immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products, a cannabis transporter shall obtain a shipping manifest on a form established by the office. The manifest must be kept with the products at all times and the cannabis transporter must maintain a copy of the manifest in its records.

Subd. 2. **Records of transportation.** Records of transportation must be kept for a minimum of three years at the cannabis transporter's place of business and are subject to inspection upon request by the office or law enforcement agency. Records of transportation include the following:

(1) copies of transportation manifests for all deliveries;

(2) a transportation log documenting the chain of custody for each delivery, including every employee and vehicle used during transportation; and

(3) financial records showing payment for transportation services.

Subd. 3. **Storage compartment.** Immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived consumer products must be transported 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. Items being transported may not be visible from outside the motor vehicle.

Subd. 4. **Identifying logos or business names prohibited.** No vehicle or trailer may contain an image depicting the types of items being transported, including but not limited to an image depicting a cannabis or hemp leaf, or a name suggesting that the vehicle is used in transporting immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products.

Subd. 5. **Randomized deliveries.** A cannabis transporter shall ensure that all delivery times and routes are randomized.

Subd. 6. **Multiple employees.** All cannabis transporter vehicles transporting immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products must be staffed with a minimum of two employees. At least one delivery team member shall remain with the motor vehicle at all times that the motor vehicle contains immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products.



Subd. 7. **Nonemployee passengers prohibited.** Only a cannabis worker employed by or contracted with the cannabis transporter and who is at least 21 years of age may transport immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products. All passengers in a vehicle must be cannabis workers employed by or contracted with the cannabis transporter.

Subd. 8. **Drivers license required.** All drivers must carry a valid driver's license with the proper endorsements when operating a vehicle transporting immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products.

Subd. 9. **Vehicles subject to inspection.** Any vehicle assigned for the purposes of transporting immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products is subject to inspection and may be stopped or inspected at any licensed cannabis business or while en route during transportation.

Sec. 37. **[342.37] CANNABIS TESTING FACILITY LICENSING.**

Subdivision 1. **Authorized actions.** A cannabis testing facility license entitles the license holder to obtain and test immature cannabis plants and seedlings, cannabis flower, cannabis products, hemp plant parts, hemp concentrate, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, cannabis wholesalers, lower-potency hemp edible manufacturers, medical cannabis cultivators, medical cannabis processors, and industrial hemp growers.

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

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

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

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

Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a cannabis testing facility license may not own or operate, or be employed by, any other cannabis business or hemp business.

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

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

Sec. 38. **[342.38] CANNABIS TESTING FACILITY OPERATIONS.**

Subdivision 1. **Testing services.** A cannabis testing facility shall provide some or all testing services required under section 342.61 and rules adopted pursuant to that section.

Subd. 2. **Testing protocols.** A cannabis testing facility shall follow all testing protocols, standards, and criteria adopted by rule by the office for the testing of different forms of cannabis plants and seedlings, cannabis flower, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, hemp plant parts, hemp concentrate, and artificially derived cannabinoids; determining batch size; sampling; testing validity; and approval and disapproval of tested items.

Subd. 3. **Records.** Records of all business transactions and testing results; records required to be maintained pursuant to any applicable standards for accreditation; and records relevant to testing protocols, standards, and criteria adopted by the office must be kept for a minimum of three years at the cannabis testing facility's place of business and are subject to inspection upon request by the office or law enforcement agency.

Subd. 4. **Disposal of cannabis flower and products.** A testing facility shall dispose of or destroy used, unused, and waste cannabis plants and seedlings, cannabis flower, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, hemp plant parts, hemp concentrate, and artificially derived cannabinoids pursuant to rules adopted by the office.

Sec. 39. **[342.39] CANNABIS EVENT ORGANIZER LICENSING.**

Subdivision 1. **Authorized actions.** A cannabis event organizer license entitles the license holder to organize a temporary cannabis event lasting no more than four days.

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

(1) the type and number of any other cannabis business license held by the applicant;

(2) the address and location where the temporary cannabis event will take place;

(3) the name of the temporary cannabis event;

(4) a diagram of the physical layout of the temporary cannabis event showing where the event will take place on the grounds, all entrances and exits that will be used by participants during the event, all cannabis consumption areas, all cannabis retail areas where cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products will be sold, the location where cannabis waste will be stored, and any location where cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products will be stored;

(5) a list of the name, number, and type of cannabis businesses and hemp businesses that will sell cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products at the event, which may be supplemented or amended within 72 hours of the time at which the cannabis event begins;

(6) the dates and hours during which the cannabis event will take place;

(7) proof of local approval for the cannabis event; and

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

(b) A person, cooperative, or business seeking a cannabis event organizer license may also disclose whether the person or any officer, director, manager, and general partner of a cannabis business is serving or has previously served in the military.

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

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

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

Sec. 40. **[342.40] CANNABIS EVENT ORGANIZER OPERATIONS.**

Subdivision 1. **Local approval.** A cannabis event organizer must receive local approval, including obtaining any necessary permits or licenses issued by a local unit of government, before holding a cannabis event.

Subd. 2. **Charging fees.** (a) A cannabis event organizer may charge an entrance fee to a cannabis event.

(b) A cannabis event organizer may charge a fee to a cannabis business or hemp business in exchange for space to display and sell cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products. Any fee paid for participation in a cannabis event shall not be based on or tied to the sale of cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products.

Subd. 3. **Security.** A cannabis event organizer must hire or contract for licensed security personnel to provide security services at the cannabis event. All security personnel hired or contracted for shall be at least 21 years of age and present on the licensed event premises at all times that cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products are available for sale or consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products is allowed. The security personnel shall not consume cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products for at least 24 hours before the event or during the event.

Subd. 4. **Limited access to event.** A cannabis event organizer shall ensure that access to an event is limited to individuals who are at least 21 years of age. At or near each public entrance to any area where the sale or consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products is allowed, a cannabis event organizer shall maintain a clearly visible and legible sign consisting of the following statement: "No persons under 21 allowed." The lettering of the sign shall be not less than one inch in height.

Subd. 5. **Cannabis waste.** A cannabis event organizer shall ensure that all used, unused, and waste cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products that are not removed by a customer, cannabis business, or hemp business are disposed of in a manner approved by the office.

Subd. 6. **Transportation of cannabis plants, flower, and products.** All transportation of cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products intended for display or sale and all such items used for display or not sold during the cannabis event must be transported to and from the cannabis event by a licensed cannabis transporter.

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

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

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

(d) Authorized retailers must verify the age of all customers pursuant to section 342.27, subdivision 4, before completing a sale and may not sell cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to an individual under 21 years of age.

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

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

(g) Authorized retailers may not:

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

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

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

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

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

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

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

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

**Subd. 8. Cannabis event on-site consumption.** (a) If approved by the local unit of government, a cannabis event may designate an area for consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, hemp-derived consumer products, or any combination of those items.

(b) Access to areas where consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products is allowed shall be restricted to individuals who are at least 21 years of age.

(c) The cannabis event organizer shall ensure that consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products within a designated consumption area is not visible from any public place.

(d) The cannabis event organizer shall not permit consumption of alcohol or tobacco.

**Sec. 41. [342.41] CANNABIS DELIVERY SERVICE LICENSING.**

**Subdivision 1. Authorized actions.** A cannabis delivery service license entitles the license holder to purchase cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products from licensed cannabis microbusinesses with a retail endorsement, cannabis mezzobusinesses with a retail endorsement, cannabis retailers, and medical cannabis retailers; transport and deliver cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumable products to customers; and perform other actions approved by the office.

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

(1) a list of all vehicles to be used in the delivery of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products including:

(i) the vehicle make, model, and color;

(ii) the vehicle identification number; and

(iii) the license plate number;

(2) proof of insurance for each vehicle;

(3) a business plan demonstrating policies to avoid sales of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products to individuals who are under 21 years of age and plans to prevent the visibility of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products to individuals outside the delivery vehicle; and

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

**Subd. 3. Multiple licenses; limits.** (a) A person, cooperative, or business holding a cannabis delivery service license may also hold a cannabis retailer license, a cannabis wholesaler license, a cannabis transporter license, a cannabis event organizer license, and a medical cannabis retailer license subject to the ownership limitations that apply to those licenses.

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

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

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

Sec. 42. **[342.42] CANNABIS DELIVERY SERVICE OPERATIONS.**

Subdivision 1. **Age or registry verification.** Prior to completing a delivery, a cannabis delivery service shall verify that the customer is at least 21 years of age or is enrolled in the registry program. Section 342.27, subdivision 4, applies to the verification of a customer's age. Registry verification issued by the Division of Medical Cannabis may be considered evidence that the person is enrolled in the registry program.

Subd. 2. **Records.** The office by rule shall establish record-keeping requirements for a cannabis delivery service, including but not limited to proof of delivery to individuals who are at least 21 years of age or enrolled in the registry program.

Subd. 3. **Amount to be transported.** The office by rule shall establish limits on the amount of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products that a cannabis delivery service may transport.

Subd. 4. **Statewide monitoring system.** Receipt of cannabis flower and cannabis products by the cannabis delivery service and a delivery to a customer must be recorded in the statewide monitoring system within the time established by rule.

Subd. 5. **Storage compartment.** Cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products must be transported in a locked, safe, and secure storage compartment that is part of the cannabis delivery service vehicle or in a locked storage container that has a separate key or combination pad. Cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products may not be visible from outside the cannabis delivery service vehicle.

Subd. 6. **Identifying logos or business names prohibited.** No cannabis delivery service vehicle or trailer may contain an image depicting the types of items being transported, including but not limited to an image depicting a cannabis or hemp leaf, or a name suggesting that the cannabis delivery service vehicle is used for transporting cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products.

Subd. 7. **Nonemployee passengers prohibited.** Only a cannabis worker employed by or contracted with the cannabis delivery service and who is at least 21 years of age may transport cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products. All passengers in a cannabis delivery service vehicle must be cannabis workers employed by or contracted with the cannabis delivery service.

Subd. 8. **Vehicles subject to inspection.** Any cannabis delivery service vehicle is subject to inspection and may be stopped or inspected at any licensed cannabis business or while en route during transportation.

Sec. 43. **[342.43] HEMP BUSINESS LICENSE TYPES; MULTIPLE LICENSES.**

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

(1) lower-potency hemp edible manufacturer; and

(2) lower-potency hemp edible retailer.

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

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

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

(d) A person, cooperative, or business holding a lower-potency hemp edible manufacturer license, a lower-potency hemp edible retailer license, or both, may not hold a cannabis business license.

Sec. 44. **[342.44] HEMP BUSINESS LICENSES; APPLICATIONS AND ISSUANCE.**

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

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

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

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

(3) proof of trade name registration;

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

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

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

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

Subd. 2. **Issuance; eligibility; prohibition on transfer.** (a) The office may issue a hemp license to an applicant who:

(1) is at least 21 years of age;

(2) has completed an application for licensure or application for renewal and has fully and truthfully complied with all information requests relating to license application and renewal;

(3) has paid the applicable application and license fees pursuant to section 342.11;

(4) is not employed by the office or any state agency with regulatory authority over this chapter; and

(5) does not hold any cannabis business license.

(b) Licenses must be renewed annually.

(c) Licenses may not be transferred.

Sec. 45. **[342.45] LOWER-POTENCY HEMP EDIBLE MANUFACTURER.**

Subdivision 1. **Authorized actions.** A lower-potency hemp edible manufacturer license entitles the license holder to:

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

(2) make hemp concentrate;

(3) manufacture artificially derived cannabinoids;

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

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

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

(7) perform other actions approved by the office.

Subd. 2. **All manufacturer operations.** (a) All hemp manufacturing must take place in a facility and on equipment that meets the applicable health and safety requirements established by the office, including requirements for cleaning and testing machinery between production of different products.

(b) A lower-potency hemp edible manufacturer must comply with all applicable packaging, labeling, and testing requirements.

Subd. 3. **Extraction and concentration.** (a) A lower-potency hemp edible manufacturer that creates hemp concentrate or artificially derived cannabinoids must obtain an endorsement from the office.

(b) A lower-potency hemp edible manufacturer seeking an endorsement to create hemp concentrate must inform the office of all methods of extraction and concentration that the manufacturer intends to use and identify the volatile chemicals, if any, that will be involved in the creation of hemp concentrate. A lower-potency hemp edible manufacturer may not use a method of extraction and concentration or a volatile chemical without approval by the office.

(c) A lower-potency hemp edible manufacturer seeking an endorsement to create artificially derived cannabinoids must inform the office of all methods of conversion that the manufacturer will use, including any specific catalysts that the manufacturer will employ, to create artificially derived cannabinoids and the molecular nomenclature of all cannabinoids or other chemical compounds that the manufacturer will create. A business licensed or authorized to manufacture lower-potency hemp edibles may not use a method of conversion or a catalyst without approval by the office.



(d) A lower-potency hemp edible manufacturer must obtain a certification from an independent third-party industrial hygienist or professional engineer approving:

(1) all electrical, gas, fire suppression, and exhaust systems; and

(2) the plan for safe storage and disposal of hazardous substances, including but not limited to any volatile chemicals.

(e) Upon the sale of hemp concentrate or artificially derived cannabinoids to any person, cooperative, or business, a lower-potency hemp edible manufacturer must provide a statement to the buyer that discloses the method of extraction and concentration or conversion used and any solvents, gases, or catalysts, including but not limited to any volatile chemicals involved in that method.

**Subd. 4. Production of consumer products.** (a) A lower-potency hemp edible manufacturer that produces lower-potency hemp edibles must obtain an edible cannabinoid product handler endorsement from the office.

(b) All areas within the premises of a lower-potency hemp edible manufacturer used for producing lower-potency hemp edibles must meet the sanitary standards specified in rules adopted by the office.

(c) A lower-potency hemp edible manufacturer may only add chemicals or compounds approved by the office to hemp concentrate or artificially derived cannabinoids.

(d) Upon the sale of any lower-potency hemp edible to a cannabis business or hemp business, a lower-potency hemp edible manufacturer must provide a statement to the buyer that discloses the product's ingredients, including but not limited to any chemicals or compounds and any major food allergens declared by name.

(e) A lower-potency hemp edible manufacturer shall not add any artificially derived cannabinoid, hemp plant part, or hemp concentrate to a product if the manufacturer of the product holds a trademark to the product's name, except that a lower-potency hemp edible manufacturer may use a trademarked food product if the manufacturer uses the product as a component or as part of a recipe and if the lower-potency hemp edible manufacturer does not state or advertise to the customer that the final retail lower-potency hemp edible contains a trademarked food product.

(f) A lower-potency hemp edible manufacturer shall not add any cannabis flower, cannabis concentrate, or cannabinoid derived from cannabis flower or cannabis concentrate to a product.

**Subd. 5. Transportation of hemp concentrate, artificially derived cannabinoids, and lower-potency hemp edibles.** (a) A lower-potency hemp edible manufacturer may transport hemp concentrate, artificially derived cannabinoids, and lower-potency hemp edibles on public roadways provided:

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

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

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

(4) the transporting vehicle does not bear any markings to indicate that the vehicle contains artificially derived cannabinoids, hemp concentrate, or lower-potency hemp edibles and does not bear the name or logo of the lower-potency hemp edible manufacturer;

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

(6) at least two designated employees staff any vehicle used to transport artificially derived cannabinoids, hemp concentrate, or lower-potency hemp edibles and at least one employee remains with the vehicle at all times that the vehicle is transporting artificially derived cannabinoids, hemp concentrate, or lower-potency hemp edibles;

(7) no person other than a designated employee enters a vehicle at any time that the vehicle is transporting artificially derived cannabinoids, hemp concentrate, or lower-potency hemp edibles; and

(8) the lower-potency hemp edible manufacturer complies with any other rules adopted by the office.

(b) Any vehicle assigned for the purposes of transporting artificially derived cannabinoids, hemp concentrate, or lower-potency hemp edibles is subject to inspection and may be stopped or inspected at any point of delivery or while en route during transportation.

Sec. 46. **[342.46] LOWER-POTENCY HEMP EDIBLE RETAILER.**

Subdivision 1. **Sale of lower-potency hemp edibles.** (a) A lower-potency hemp edible retailer may sell lower-potency hemp edibles to individuals who are at least 21 years of age.

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

(1) are obtained from a licensed Minnesota cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, cannabis wholesaler, or lower-potency hemp edible manufacturer; and

(2) meet all applicable packaging and labeling requirements.

Subd. 2. **Sale of other products.** A lower-potency hemp edible retailer may sell other products or items for which the lower-potency hemp edible retailer has a license or authorization or that do not require a license or authorization.

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

Subd. 4. **Display and storage of lower-potency hemp edibles.** A lower-potency hemp edible retailer shall ensure that all lower-potency hemp edibles are displayed behind a checkout counter where the public is not permitted. All lower-potency hemp edibles that are not displayed must be stored in a secure area.

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

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

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

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

(4) the transporting vehicle does not bear any markings to indicate that the vehicle contains lower-potency hemp edibles and does not bear the name or logo of the lower-potency hemp edible retailer;

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

(6) at least two designated employees staff any vehicle used to transport lower-potency hemp edibles and at least one employee remains with the vehicle at all times that the vehicle is transporting lower-potency hemp edibles;

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

(8) the lower-potency hemp edible retailer complies with any other rules adopted by the office.

(b) Any vehicle assigned for the purposes of transporting lower-potency hemp edibles is subject to inspection and may be stopped or inspected at any point of delivery or while en route during transportation.

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

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

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

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

(b) If a lower-potency hemp edible is packaged in a manner that includes more than a single serving, the lower-potency edible product must indicate each serving by scoring, wrapping, or other indicators that appear on the lower-potency hemp edible designating the individual serving size. If the lower-potency hemp edible is meant to be consumed as a beverage or it is not possible to indicate a single serving by scoring or use of another indicator that appears on the product, the lower-potency hemp edible may not be packaged in a manner that includes more than a single serving in each container.

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

**Subd. 7. Prohibitions.** A lower-potency edible product retailer may not:

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

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

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

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

(5) distribute or allow free samples of lower-potency hemp edibles.

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

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

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

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

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

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

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

(h) In addition to the prohibitions under subdivision 6, a lower-potency hemp edible retailer with an on-site consumption endorsement may not:

(1) sell lower-potency hemp edibles to a customer who the lower-potency hemp edible retailer knows or reasonably should know has consumed alcohol sold or provided by the lower-potency hemp edible retailer within the previous five hours;

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

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

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

**Subd. 10. Building conditions.** (a) A lower-potency hemp edible retailer shall maintain compliance with state and local building, fire, and zoning codes, requirements, or regulations.

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

**Subd. 11. Enforcement.** The office shall inspect lower-potency hemp edible retailers and take enforcement action as provided in sections 342.19 and 342.21.

Sec. 47. **[342.47] MEDICAL CANNABIS BUSINESS LICENSES.**

Subdivision 1. License types. (a) The office shall issue the following types of medical cannabis business licenses:

(1) medical cannabis cultivator;

(2) medical cannabis processor; and

(3) medical cannabis retailer.

(b) The Division of Medical Cannabis may oversee the licensing and regulation of medical cannabis businesses.

Subd. 2. Multiple licenses; limits. (a) A person, cooperative, or business holding:

(1) a medical cannabis cultivator license may also hold a medical cannabis processor license, a cannabis cultivator license, a cannabis manufacturer license, and a cannabis event organizer license subject to the ownership limitations that apply to those licenses;

(2) a medical cannabis processor license may also hold a medical cannabis cultivator license, a cannabis cultivator license, a cannabis manufacturer license, and a cannabis event organizer license subject to the ownership limitations that apply to those licenses; or

(3) a medical cannabis retailer license may also hold a cannabis retailer license, a cannabis delivery service license, and a cannabis event organizer license subject to the ownership limitations that apply to those licenses.

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

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

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

Subd. 3. Registered medical cannabis manufacturers. (a) As used in this subdivision, "medical cannabis manufacturer" means either of the two in-state manufacturers of medical cannabis registered with the commissioner of health pursuant to section 152.25 as of July 1, 2023.

(b) Notwithstanding any law to the contrary, the registration or reregistration period of a medical cannabis manufacturer expires on July 1, 2024.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 48. **[342.48] MEDICAL CANNABIS BUSINESS APPLICATIONS.**

In addition to the information required to be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section, a person, cooperative, or business seeking a medical cannabis business license must submit the following information in a form approved by the office:

(1) for medical cannabis cultivator license applicants:

(i) an operating plan demonstrating the proposed size and layout of the cultivation facility; plans for wastewater and waste disposal for the cultivation facility; plans for providing electricity, water, and other utilities necessary for the normal operation of the cultivation facility; and plans for compliance with applicable building code and federal and state environmental and workplace safety requirements;

(ii) a cultivation plan demonstrating the proposed size and layout of the cultivation facility that will be used exclusively for cultivation for medical cannabis, including the total amount of plant canopy; and

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

(2) for medical cannabis processor license applicants:

(i) an operating plan demonstrating the proposed layout of the facility, including a diagram of ventilation and filtration systems; plans for wastewater and waste disposal for the manufacturing facility; plans for providing electricity, water, and other utilities necessary for the normal operation of the manufacturing facility; and plans for compliance with applicable building code and federal and state environmental and workplace safety requirements;

(ii) all methods of extraction and concentration that the applicant intends to use and the volatile chemicals, if any, that are involved in extraction or concentration;

(iii) if the applicant is seeking an endorsement to manufacture products infused with cannabinoids for consumption by patients enrolled in the registry program, proof of an edible cannabinoid product handler endorsement from the office; and

(iv) evidence that the applicant will comply with the applicable operation requirements for the license being sought; or

(3) for medical cannabis retailer license applicants:

(i) a list of every retail license held by the applicant and, if the applicant is a business, every retail license held, either as an individual or as part of another business, by each officer, director, manager, and general partner of the cannabis business;

(ii) an operating plan demonstrating the proposed layout of the facility, including a diagram of ventilation and filtration systems, policies to avoid sales to individuals who are not authorized to receive the distribution of medical cannabis flower or medical cannabinoid products, identification of a restricted area for storage, and plans to prevent the visibility of cannabis flower and cannabinoid products;

(iii) if the applicant holds or is applying for a cannabis retailer license, a diagram showing the portion of the premises in which medical cannabis flower and medical cannabinoid products will be sold and distributed and identifying an area that is definite and distinct from all other areas of the cannabis retailer, is accessed through a distinct entrance, and contains an appropriate space for a pharmacist employee of the medical cannabis retailer to consult with the patient to determine the proper type of medical cannabis flower and medical cannabinoid products and proper dosage for the patient; and

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

**Sec. 49. [342.49] MEDICAL CANNABIS CULTIVATORS.**

(a) A medical cannabis cultivator license entitles the license holder to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant, harvest cannabis flower from a mature plant, package and label cannabis flower as medical cannabis flower, sell medical cannabis flower to medical cannabis processors and medical cannabis retailers, transport medical cannabis flower to a medical cannabis processor located on the same premises, and perform other actions approved by the office.

(b) The office may, by rule, establish limits on the plant canopy in which a medical cannabis cultivator can grow cannabis plants and on the use of tiers within the approved plant canopy.

(c) A medical cannabis cultivator license holder must comply with all requirements of section 342.25.

(d) A medical cannabis cultivator license holder must verify that every batch of medical cannabis flower has passed safety, potency, and consistency testing at a cannabis testing facility approved by the office for the testing of medical cannabis flower before the medical cannabis cultivator may package, label, or sell the medical cannabis flower to any other entity.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 50. **[342.50] MEDICAL CANNABIS PROCESSORS.**

(a) A medical cannabis processor license, consistent with the specific license endorsement or endorsements, entitles the license holder to:

(1) purchase medical cannabis flower, medical cannabinoid products, hemp plant parts, and hemp concentrate from medical cannabis cultivators, other medical cannabis processors, and industrial hemp growers;

(2) make cannabis concentrate from medical cannabis flower;

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

(4) manufacture medical cannabinoid products;

(5) package and label medical cannabinoid products for sale to other medical cannabis processors and to medical cannabis retailers; and

(6) perform other actions approved by the office.

(b) A medical cannabis processor license holder must comply with all requirements of section 342.26, including requirements to obtain specific license endorsements.

(c) A medical cannabis processor license holder must verify that every batch of medical cannabinoid product has passed safety, potency, and consistency testing at a cannabis testing facility approved by the office for the testing of medical cannabinoid products before the medical cannabis processor may package, label, or sell the medical cannabinoid product to any other entity.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 51. **[342.51] MEDICAL CANNABIS RETAILERS.**

Subdivision 1. **Authorized actions.** (a) A medical cannabis retailer license entitles the license holder to purchase medical cannabis flower and medical cannabinoid products from medical cannabis cultivators and medical cannabis processors and sell or distribute medical cannabis flower and medical cannabinoid products to any person authorized to receive medical cannabis flower or medical cannabinoid products.

(b) A medical cannabis retailer license holder must verify that all medical cannabis flower and medical cannabinoid products have passed safety, potency, and consistency testing at a cannabis testing facility approved by the office for the testing of medical cannabis flower and medical cannabinoid products before the medical cannabis retailer may distribute the medical cannabis flower or medical cannabinoid product to any person authorized to receive medical cannabis flower or medical cannabinoid products.

**Subd. 2. Distribution requirements.** (a) Prior to distribution of medical cannabis flower or medical cannabinoid products, a medical cannabis retailer licensee must:

(1) review and confirm the patient's registry verification;

(2) verify that the person requesting the distribution of medical cannabis flower or medical cannabinoid products is the patient, the patient's registered designated caregiver, or the patient's parent, legal guardian, or spouse using the procedures specified in section 152.11, subdivision 2d;

(3) ensure that a pharmacist employee of the medical cannabis retailer has consulted with the patient if required according to subdivision 3; and

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

(b) A medical cannabis retailer may not deliver medical cannabis flower or medical cannabinoid products unless the medical cannabis retailer also holds a cannabis delivery service license. Delivery of medical cannabis flower and medical cannabinoid products are subject to the provisions of section 342.42.

**Subd. 3. Final approval for distribution of medical cannabis flower and medical cannabinoid products.** (a) A cannabis worker who is employed by a medical cannabis retailer and who is licensed as a pharmacist pursuant to chapter 151 shall be the only person who may give final approval for the distribution of medical cannabis flower and medical cannabinoid products. Prior to the distribution of medical cannabis flower or medical cannabinoid products, a pharmacist employed by the medical cannabis retailer must consult with the patient to determine the proper type of medical cannabis flower, medical cannabinoid product, or medical cannabis paraphernalia and proper dosage for the patient after reviewing the range of chemical compositions of medical cannabis flower or medical cannabinoid product. For purposes of this subdivision, a consultation may be conducted remotely by secure videoconference, telephone, or other remote means, as long as:

(1) the pharmacist engaging in the consultation is able to confirm the identity of the patient; and

(2) the consultation adheres to patient privacy requirements that apply to health care services delivered through telemedicine.

(b) Notwithstanding paragraph (a), a pharmacist consultation is not required prior to the distribution of medical cannabis flower or medical cannabinoid products when a medical cannabis retailer is distributing medical cannabis flower or medical cannabinoid products to a patient according to a patient-specific dosage plan established with that medical cannabis retailer and is not modifying the dosage or product being distributed under that plan. Medical cannabis flower or medical cannabinoid products distributed under this paragraph must be distributed by a pharmacy technician employed by the medical cannabis retailer.

**Subd. 4. 90-day supply.** A medical cannabis retailer shall not distribute more than a 90-day supply of medical cannabis flower or medical cannabinoid products to a patient, registered designated caregiver, or parent, legal guardian, or spouse of a patient according to the dosages established for the individual patient.

**Subd. 5. Distribution to recipient in a motor vehicle.** A medical cannabis retailer may distribute medical cannabis flower and medical cannabinoid products to a patient, registered designated caregiver, or parent, legal guardian, or spouse of a patient who is at a dispensary location but remains in a motor vehicle, provided that:

(1) staff receive payment and distribute medical cannabis flower and medical cannabinoid products in a designated zone that is as close as feasible to the front door of the facility;



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

(3) the medical cannabis retailer does not store medical cannabis flower or medical cannabinoid products outside a restricted access area and staff transport medical cannabis flower and medical cannabinoid products from a restricted access area to the designated zone for distribution only after confirming that the patient, designated caregiver, or parent, guardian, or spouse has arrived in the designated zone;

(4) the payment and distribution of medical cannabis flower and medical cannabinoid products take place only after a pharmacist consultation takes place, if required under subdivision 3;

(5) immediately following distribution of medical cannabis flower or medical cannabinoid products, staff enter the transaction in the statewide monitoring system; and

(6) immediately following distribution of medical cannabis flower and medical cannabinoid products, staff take the payment received into the facility.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 52. **[342.52] PATIENT REGISTRY PROGRAM.**

Subdivision 1. **Administration.** The Division of Medical Cannabis must administer the medical cannabis registry program.

Subd. 2. **Application procedure for patients.** (a) A patient seeking to enroll in the registry program must submit to the Division of Medical Cannabis an application established by the Division of Medical Cannabis and a copy of the certification specified in paragraph (b) or, if the patient is a veteran who receives care from the United States Department of Veterans Affairs, the information required pursuant to subdivision 3. The patient must provide at least the following information in the application:

(1) the patient's name, mailing address, and date of birth;

(2) the name, mailing address, and telephone number of the patient's health care practitioner;

(3) the name, mailing address, and date of birth of the patient's registered designated caregiver, if any, or the patient's parent, legal guardian, or spouse if the parent, legal guardian, or spouse will be acting as the patient's caregiver;

(4) a disclosure signed by the patient that includes:

(i) a statement that, notwithstanding any law to the contrary, the Office of Cannabis Management, the Division of Medical Cannabis, or an employee of the Office of Cannabis Management or Division of Medical Cannabis may not be held civilly or criminally liable for any injury, loss of property, personal injury, or death caused by an act or omission while acting within the employee's scope of office or employment under this section; and

(ii) the patient's acknowledgment that enrollment in the registry program is conditional on the patient's agreement to meet all other requirements of this section; and

(5) all other information required by the Division of Medical Cannabis.

(b) As part of the application under this subdivision, a patient must submit a copy of a certification from the patient's health care practitioner that is dated within 90 days prior to the submission of the application and that certifies that the patient has been diagnosed with a qualifying medical condition.

(c) A patient's health care practitioner may submit a statement to the Division of Medical Cannabis declaring that the patient is no longer diagnosed with a qualifying medical condition. Within 30 days after receipt of a statement from a patient's health care practitioner, the Division of Medical Cannabis must provide written notice to a patient stating that the patient's enrollment in the registry program will be revoked in 30 days unless the patient submits a certification from a health care practitioner that the patient is currently diagnosed with a qualifying medical condition or, if the patient is a veteran, the patient submits confirmation that the patient is currently diagnosed with a qualifying medical condition in a form and manner consistent with the information required for an application made pursuant to subdivision 3. If the Division of Medical Cannabis revokes a patient's enrollment in the registry program pursuant to this paragraph, the division must provide notice to the patient and to the patient's health care practitioner.

**Subd. 3. Application procedure for veterans.** (a) The Division of Medical Cannabis shall establish an alternative certification procedure for veterans who receive care from the United States Department of Veterans Affairs to confirm that the veteran has been diagnosed with a qualifying medical condition.

(b) A patient who is also a veteran and is seeking to enroll in the registry program must submit to the Division of Medical Cannabis an application established by the Division of Medical Cannabis that includes the information identified in subdivision 2, paragraph (a), and the additional information required by the Division of Medical Cannabis to certify that the patient has been diagnosed with a qualifying medical condition.

**Subd. 4. Enrollment; denial of enrollment; revocation.** (a) Within 30 days after the receipt of an application and certification or other documentation of a diagnosis with a qualifying medical condition, the Division of Medical Cannabis must approve or deny a patient's enrollment in the registry program. If the Division of Medical Cannabis approves a patient's enrollment in the registry program, the office must provide notice to the patient and to the patient's health care practitioner.

(b) A patient's enrollment in the registry program must only be denied if the patient:

(1) does not submit a certification from a health care practitioner or, if the patient is a veteran, the documentation required under subdivision 3 that the patient has been diagnosed with a qualifying medical condition;

(2) has not signed the disclosure required in subdivision 2;

(3) does not provide the information required by the Division of Medical Cannabis;

(4) provided false information on the application; or

(5) at the time of application, is also enrolled in a federally approved clinical trial for the treatment of a qualifying medical condition with medical cannabis.

(c) If the Division of Medical Cannabis denies a patient's enrollment in the registry program, the Division of Medical Cannabis must provide written notice to a patient of all reasons for denying enrollment. Denial of enrollment in the registry program is considered a final decision of the office and is subject to judicial review under chapter 14.

(d) A patient's enrollment in the registry program may be revoked only:

(1) pursuant to subdivision 2, paragraph (c);

(2) upon the death of the patient;

(3) if the patient's certifying health care practitioner has filed a declaration under subdivision 2, paragraph (c), that the patient's qualifying diagnosis no longer exists and the patient does not submit another certification within 30 days;

(4) if the patient does not comply with subdivision 6; or

(5) if the patient intentionally sells or diverts medical cannabis flower or medical cannabinoid products in violation of this chapter.

If a patient's enrollment in the registry program has been revoked due to a violation of subdivision 6, the patient may apply for enrollment 12 months after the date on which the patient's enrollment was revoked. The office must process such an application in accordance with this subdivision.

Subd. 5. **Registry verification.** When a patient is enrolled in the registry program, the Division of Medical Cannabis must assign the patient a patient registry number and must issue the patient and the patient's registered designated caregiver, parent, legal guardian, or spouse, if applicable, a registry verification. The Division of Medical Cannabis must also make the registry verification available to medical cannabis retailers. The registry verification must include:

(1) the patient's name and date of birth;

(2) the patient registry number assigned to the patient; and

(3) the name and date of birth of the patient's registered designated caregiver, if any, or the name of the patient's parent, legal guardian, or spouse if the parent, legal guardian, or spouse will act as a caregiver.

Subd. 6. **Conditions of continued enrollment.** As conditions of continued enrollment, a patient must:

(1) continue to receive regularly scheduled treatment for the patient's qualifying medical condition from the patient's health care practitioner; and

(2) report changes in the patient's qualifying medical condition to the patient's health care practitioner.

Subd. 7. **Enrollment period.** Enrollment in the registry program is valid for one year. To re-enroll, a patient must submit the information required in subdivision 2 and a patient who is also a veteran must submit the information required in subdivision 3.

Subd. 8. **Allowable delivery methods.** A patient in the registry program may receive medical cannabis flower and medical cannabinoid products. The office may approve additional delivery methods to expand the types of products that qualify as medical cannabinoid products.

Subd. 9. **Registered designated caregiver.** (a) The Division of Medical Cannabis must register a designated caregiver for a patient if the patient requires assistance in administering medical cannabis flower or medical cannabinoid products or in obtaining medical cannabis flower, medical cannabinoid products, or medical cannabis paraphernalia from a medical cannabis retailer.

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

(1) be at least:

(i) 18 years of age to obtain or assist with medical cannabinoid products or medical cannabis paraphernalia; and

(ii) 21 years of age to obtain or assist with medical cannabis flower;

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

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

(c) The office shall conduct a criminal background check on the designated caregiver prior to registration to ensure that the person does not have a conviction for a disqualifying felony offense. Any cost of the background check shall be paid by the person seeking registration as a designated caregiver. A designated caregiver must have the criminal background check renewed every two years.

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

Subd. 10. **Parents, legal guardians, spouses.** A parent, legal guardian, or spouse of a patient may act as the caregiver for a patient. The parent, legal guardian, or spouse who is acting as a caregiver must follow all requirements for parents, legal guardians, and spouses under this chapter. Nothing in this section limits any legal authority that a parent, legal guardian, or spouse may have for the patient under any other law.

Subd. 11. **Notice of change of name or address.** Patients and registered designated caregivers must notify the Division of Medical Cannabis of any address or name change within 30 days of the change having occurred. A patient or registered designated caregiver is subject to a \$100 fine for failure to notify the office of the change.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 53. **[342.53] DUTIES OF OFFICE OF CANNABIS MANAGEMENT; REGISTRY PROGRAM.**

The office may add an allowable form of medical cannabinoid product, and may add or modify a qualifying medical condition upon its own initiative, upon a petition from a member of the public or from the Cannabis Advisory Council or as directed by law. The office must evaluate all petitions and must make the addition or modification if the office determines that the addition or modification is warranted by the best available evidence and research. If the office wishes to add an allowable form or add or modify a qualifying medical condition, the office must notify the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health finance and policy by January 15 of the year in which the change becomes effective. In this notification, the office must specify the proposed addition or modification, the reasons for the addition or modification, any written comments received by the office from the public about the addition or modification, and any guidance received from the Cannabis Advisory Council. An addition or modification by the office under this subdivision becomes effective on August 1 of that year unless the legislature by law provides otherwise.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 54. **[342.54] DUTIES OF DIVISION OF MEDICAL CANNABIS; REGISTRY PROGRAM.**

Subdivision 1. **Duties related to health care practitioners.** The Division of Medical Cannabis must:

(1) provide notice of the registry program to health care practitioners in the state;

(2) allow health care practitioners to participate in the registry program if they request to participate and meet the program's requirements;

(3) provide explanatory information and assistance to health care practitioners to understand the nature of the therapeutic use of medical cannabis flower and medical cannabinoid products within program requirements;

(4) make available to participating health care practitioners a certification form in which a health care practitioner certifies that a patient has a qualifying medical condition; and

(5) supervise the participation of health care practitioners in the registry reporting system in which health care practitioners report patient treatment and health records information to the office in a manner that ensures stringent security and record keeping requirements and that prevents the unauthorized release of private data on individuals as defined in section 13.02.

**Subd. 2. Duties related to the registry program.** The Division of Medical Cannabis must:

(1) administer the registry program according to section 342.52;

(2) provide information to patients enrolled in the registry program on the existence of federally approved clinical trials for the treatment of the patient's qualifying medical condition with medical cannabis flower or medical cannabinoid products as an alternative to enrollment in the registry program;

(3) maintain safety criteria with which patients must comply as a condition of participation in the registry program to prevent patients from undertaking any task under the influence of medical cannabis flower or medical cannabinoid products that would constitute negligence or professional malpractice;

(4) review and publicly report on existing medical and scientific literature regarding the range of recommended dosages for each qualifying medical condition, the range of chemical compositions of medical cannabis flower and medical cannabinoid products that will likely be medically beneficial for each qualifying medical condition, and any risks of noncannabis drug interactions. This information must be updated by December 1 of each year. The office may consult with an independent laboratory under contract with the office or other experts in reporting and updating this information; and

(5) annually consult with cannabis businesses about medical cannabis that the businesses cultivate, manufacture, and offer for sale and post on the Division of Medical Cannabis website a list of the medical cannabis flower and medical cannabinoid products offered for sale by each medical cannabis retailer.

**Subd. 3. Research.** (a) The Division of Medical Cannabis must conduct or contract with a third party to conduct research and studies using data from health records submitted to the registry program under section 342.55, subdivision 2, and data submitted to the registry program under section 342.52, subdivisions 2 and 3. If the division contracts with a third party for research and studies, the third party must provide the division with access to all research and study results. The division must submit reports on intermediate or final research results to the legislature and major scientific journals. All data used by the division or a third party under this subdivision must be used or reported in an aggregated nonidentifiable form as part of a scientific peer-reviewed publication of research or in the creation of summary data, as defined in section 13.02, subdivision 19.

(b) The Division of Medical Cannabis may submit medical research based on the data collected under sections 342.55, subdivision 2, and data collected through the statewide monitoring system to any federal agency with regulatory or enforcement authority over medical cannabis flower and medical cannabinoid products to demonstrate the effectiveness of medical cannabis flower or medical cannabinoid products for treating or alleviating the symptoms of a qualifying medical condition.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 55. **[342.55] DUTIES OF HEALTH CARE PRACTITIONERS; REGISTRY PROGRAM.**

**Subdivision 1. Health care practitioner duties before patient enrollment.** Before a patient's enrollment in the registry program, a health care practitioner must:

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

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

(3) provide to patients explanatory information from the Division of Medical Cannabis, including information about the experimental nature of the therapeutic use of medical cannabis flower and medical cannabinoid products; the possible risks, benefits, and side effects of the proposed treatment; and the application and other materials from the office;

(4) provide to patients a Tennessean warning as required under section 13.04, subdivision 2; and

(5) agree to continue treatment of the patient's qualifying medical condition and to report findings to the Division of Medical Cannabis.

Subd. 2. **Duties upon patient's enrollment in registry program.** Upon receiving notification from the Division of Medical Cannabis of the patient's enrollment in the registry program, a health care practitioner must:

(1) participate in the patient registry reporting system under the guidance and supervision of the Division of Medical Cannabis;

(2) report to the Division of Medical Cannabis patient health records throughout the patient's ongoing treatment in a manner determined by the office and in accordance with subdivision 4;

(3) determine on a yearly basis if the patient continues to have a qualifying medical condition and, if so, issue the patient a new certification of that diagnosis. The patient assessment conducted under this clause may be conducted via telehealth, as defined in section 62A.673, subdivision 2; and

(4) otherwise comply with requirements established by the Office of Cannabis Management and the Division of Medical Cannabis.

Subd. 3. **Participation not required.** Nothing in this section requires a health care practitioner to participate in the registry program.

Subd. 4. **Data.** Data on patients collected by a health care practitioner and reported to the registry program, including data on patients who are veterans who receive care from the United States Department of Veterans Affairs, are health records under section 144.291 and are private data on individuals under section 13.02 but may be used or reported in an aggregated nonidentifiable form as part of a scientific peer-reviewed publication of research conducted under section 342.54 or in the creation of summary data, as defined in section 13.02, subdivision 19.

Subd. 5. **Exception.** The requirements of this section do not apply to a patient who is a veteran who receives care from the United States Department of Veterans Affairs or a health care practitioner employed by the United States Department of Veterans Affairs. Such a patient must meet the certification requirements developed pursuant to section 342.52, subdivision 3, before the patient's enrollment in the registry program. The Division of Medical Cannabis may establish policies and procedures to obtain medical records and other relevant data from a health care practitioner employed by the United States Department of Veterans Affairs, provided that those policies and procedures are consistent with this section.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 56. **[342.56] LIMITATIONS.**

Subdivision 1. **Limitations on consumption; locations of consumption.** Nothing in sections 342.47 to 342.60 permits any person to engage in, and does not prevent the imposition of any civil, criminal, or other penalties for:

(1) undertaking a task under the influence of medical cannabis flower or medical cannabinoid products that would constitute negligence or professional malpractice;

(2) possessing or consuming medical cannabis flower or medical cannabinoid products:

(i) on a school bus or van;

(ii) in a correctional facility;

(iii) in a state-operated treatment program, including the Minnesota sex offender program; or

(iv) on the grounds of a child care facility or family or group family day care program;

(3) vaporizing or smoking medical cannabis:

(i) on any form of public transportation;

(ii) where the vapor would be inhaled by a nonpatient minor or where the smoke would be inhaled by a minor; or

(iii) in any public place, including any indoor or outdoor area used by or open to the general public or a place of employment, as defined in section 144.413, subdivision 1b; and

(4) operating, navigating, or being in actual physical control of a motor vehicle, aircraft, train, or motorboat or working on transportation property, equipment, or facilities while under the influence of medical cannabis flower or a medical cannabinoid product.

Subd. 2. **Health care facilities.** (a) Health care facilities licensed under chapter 144A; hospice providers licensed under chapter 144A; boarding care homes or supervised living facilities licensed under section 144.50; assisted living facilities licensed under chapter 144G; facilities owned, controlled, managed, or under common control with hospitals licensed under chapter 144; and other health care facilities licensed by the commissioner of health may adopt reasonable restrictions on the use of medical cannabis flower or medical cannabinoid products by a patient enrolled in the registry program who resides at or is actively receiving treatment or care at the facility. The restrictions may include a provision that the facility must not store or maintain a patient's supply of medical cannabis flower or medical cannabinoid products, that the facility is not responsible for providing medical cannabis flower or medical cannabinoid products for patients, and that medical cannabis flower or medical cannabinoid products are used only in a location specified by the facility or provider.

(b) An employee or agent of a facility or provider listed in this subdivision or a person licensed under chapter 144E is not violating this chapter or chapter 152 for the possession of medical cannabis flower or medical cannabinoid products while carrying out employment duties, including providing or supervising care to a patient enrolled in the registry program, or distribution of medical cannabis flower or medical cannabinoid products to a patient enrolled in the registry program who resides at or is actively receiving treatment or care at the facility or from the provider with which the employee or agent is affiliated. Nothing in this subdivision requires facilities and providers listed in this subdivision to adopt such restrictions. No facility or provider listed in this subdivision may unreasonably limit a patient's access to or use of medical cannabis flower or medical cannabinoid products to the extent that such use is authorized under sections 342.47 to 342.60.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 57. **[342.57] PROTECTIONS FOR REGISTRY PROGRAM PARTICIPANTS.**

Subdivision 1. **Presumption.** There is a presumption that a patient enrolled in the registry program is engaged in the authorized use of medical cannabis flower and medical cannabinoid products. This presumption may be rebutted by evidence that the patient's use of medical cannabis flower or medical cannabinoid products was not for the purpose of treating or alleviating the patient's qualifying medical condition or symptoms associated with the patient's qualifying medical condition.

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

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

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

(3) possession of medical cannabis flower, medical cannabinoid products, or medical cannabis paraphernalia by any person while carrying out duties required under sections 342.47 to 342.60.

(b) The Office of Cannabis Management, members of the Cannabis Advisory Council, Office of Cannabis Management employees, agents or contractors of the Office of Cannabis Management, and health care practitioners participating in the registry program are not subject to any civil penalties or disciplinary action by the Board of Medical Practice, the Board of Nursing, or any business, occupational, or professional licensing board or entity solely for participating in the registry program either in a professional capacity or as a patient. A pharmacist licensed under chapter 151 is not subject to any civil penalties or disciplinary action by the Board of Pharmacy when acting in accordance with sections 342.47 to 342.60 either in a professional capacity or as a patient. Nothing in this section prohibits a professional licensing board from taking action in response to a violation of law.

(c) Notwithstanding any law to the contrary, a Cannabis Advisory Council member, the governor, or an employee of a state agency must not be held civilly or criminally liable for any injury, loss of property, personal injury, or death caused by any act or omission while acting within the scope of office or employment under sections 342.47 to 342.60.

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

(e) Notwithstanding any law to the contrary, the office and employees of the office must not release data or information about an individual contained in any report or document or in the registry and must not release data or information obtained about a patient enrolled in the registry program, except as provided in sections 342.47 to 342.60. Notwithstanding section 13.09, a violation of this paragraph is a gross misdemeanor.

(f) No information contained in a report or document, contained in the registry, or obtained from a patient under sections 342.47 to 342.60 may be admitted as evidence in a criminal proceeding, unless:

(1) the information is independently obtained; or

(2) admission of the information is sought in a criminal proceeding involving a criminal violation of sections 342.47 to 342.60.

(g) Possession of a registry verification or an application for enrollment in the registry program:

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

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

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



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

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

**Subd. 4. Medical care.** For purposes of medical care, including organ transplants, a patient's use of medical cannabis flower or medical cannabinoid products according to sections 342.47 to 342.60 is considered the equivalent of the authorized use of a medication used at the discretion of a health care practitioner and does not disqualify a patient from needed medical care.

**Subd. 5. Employment.** (a) Unless a failure to do so would violate federal or state law or regulations or cause an employer to lose a monetary or licensing-related benefit under federal law or regulations, an employer may not discriminate against a person in hiring, termination, or any term or condition of employment, or otherwise penalize a person, if the discrimination is based on:

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

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

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

**Subd. 6. Custody; visitation; parenting time.** A person must not be denied custody of a minor child or visitation rights or parenting time with a minor child based solely on the person's status as a patient enrolled in the registry program. There must be no presumption of neglect or child endangerment for conduct allowed under sections 342.47 to 342.60, unless the person's behavior creates an unreasonable danger to the safety of the minor as established by clear and convincing evidence.

**Subd. 7. Action for damages.** In addition to any other remedy provided by law, a patient may bring an action for damages against any person who violates subdivision 3, 4, or 5. A person who violates subdivision 3, 4, or 5 is liable to a patient injured by the violation for the greater of the person's actual damages or a civil penalty of \$100 and reasonable attorney fees.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 58. **[342.58] VIOLATION BY HEALTH CARE PRACTITIONER; CRIMINAL PENALTY.**

A health care practitioner who knowingly refers patients to a medical cannabis business or to a designated caregiver, who advertises as a retailer or producer of medical cannabis flower or medical cannabinoid products, or who issues certifications while holding a financial interest in a cannabis retailer or medical cannabis business is guilty of a misdemeanor and may be sentenced to imprisonment for not more than 90 days or to payment of not more than \$1,000, or both.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 59. **[342.59] DATA PRACTICES.**

Subdivision 1. **Data classification.** Patient health records maintained by the Office of Cannabis Management or the Division of Medical Cannabis and government data in patient health records maintained by a health care practitioner are classified as private data on individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in section 13.02, subdivision 9.

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

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 60. **[342.60] CLINICAL TRIALS.**

The Division of Medical Cannabis may conduct, or award grants to health care providers or research organizations to conduct, clinical trials on the safety and efficacy of using medical cannabis flower or medical cannabinoid products to treat a specific health condition. A health care provider or research organization receiving a grant under this section must provide the office with access to all data collected in a clinical trial funded under this section. The office may use data from clinical trials conducted or funded under this section as evidence to approve additional qualifying medical conditions or additional allowable forms of medical cannabis.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 61. **[342.61] TESTING.**

Subdivision 1. **Testing required.** Cannabis businesses and hemp businesses shall not sell or offer for sale cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products to another cannabis business or hemp business, or to a customer or patient, or otherwise transfer cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products to another cannabis business or hemp business, unless:

(1) a representative sample of the batch of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products has been tested according to this section and rules adopted under this chapter;

(2) the testing was completed by a cannabis testing facility licensed under this chapter; and

(3) the tested sample of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products was found to meet testing standards established by the office.

Subd. 2. **Procedures and standards established by office.** (a) The office shall by rule establish procedures governing the sampling, handling, testing, storage, and transportation of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products tested under this section; the contaminants for which cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products must be tested; standards for potency and homogeneity testing; and procedures applicable to cannabis businesses, hemp businesses, and cannabis testing facilities regarding cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products that fail to meet the standards for allowable levels of contaminants established by the office, that fail to meet the potency limits in this chapter, or that do not conform with the content of the cannabinoid profile listed on the label.

(b) All testing required under this section must be performed in a manner that is consistent with general requirements for testing and calibration activities.

Subd. 3. **Standards established by Office of Cannabis Management.** The office shall by rule establish standards for allowable levels of contaminants in cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products, and growing media. Contaminants for which the office must establish allowable levels must include but are not limited to residual solvents, foreign material, microbiological contaminants, heavy metals, pesticide residue, and mycotoxins.

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

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

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

Subd. 5. **Test results.** (a) If a sample meets the applicable testing standards, a cannabis testing facility shall issue a certification to a cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency hemp edible manufacturer, medical cannabis cultivator, or medical cannabis processor, and the cannabis business or hemp business may then sell or transfer the batch of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products from which the sample was taken to another cannabis business or hemp business, or offer the cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products for sale to customers or patients. If a sample does not meet the applicable testing standards or if the testing facility is unable to test for a substance identified pursuant to subdivision 4, paragraph (b), the batch from which the sample was taken shall be subject to procedures established by the office for such batches, including destruction, remediation, or retesting. A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency hemp edible manufacturer, medical cannabis cultivator, or medical cannabis processor must maintain the test results for cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products grown, manufactured, or imported by that cannabis business or hemp business for at least five years after the date of testing.

(b) A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency hemp edible manufacturer, medical cannabis cultivator, or medical cannabis processor shall make test results maintained by that cannabis business or hemp business available for review by any member of the public, upon request. Test results made available to the public must be in plain language.

Sec. 62. **[342.62] PACKAGING.**

Subdivision 1. **General.** All cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products sold to customers or patients must be packaged as required by this section and rules adopted under this chapter.

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

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

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

(b) The requirement that packaging be child-resistant does not apply to a lower-potency hemp edible that is sold pursuant to section 342.46, subdivision 8, paragraph (e), or:

(1) is intended to be consumed as a beverage;

(2) contains nonintoxicating cannabinoids;

(3) does not contain more than a combined total of 0.25 milligrams of intoxicating cannabinoids; and

(4) does not contain an artificially derived cannabinoid.

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

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

Subd. 3. **Packaging prohibitions.** (a) Cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products sold to customers or patients must not be packaged in a manner that:

(1) bears a reasonable resemblance to any commercially available product that does not contain cannabinoids, whether the manufacturer of the product holds a registered trademark or has registered the trade dress; or

(2) is designed to appeal to persons under 21 years of age.

(b) Packaging for cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products must not contain or be coated with any perfluoroalkyl substance.

(c) Edible cannabis products and lower-potency hemp edibles must not be packaged in a material that is not approved by the United States Food and Drug Administration for use in packaging food.

Sec. 63. **[342.63] LABELING.**

Subdivision 1. **General.** All cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products sold to customers or patients must be labeled as required by this section and rules adopted under this chapter.

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

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

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

(3) the batch number;

(4) the cannabinoid profile;

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

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

(7) the maximum dose, quantity, or consumption that may be considered medically safe within a 24-hour period;

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

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

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

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

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

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

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

(5) the batch number;

(6) the serving size;

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

(8) a list of ingredients;

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

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

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

(ii) is in a highly visible color;

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

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

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

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

(12) the maximum dose, quantity, or consumption that may be considered medically safe within a 24-hour period;

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

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

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

**Subd. 4. Additional content of label; medical cannabis flower and medical cannabinoid products.** In addition to the applicable requirements for labeling under subdivision 2 or 3, all medical cannabis flower and medical cannabinoid products must include at least the following information on the label affixed to the packaging or container of the medical cannabis flower or medical cannabinoid product:

(1) the patient's name and date of birth;

(2) the name and date of birth of the patient's registered designated caregiver or, if listed on the registry verification, the name of the patient's parent, legal guardian, or spouse, if applicable; and

(3) the patient's registry identification number.

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

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

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

(3) the net weight or volume of the product in the package or container;

(4) the type of topical product;

(5) the amount or percentage of cannabidiol, cannabigerol, or any other cannabinoid, derivative, or extract of hemp, per serving and in total;

(6) a list of ingredients;

(7) a statement that the product does not claim to diagnose, treat, cure, or prevent any disease and that the product has not been evaluated or approved by the United States Food and Drug Administration, unless the product has been so approved; and

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

(b) The information required in paragraph (a), clauses (1), (2), and (5), may be provided through the use of a scannable barcode or matrix barcode that links to a page on a website maintained by the manufacturer or distributor if that page contains all of the information required by this subdivision.

**Subd. 6. Additional warnings.** The office shall review medical and scientific literature to determine whether it is appropriate to require additional health and safety warnings regarding the impact of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products. The review must specifically include the identification of any risks associated with use by pregnant or breastfeeding women or by women planning to become pregnant, and the effects use has on brain development for those under the age of 25. Any additional labeling requirement must contain only information that is supported by credible science and is helpful to consumers in considering potential health risks.

**Subd. 7. Additional information.** (a) A cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, or medical cannabis retailer must provide customers and patients with the following information:

(1) factual information about impairment effects and the expected timing of impairment effects, side effects, adverse effects, and health risks of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products;

(2) a statement that customers and patients must not operate a motor vehicle or heavy machinery while under the influence of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products;

(3) resources customers and patients may consult to answer questions about cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products, and any side effects and adverse effects;

(4) contact information for the poison control center and a safety hotline or website for customers to report and obtain advice about side effects and adverse effects of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products; and

(5) any other information specified by the office.

(b) A cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, or medical cannabis retailer may include the information described in paragraph (a) on the label affixed to the packaging or container of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products by:

(1) posting the information in the premises of the cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, or medical cannabis retailer; or

(2) providing the information on a separate document or pamphlet provided to customers or patients when the customer purchases cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product.

Sec. 64. **[342.64] ADVERTISEMENT.**

Subdivision 1. **Limitations applicable to all advertisements.** Cannabis businesses, hemp businesses, and other persons shall not publish or cause to be published an advertisement for a cannabis business, a hemp business, cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product in a manner that:

(1) contains false or misleading statements;

(2) contains unverified claims about the health or therapeutic benefits or effects of consuming cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product;

(3) promotes the overconsumption of cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product;

(4) depicts a person under 21 years of age consuming cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product; or

(5) includes an image designed or likely to appeal to individuals under 21 years of age, including cartoons, toys, animals, or children, or any other likeness to images, characters, or phrases that is designed to be appealing to individuals under 21 years of age or encourage consumption by individuals under 21 years of age.

Subd. 2. **Outdoor advertisements; cannabis business signs.** (a) Except as provided in paragraph (c), an outdoor advertisement of a cannabis business, a hemp business, cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product is prohibited.

(b) Cannabis businesses and hemp businesses may erect up to two fixed outdoor signs on the exterior of the building or property of the cannabis business or hemp business. A fixed outdoor sign:

(1) may contain the name of the cannabis business and the address and nature of the cannabis business; and

(2) shall not include a logo or an image of any kind.

(c) The prohibition under paragraph (a) does not apply to an outdoor advertisement for a hemp business, or the goods or services the business offers, that is not related to the manufacture or sale of lower-potency hemp edibles and does not include an image, description, or any reference to the manufacture or sale of lower-potency hemp edibles.

Subd. 3. **Audience under 21 years of age.** Cannabis businesses, hemp businesses, and other persons shall not publish or cause to be published an advertisement for a cannabis business, a hemp business, cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product in any print publication or on radio, television, or any other medium if 30 percent or more of the audience of that medium is reasonably expected to be individuals who are under 21 years of age, as determined by reliable, current audience composition data.



Subd. 4. **Certain unsolicited advertising.** Cannabis businesses, hemp businesses, and other persons shall not utilize unsolicited pop-up advertisements on the internet to advertise a cannabis business, a hemp business, cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product.

Subd. 5. **Advertising using direct, individualized communication or dialogue.** Before a cannabis business, hemp business, or another person may advertise a cannabis business, a hemp business, cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product through direct, individualized communication or dialogue controlled by the cannabis business, hemp business, or other person, the cannabis business, hemp business, or other person must use a method of age affirmation to verify that the recipient of the direct, individualized communication or dialogue is 21 years of age or older. For purposes of this subdivision, the method of age affirmation may include user confirmation, birth date disclosure, or another similar registration method.

Subd. 6. **Advertising using location-based devices.** Cannabis businesses, hemp businesses, and other persons shall not advertise a cannabis business, a hemp business, cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product with advertising directed toward location-based devices, including but not limited to cellular telephones, unless:

(1) the advertising occurs via a mobile device application that is installed on the device by the device's owner and includes a permanent and easy to implement opt-out feature; and

(2) the owner of the device is 21 years of age or older.

Subd. 7. **Advertising restrictions for health care practitioners under the medical cannabis program.** (a) A health care practitioner shall not publish or cause to be published an advertisement that:

(1) contains false or misleading statements about the registry program;

(2) uses colloquial terms to refer to medical cannabis flower or medical cannabinoid products, such as pot, weed, or grass;

(3) states or implies that the health care practitioner is endorsed by the office, the Division of Medical Cannabis, or the registry program;

(4) includes images of cannabis flower, hemp plant parts, or images of paraphernalia commonly used to smoke cannabis flower; or

(5) contains medical symbols that could reasonably be confused with symbols of established medical associations or groups.

(b) A health care practitioner found by the office to have violated this subdivision is prohibited from certifying that patients have a qualifying medical condition for purposes of patient participation in the registry program. A decision by the office that a health care practitioner has violated this subdivision is a final decision and is not subject to the contested case procedures in chapter 14.

Sec. 65. **[342.65] INDUSTRIAL HEMP.**

Nothing in this chapter shall limit the ability of a person licensed under chapter 18K to grow industrial hemp for commercial or research purposes, process industrial hemp for commercial purposes, sell hemp fiber products and hemp grain, manufacture hemp-derived topical products, or perform any other actions authorized by the commissioner of agriculture. For purposes of this section, "processing" has the meaning given in section 18K.02, subdivision 5, and does not include the process of creating artificially derived cannabinoids.

Sec. 66. **[342.66] HEMP-DERIVED TOPICAL PRODUCTS.**

Subdivision 1. **Scope.** This section applies to the manufacture, marketing, distribution, and sale of hemp-derived topical products.

Subd. 2. **License; not required.** No license is required to manufacture, market, distribute, or sell hemp-derived topical products.

Subd. 3. **Approved cannabinoids.** (a) Products manufactured, marketed, distributed, and sold under this section may contain cannabidiol or cannabigerol. Except as provided in paragraph (c), products may not contain any other cannabinoid unless approved by the office.

(b) The office may approve any cannabinoid, other than any tetrahydrocannabinol, and authorize its use in manufacturing, marketing, distribution, and sales under this section if the office determines that the cannabinoid is a nonintoxicating cannabinoid.

(c) A product manufactured, marketed, distributed, and sold under this section may contain cannabinoids other than cannabidiol, cannabigerol, or any other cannabinoid approved by the office provided that the cannabinoids are naturally occurring in hemp plants or hemp plant parts and the total of all other cannabinoids present in a product does not exceed one milligram per package.

Subd. 4. **Approved products.** Products sold to consumers under this section may only be manufactured, marketed, distributed, intended, or generally expected to be used by applying the product externally to a part of the body of a human or animal.

Subd. 5. **Labeling.** Hemp-derived topical products must meet the labeling requirements in section 342.63, subdivision 5.

Subd. 6. **Prohibitions.** (a) A product sold to consumers under this section must not be manufactured, marketed, distributed, or intended:

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

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

(3) to be consumed by combustion or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product;

(4) to be consumed through chewing; or

(5) to be consumed through injection or application to a mucous membrane or nonintact skin.

(b) A product manufactured, marketed, distributed, or sold to consumers under this section must not:

(1) consist, in whole or in part, of any filthy, putrid, or decomposed substance;

(2) have been produced, prepared, packed, or held under unsanitary conditions where the product may have been rendered injurious to health, or where the product may have been contaminated with filth;

(3) be packaged in a container that is composed, in whole or in part, of any poisonous or deleterious substance that may render the contents injurious to health;

(4) contain any additives or excipients that have been found by the United States Food and Drug Administration to be unsafe for human or animal consumption;

(5) contain a cannabinoid or an amount or percentage of cannabinoids that is different than the information stated on the label;

(6) contain a cannabinoid, other than cannabidiol, cannabigerol, or a cannabinoid approved by the office, in an amount that exceeds the standard established in subdivision 2, paragraph (c); or

(7) contain any contaminants for which testing is required by the office in amounts that exceed the acceptable minimum standards established by the office.

(c) No product containing any cannabinoid may be sold to any individual who is under 21 years of age.

Subd. 7. **Enforcement.** The office may enforce this section under the relevant provisions of section 342.19, including but not limited to issuing administrative orders, embargoing products, and imposing civil penalties.

**Sec. 67. [342.67] LEGAL ASSISTANCE TO CANNABIS BUSINESSES AND HEMP BUSINESSES.**

An attorney must not be subject to disciplinary action by the Minnesota Supreme Court or professional responsibility board for providing legal assistance to prospective or licensed cannabis businesses or hemp businesses, or others for activities that do not violate this chapter or chapter 152.

**Sec. 68. [342.70] CANNABIS INDUSTRY COMMUNITY RENEWAL GRANTS.**

Subdivision 1. **Establishment.** The Office of Cannabis Management shall establish CanRenew, a program to award grants to eligible organizations for investments in communities where long-term residents are eligible to be social equity applicants.

Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Community investment" means a project or program designed to improve community-wide outcomes or experiences and may include efforts targeting economic development, violence prevention, youth development, or civil legal aid, among others.

(c) "Eligible community" means a community where long-term residents are eligible to be social equity applicants.

(d) "Eligible organization" means any organization able to make an investment in a community where long-term residents are eligible to be social equity applicants and may include educational institutions, nonprofit organizations, private businesses, community groups, units of local government, or partnerships between different types of organizations.

(e) "Program" means the CanRenew grant program.

(f) "Social equity applicant" means a person who meets the qualification requirements in section 342.16.

Subd. 3. **Grants to organizations.** (a) The office must award grants to eligible organizations through a competitive grant process.

(b) To receive grant money, an eligible organization must submit a written application to the office, using a form developed by the office, explaining the community investment the organization wants to make in an eligible community.

(c) An eligible organization's grant application must also include:

(1) an analysis of the community's need for the proposed investment;

(2) a description of the positive impact that the proposed investment is expected to generate for that community;

(3) any evidence of the organization's ability to successfully achieve that positive impact;

(4) any evidence of the organization's past success in making similar community investments;

(5) an estimate of the cost of the proposed investment;

(6) the sources and amounts of any nonstate funds or in-kind contributions that will supplement grant money; and

(7) any additional information requested by the office.

(d) In awarding grants under this subdivision, the office shall give weight to applications from organizations that demonstrate a history of successful community investments, particularly in geographic areas that are now eligible communities. The office shall also give weight to applications where there is demonstrated community support for the proposed investment. The office shall fund investments in eligible communities throughout the state.

Subd. 4. **Program outreach.** The office shall make extensive efforts to publicize these grants, including through partnerships with community organizations, particularly those located in eligible communities.

Subd. 5. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter, the office must submit a report to the chairs and ranking minority members of the committees of the house of representatives and the senate having jurisdiction over community development that details awards given through the CanRenew program and the use of grant money, including any measures of successful community impact from the grants.

**Sec. 69. [342.72] SUBSTANCE USE TREATMENT, RECOVERY, AND PREVENTION GRANTS.**

Subdivision 1. **Account established; appropriation.** A substance use treatment, recovery, and prevention grant account is created in the special revenue fund. Money in the account, including interest earned, is appropriated to the office for the purposes specified in this section.

Subd. 2. **Acceptance of gifts and grants.** Notwithstanding sections 16A.013 to 16A.016, the office may accept money contributed by individuals and may apply for grants from charitable foundations to be used for the purposes identified in this section. The money accepted under this section must be deposited in the substance use treatment, recovery, and prevention grant account created under subdivision 1.

Subd. 3. **Disposition of money; grants.** (a) Money in the substance use treatment, recovery, and prevention grant account must be distributed as follows:

(1) 75 percent of the money is for grants for recovery programs and substance use disorder treatment, as defined in section 245G.01, subdivision 24, and may be used for substance use disorder treatment provider rate increases and programs to provide education and training to providers of substance use disorder treatment on the signs of substance use disorder and effective treatments for substance use disorder. The office shall consult with the commissioner of human services to determine appropriate provider rate increases or modifications to existing payment methodologies;

(2) 20 percent of the money is for grants for substance use disorder prevention; and

(3) five percent of the money is for grants to educate pregnant women, breastfeeding women, and women who may become pregnant on the adverse health effects of substance use.

(b) The office shall consult with the commissioner of human services, the commissioner of health, and the Substance Use Disorder Advisory Council to develop an appropriate application process, establish grant requirements, determine what organizations are eligible to receive grants, and establish reporting requirements for grant recipients.

Subd. 4. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter, the office must submit a report to the chairs and ranking minority members of the committees of the house of representatives and the senate having jurisdiction over health and human services policy and finance that details grants awarded from the substance use treatment, recovery, and prevention grant account, including the total amount awarded, total number of recipients, and geographic distribution of those recipients.

Sec. 70. **[342.73] CANNABIS GROWER GRANTS.**

Subdivision 1. **Establishment.** The office, in consultation with the commissioner of agriculture, shall establish CanGrow, a program to award grants to (1) eligible organizations to help farmers navigate the regulatory structure of the legal cannabis industry, and (2) nonprofit corporations to fund loans to farmers for expansion into the legal cannabis industry.

Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Eligible organization" means any organization capable of helping farmers navigate the regulatory structure of the legal cannabis industry, particularly individuals facing barriers to education or employment, and may include educational institutions, nonprofit organizations, private businesses, community groups, units of local government, or partnerships between different types of organizations.

(c) "Industry" means the legal cannabis industry in the state of Minnesota.

(d) "Program" means the CanGrow grant program.

(e) "Social equity applicant" means a person who meets the qualification requirements in section 342.16.

Subd. 3. **Technical assistance grants.** (a) Grant money awarded to eligible organizations may be used for both developing technical assistance resources relevant to the regulatory structure of the legal cannabis industry and for providing such technical assistance or navigation services to farmers.

(b) The office must award grants to eligible organizations through a competitive grant process.

(c) To receive grant money, an eligible organization must submit a written application to the office, using a form developed by the office, explaining the organization's ability to assist farmers in navigating the regulatory structure of the legal cannabis industry, particularly farmers facing barriers to education or employment.

(d) An eligible organization's grant application must also include:

(1) a description of the proposed technical assistance or navigation services, including the types of farmers targeted for assistance;

(2) any evidence of the organization's past success in providing technical assistance or navigation services to farmers, particularly farmers who live in areas where long-term residents are eligible to be social equity applicants;

(3) an estimate of the cost of providing the technical assistance;

(4) the sources and amounts of any nonstate funds or in-kind contributions that will supplement grant money, including any amounts that farmers will be charged to receive assistance; and

(5) any additional information requested by the office.

(e) In awarding grants under this subdivision, the office shall give weight to applications from organizations that demonstrate a history of successful technical assistance or navigation services, particularly for farmers facing barriers to education or employment. The office shall also give weight to applications where the proposed technical assistance will serve areas where long-term residents are eligible to be social equity applicants. The office shall fund technical assistance to farmers throughout the state.

**Subd. 4. Loan financing grants.** (a) The office shall establish a revolving loan account to make loan financing grants under the CanGrow program.

(b) The office must award grants to nonprofit corporations through a competitive grant process. When selecting grant recipients under this subdivision, the office must utilize the expertise of an employee of the office who is experienced in agricultural business development.

(c) To receive grant money, a nonprofit corporation must submit a written application to the office using a form developed by the office.

(d) In awarding grants under this subdivision, the office shall give weight to whether the nonprofit corporation:

(1) has a board of directors that includes individuals experienced in agricultural business development;

(2) has the technical skills to analyze projects;

(3) is familiar with other available public and private funding sources and economic development programs;

(4) can initiate and implement economic development projects;

(5) can establish and administer a revolving loan account; and

(6) has established relationships with communities where long-term residents are eligible to be social equity applicants.

The office shall make grants that will help farmers enter the legal cannabis industry throughout the state.

(e) A nonprofit corporation that receives grants under the program must:

(1) establish an office-certified revolving loan account for the purpose of making eligible loans; and

(2) enter into an agreement with the office that the office shall fund loans that the nonprofit corporation makes to farmers entering the legal cannabis industry. The office shall review existing agreements with nonprofit corporations every five years and may renew or terminate an agreement based on that review. In making this review, the office shall consider, among other criteria, the criteria in paragraph (d).

**Subd. 5. Loans to farmers.** (a) The criteria in this subdivision apply to loans made by nonprofit corporations under the program.

(b) A loan must be used to support a farmer in entering the legal cannabis industry. Priority must be given to loans to businesses owned by farmers who are eligible to be social equity applicants and businesses located in communities where long-term residents are eligible to be social equity applicants.

(c) Loans must be made to businesses that are not likely to undertake the project for which loans are sought without assistance from the program.

(d) The minimum state contribution to a loan is \$2,500 and the maximum is either:

(1) \$50,000; or

(2) \$150,000, if state contributions are matched by an equal or greater amount of new private investment.

(e) Loan applications given preliminary approval by the nonprofit corporation must be forwarded to the office for approval. The office must give final approval for each loan made by the nonprofit corporation under the program.

(f) If the borrower has met lender criteria, including being current with all payments for a minimum of three years, the office may approve either full or partial forgiveness of interest or principal amounts.

**Subd. 6. Revolving loan account administration.** (a) The office shall establish a minimum interest rate for loans or guarantees to ensure that necessary loan administration costs are covered. The interest rate charged by a nonprofit corporation for a loan under this section must not exceed the Wall Street Journal prime rate. For a loan under this section, the nonprofit corporation may charge a loan origination fee equal to or less than one percent of the loan value. The nonprofit corporation may retain the amount of the origination fee.

(b) Loan repayment of principal must be paid to the office for deposit in the revolving loan account. Loan interest payments must be deposited in a revolving loan account created by the nonprofit corporation originating the loan being repaid for further distribution or use, consistent with the criteria of this section.

(c) Administrative expenses of the nonprofit corporations with whom the office enters into agreements, including expenses incurred by a nonprofit corporation in providing financial, technical, managerial, and marketing assistance to a business receiving a loan under this section, are eligible program expenses that the office may agree to pay under the grant agreement.

**Subd. 7. Program outreach.** The office shall make extensive efforts to publicize these grants, including through partnerships with community organizations, particularly those located in areas where long-term residents are eligible to be social equity applicants.

**Subd. 8. Reporting requirements.** (a) A nonprofit corporation that receives a grant under subdivision 4 shall:

(1) submit an annual report to the office by January 15 of each year that the nonprofit corporation participates in the program that includes a description of agricultural businesses supported by the grant program, an account of loans made during the calendar year, the program's impact on farmers' ability to expand into the legal cannabis industry, the source and amount of money collected and distributed by the program, the program's assets and liabilities, and an explanation of administrative expenses; and

(2) provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the office.

(b) By February 15, 2024, and each February 15 thereafter, the office must submit a report to the chairs and ranking minority members of the committees of the house of representatives and the senate having jurisdiction over agriculture that details awards given through the CanGrow program and the use of grant money, including any measures of success toward helping farmers enter the legal cannabis industry.

**Sec. 71. [342.79] SUBSTANCE USE DISORDER ADVISORY COUNCIL.**

**Subdivision 1. Establishment.** The Substance Use Disorder Advisory Council is established to develop and implement a comprehensive and effective statewide approach to substance use disorder prevention and treatment. The council shall:

(1) establish priorities to address public education and substance use disorder prevention and treatment needs;

(2) make recommendations to the legislature on the amount of money to be allocated for substance use disorder prevention and treatment initiatives;

(3) make recommendations to the commissioner of human services on grant and funding options for money appropriated from the general fund to the commissioner of human services for substance use disorder prevention and treatment;

(4) recommend to the commissioner of human services specific programs, projects, and initiatives to be funded; and

(5) consult with the commissioners of human services, health, and management and budget to develop measurable outcomes to determine the effectiveness of programs, projects, and initiatives funded.

**Subd. 2. Membership.** (a) The council shall consist of the following members, appointed by the commissioner of human services, except as otherwise specified:

(1) two members of the house of representatives, one from the majority party appointed by the speaker and one from the minority party appointed by the minority leader of the house of representatives;

(2) two members of the senate, one from the majority party appointed by the senate majority leader and one from the minority party appointed by the senate minority leader;

(3) the commissioner of human services or a designee;

(4) the director of the Office of Cannabis Management or a designee;

(5) two members representing substance use disorder treatment programs licensed under chapter 245G;

(6) one public member who is a Minnesota resident and in recovery from a substance use disorder;

(7) one public member who is a family member of a person with a substance use disorder;

(8) one member who is a physician with experience in substance use disorders;

(9) one member who is a licensed psychologist, licensed professional clinical counselor, licensed marriage and family therapist, or licensed social worker;

(10) one member of each federally recognized Tribal Nation within the geographical boundaries of the state of Minnesota;

(11) one mental health advocate representing persons with mental illness;

(12) one member representing county social services agencies;

(13) one patient advocate;

(14) a representative from a community that experienced a disproportionate, negative impact from cannabis prohibition;

(15) one veteran; and



(16) one parent of a medical cannabis patient who is under age 21.

(b) The commissioner of human services shall coordinate appointments to ensure the geographic diversity of council members and shall ensure that at least one-third of council members reside outside of the seven-county metropolitan area.

(c) The council is governed by section 15.059, except that members of the council shall receive no compensation other than reimbursement for expenses. Notwithstanding section 15.059, subdivision 6, the council shall not expire.

(d) The chair shall convene the council on a quarterly basis and may convene other meetings as necessary. The chair shall convene meetings at different locations in the state to provide geographic access to members of the public.

(e) The commissioner of human services shall provide staff and administrative services for the advisory council.

(f) The council is subject to chapter 13D.

Subd. 3. **Report and grants.** (a) The commissioner of human services shall submit a report of the grants and funding recommended by the advisory council to be awarded for the upcoming fiscal year to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance by March 1 of each year, beginning March 1, 2024.

(b) When awarding grants, the commissioner of human services shall consider the programs, projects, and initiatives recommended by the council that address the priorities established by the council, unless otherwise appropriated by the legislature.

Sec. 72. **[342.80] LAWFUL ACTIVITIES.**

(a) Notwithstanding any law to the contrary, the cultivation, manufacturing, possessing, and selling of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products by a licensed cannabis business or hemp business in conformity with the rights granted by a cannabis business license or hemp business license is lawful and may not be the grounds for the seizure or forfeiture of property, arrest or prosecution, or search or inspections except as provided by this chapter.

(b) A person acting as an agent of a cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, or lower-potency hemp edible retailer who sells or otherwise transfers cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to a person under 21 years of age is not subject to arrest, prosecution, or forfeiture of property if the person complied with section 342.27, subdivision 4, and any rules promulgated pursuant to this chapter.

Sec. 73. **[342.81] CIVIL ACTIONS.**

Subdivision 1. **Right of action.** A spouse, child, parent, guardian, employer, or other person injured in person, property, or means of support or who incurs other pecuniary loss by an intoxicated person or by the intoxication of another person, has a right of action in the person's own name for all damages sustained against a person who caused the intoxication of that person by illegally selling cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products. All damages recovered by a minor under this section must be paid either to the minor or to the minor's parent, guardian, or next friend as the court directs.

Subd. 2. **Actions.** All suits for damages under this section must be by civil action in a court of this state having jurisdiction.

Subd. 3. **Comparative negligence.** Actions under this section are governed by section 604.01.

Subd. 4. **Defense.** It is a defense for the defendant to prove by a preponderance of the evidence that the defendant reasonably and in good faith relied upon representations of proof of age in selling, bartering, furnishing, or giving the cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products.

Subd. 5. **Subrogation claims denied.** There shall be no recovery by any insurance company against any cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, or lower-potency hemp edible retailer under subrogation clauses of the uninsured, underinsured, collision, or other first-party coverages of a motor vehicle insurance policy as a result of payments made by the company to persons who have claims that arise in whole or in part under this section. Section 65B.53, subdivision 3, does not apply to actions under this section.

Subd. 6. **Common law claims.** Nothing in this chapter precludes common law tort claims against any person 21 years old or older who knowingly provides or furnishes cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to a person under the age of 21 years.

Sec. 74. **SUBSTANCE USE DISORDER ADVISORY COUNCIL FIRST MEETING.**

The commissioner of human services shall convene the first meeting of the Substance Use Disorder Advisory Council established under Minnesota Statutes, section 342.79, no later than October 1, 2023. The members shall elect a chair at the first meeting.

Sec. 75. **EFFECTIVE DATE.**

Except as otherwise provided, each section of this article is effective July 1, 2023."

Page 146, line 24, delete "businesses in the legal cannabis industry" and insert "cannabis microbusinesses"

Page 146, after line 27, insert:

"(b) "Cannabis microbusiness" means a cannabis business that meets the requirements of section 342.28."

Reletter the paragraphs in sequence

Page 147, line 26, delete everything after "assist" and insert "new cannabis microbusinesses."

Page 147, delete line 27

Page 148, line 2, delete "businesses in the legal cannabis industry" and insert "cannabis microbusinesses"

Page 148, line 8, delete "business" and insert "cannabis microbusiness"

Page 148, line 12, delete "businesses" and insert "cannabis microbusinesses"

Page 148, lines 21, 22, 23, and 27, delete "business" and insert "cannabis microbusiness"

Page 149, line 34, delete "businesses in the legal cannabis industry" and insert "cannabis microbusinesses"

Pages 154 to 155, delete sections 2 to 6 and insert:

"Sec. 2. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to read:

Subd. 26. **Cannabis concentrate.** "Cannabis concentrate" has the meaning given in section 342.01, subdivision 14.

Sec. 3. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to read:

Subd. 27. **Cannabis flower.** "Cannabis flower" has the meaning given in section 342.01, subdivision 15.

Sec. 4. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to read:

Subd. 28. **Cannabis plant.** "Cannabis plant" has the meaning given in section 342.01, subdivision 18.

Sec. 5. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to read:

Subd. 29. **Cannabis product.** "Cannabis product" has the meaning given in section 342.01, subdivision 19.

Sec. 6. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to read:

Subd. 30. **Edible cannabis product.** "Edible cannabis product" has the meaning given in section 342.01, subdivision 29.

Sec. 7. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to read:

Subd. 31. **Hemp-derived consumer product.** "Hemp-derived consumer product" has the meaning given in section 342.01, subdivision 35.

Sec. 8. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to read:

Subd. 32. **Lower-potency hemp edible.** "Lower-potency hemp edible" has the meaning given in section 342.01, subdivision 48."

Page 157, line 2, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, hemp-derived consumer products, or any combination of those"

Page 159, line 6, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, hemp-derived consumer products, or any combination of those"

Page 160, line 22, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, hemp-derived consumer products, or any combination of those"

Page 161, line 29, delete "or cannabinoid" and insert ", cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 162, line 16, delete "two" and insert "1.5" and delete "in any"

Page 162, line 17, delete everything before the semicolon

Page 162, delete lines 18 and 19

Page 162, line 20, delete "(3)" and insert "(2)"

Page 162, line 21, delete "(4)" and insert "(3)" and delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 162, line 27, delete "two" and insert "1.5"

Page 162, line 30, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 163, line 8, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 163, lines 19 and 23, delete "or cannabinoid" and insert ", cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 164, lines 1 and 11, delete the comma and insert a semicolon

Page 164, lines 2 and 12, delete the comma and insert a semicolon and delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 164, line 18, delete the first comma and insert a semicolon and delete ", or" and insert a semicolon

Page 164, line 19, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 164, line 26, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 165, line 1, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 165, line 6, delete "or" and delete "cannabinoid" and insert "cannabis"

Page 165, line 7, after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 166, line 11, delete "or cannabinoid" and insert "cannabis"

Page 166, line 12, after "products" insert ", or hemp-derived consumer products"

Page 166, delete sections 21 to 23 and insert:

"Sec. 23. Minnesota Statutes 2022, section 169A.03, is amended by adding a subdivision to read:

Subd. 3b. **Cannabis flower.** "Cannabis flower" has the meaning given in section 342.01, subdivision 15.

Sec. 24. Minnesota Statutes 2022, section 169A.03, is amended by adding a subdivision to read:

Subd. 3c. **Cannabis product.** "Cannabis product" has the meaning given in section 342.01, subdivision 19.

Sec. 25. Minnesota Statutes 2022, section 169A.03, is amended by adding a subdivision to read:

Subd. 10a. **Hemp-derived consumer product.** "Hemp-derived consumer product" has the meaning given in section 342.01, subdivision 35.

Sec. 26. Minnesota Statutes 2022, section 169A.03, is amended by adding a subdivision to read:

Subd. 11b. **Lower-potency hemp edible.** "Lower-potency hemp edible" has the meaning given in section 342.01, subdivision 48."

Page 167, lines 18 and 20, delete "cannabinoid" and insert "cannabis" and after "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product"

Page 168, line 2, delete "cannabinoid" and insert "cannabis" and after the first "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product" and after "any" insert "other"

Page 168, line 5, delete "cannabinoid" and insert "cannabis"

Page 168, line 6, after the first "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product" and after "any" insert "other"

Page 168, line 15, delete "cannabinoid" and insert "cannabis" and after the first "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product" and after the second "any" insert "other"

Page 168, line 25, delete "or a cannabinoid product" and insert ", a cannabis product, a lower-potency hemp edible, a hemp-derived consumer product,"

Page 169, line 13, delete "cannabinoid" and insert "cannabis" and after "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product"

Page 170, lines 6 and 9, delete "cannabinoid" and insert "cannabis" and after "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product"

Page 170, line 25, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, hemp-derived consumer products"

Page 171, line 8, delete "4" and insert "3" and delete "cannabinoid" and insert "cannabis"

Page 171, line 9, delete "2" and insert "3" and before "if" insert "hemp-derived consumer products as defined in section 342.01, subdivision 35, or lower-potency hemp edibles as defined in section 342.01, subdivision 48,"

Page 171, line 14, delete "58" and insert "61"

Page 171, delete section 30

Page 173, lines 11 and 20, delete "cannabinoid" and insert "cannabis" and after "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product"

Page 174, lines 11 and 20, delete "cannabinoid" and insert "cannabis" and after "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product"

Page 175, lines 7 and 16, delete "cannabinoid" and insert "cannabis" and after "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product"

Page 176, lines 3 and 12, delete "cannabinoid" and insert "cannabis" and after "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product"

Page 177, lines 1 and 10, delete "cannabinoid" and insert "cannabis" and after "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product"

Page 178, lines 1 and 10, delete "cannabinoid" and insert "cannabis" and after "product" insert ", a lower-potency hemp edible, a hemp-derived consumer product"

Page 179, line 25, delete everything after "subdivision" and insert "15, cannabis products as defined in section 342.01, subdivision 19, hemp-derived consumer products as defined in section 342.01, subdivision 35, or lower-potency hemp edibles as defined in section 342.01, subdivision 48."

Page 179, delete line 26

Page 183, line 11, after "cause" insert "for charges under section 152.021, subdivision 2, paragraph (a), clause (6); 152.022, subdivision 2, paragraph (a), clause (6); 152.023, subdivision 2, paragraph (a), clause (5); 152.024, subdivision 2, clause (2); 152.025, subdivision 2, clause (1); or 152.027, subdivision 3 or 4"

Page 183, line 13, after "person" insert "for charges under section 152.021, subdivision 2, paragraph (a), clause (6); 152.022, subdivision 2, paragraph (a), clause (6); 152.023, subdivision 2, paragraph (a), clause (5); 152.024, subdivision 2, clause (2); 152.025, subdivision 2, clause (1); or 152.027, subdivision 3 or 4"

Page 185, line 8, after the period, insert "The courts shall not order the Department of Health or Human Services to seal records under this section."

Page 188, line 23, delete "(4) or"

Page 189, delete lines 12 and 13

Page 189, line 14, delete "(8)" and insert "(7)"

Page 189, line 17, delete "(9)" and insert "(8)"

Page 189, after line 17, insert:

"(g) In making a determination under this subdivision, the Cannabis Expungement Board shall not consider the impact the expungement would have on the offender based on any records held by the Department of Health or Human Services."

Page 189, line 18, delete "(g)" and insert "(h)"

Page 190, line 13, before "clause" insert "paragraph (b)." and delete "(4) or"

Page 190, line 30, after the period, insert "The courts shall not order the Department of Health or Human Services to seal records under this section."

Page 191, delete lines 4 to 7

Reletter the paragraphs in sequence

Page 192, line 9, delete "47" and insert "50"

Page 192, line 10, delete "49" and insert "52"

Page 193, line 21, delete "16" and insert "15"

Page 194, after line 5, insert:

"(b) "Adult-use cannabis flower" has the meaning given in section 342.01, subdivision 3.

"(c) "Adult-use cannabis product" has the meaning given in section 342.01, subdivision 4.

"(d) "Hemp-derived consumer product" has the meaning given in section 342.01, subdivision 35."

Page 194, line 6, delete "(b)" and insert "(e)"

Page 194, delete lines 8 to 11 and insert:

"(f) "Lower-potency hemp edible" has the meaning given in section 342.01, subdivision 48."

Page 194, lines 14, 28, and 31, delete "and" and insert a comma and delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 194, line 22, delete "and" and insert a comma and delete "cannabinoid" and insert "cannabis"

Page 194, line 23, after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 195, line 2, delete "and" and insert a comma and delete "cannabinoid" and insert "cannabis"

Page 195, line 3, after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 195, line 11, delete "and" and insert a comma

Page 195, line 12, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 195, line 17, delete "and" and insert a comma and delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 195, line 22, delete "16" and insert "15"

Page 195, lines 23 and 26, delete the second "and" and insert a comma

Page 195, lines 24 and 27, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 196, line 8, after "license" insert "or a hemp business license"

Page 196, line 9, after "businesses" insert "and hemp businesses"

Page 196, line 10, delete "342.185" and insert "342.20"

Page 196, line 20, strike "cannabinoid" and insert "cannabis"

Page 196, line 21, before "are" insert "lower-potency hemp edibles as defined in section 342.01, subdivision 48, and hemp-derived consumer products, as defined in section 342.01, subdivision 35, that are intended to be eaten or consumed as a beverage"

Page 198, lines 4, 10, and 24, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 198, lines 12 and 26, delete "or cannabinoid" and insert ", cannabis"

Page 198, lines 13 and 27, after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 198, lines 14, 28, and 29, delete "or cannabinoid" and insert ", cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 198, line 15, delete "cannabinoid"

Page 198, line 16, delete "or cannabinoid" and insert ", cannabis" and after "product" insert ", lower-potency hemp edible, or hemp-derived consumer product"

Page 199, lines 5, 12, 14, 24, and 25, delete "or cannabinoid" and insert ", cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 199, lines 20 and 26, delete "or" and insert a comma

Page 199, lines 21 and 27, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, or hemp-derived consumer products"

Page 199, line 30, delete the second "and" and insert a comma

Page 199, line 31, delete "cannabinoid" and insert "cannabis" and after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 199, line 32, delete "and cannabinoid" and insert ", cannabis" and after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 200, line 31, delete "16" and insert "15" and delete "and cannabinoid" and insert "cannabis" and delete "12" and insert "19, lower-potency hemp edibles as defined in section 342.01, subdivision 48, and hemp-derived consumer products as defined in section 342.01, subdivision 35"

Page 201, line 1, delete "and cannabinoid" and insert ", cannabis" and after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 201, line 5, delete "or cannabinoid" and insert ", cannabis" and after "product" insert ", lower-potency hemp edible, or hemp-derived consumer product"

Page 201, line 6, after "equipment" insert ", or if a failure to do so would violate federal or state law or regulations or cause an employer to lose a monetary or licensing-related benefit under federal law or regulations"

Page 201, line 14, delete "16" and insert "15" and delete "or cannabinoid" and insert "cannabis"

Page 201, line 15, delete "12" and insert "19, lower-potency hemp edibles as defined in section 342.01, subdivision 48, and hemp-derived consumer products as defined in section 342.01, subdivision 35"

Page 201, line 28, delete "16" and insert "15" and delete "cannabinoid" and insert "cannabis"

Page 201, line 29, delete "12" and insert "19, lower-potency hemp edibles as defined in section 342.01, subdivision 48, hemp-derived consumer products as defined in section 342.01, subdivision 35"

Page 202, after line 8, insert:

"Sec. 19. Minnesota Statutes 2022, section 181.951, subdivision 4, is amended to read:

Subd. 4. **Random testing.** An employer may request or require employees to undergo cannabis testing or drug and alcohol testing on a random selection basis only if (1) they are employed in safety-sensitive positions, or (2) they are employed as professional athletes if the professional athlete is subject to a collective bargaining agreement permitting random testing but only to the extent consistent with the collective bargaining agreement.



Sec. 20. Minnesota Statutes 2022, section 181.951, subdivision 5, is amended to read:

Subd. 5. **Reasonable suspicion testing.** An employer may request or require an employee to undergo cannabis testing and drug and alcohol testing if the employer has a reasonable suspicion that the employee:

(1) is under the influence of drugs or alcohol;

(2) has violated the employer's written work rules prohibiting the use, possession, sale, or transfer of drugs or alcohol, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products while the employee is working or while the employee is on the employer's premises or operating the employer's vehicle, machinery, or equipment, provided the work rules are in writing and contained in the employer's written cannabis testing or drug and alcohol testing policy;

(3) has sustained a personal injury, as that term is defined in section 176.011, subdivision 16, or has caused another employee to sustain a personal injury; or

(4) has caused a work-related accident or was operating or helping to operate machinery, equipment, or vehicles involved in a work-related accident.

Sec. 21. Minnesota Statutes 2022, section 181.951, subdivision 6, is amended to read:

Subd. 6. **Treatment program testing.** An employer may request or require an employee to undergo cannabis testing and drug and alcohol testing if the employee has been referred by the employer for substance use disorder treatment or evaluation or is participating in a substance use disorder treatment program under an employee benefit plan, in which case the employee may be requested or required to undergo cannabis testing and drug or alcohol testing without prior notice during the evaluation or treatment period and for a period of up to two years following completion of any prescribed substance use disorder treatment program."

Page 202, line 12, delete "or drug and alcohol testing"

Page 202, line 20, delete "or on a random selection basis"

Page 202, delete lines 21 to 31

Page 203, delete lines 1 to 2

Page 203, line 3, delete "(e)" and insert "(d)"

Page 203, line 28, delete "or cannabinoid" and insert ", cannabis" and after "product" insert ", lower-potency hemp edible, or hemp-derived consumer product"

Page 204, line 4, delete "and cannabinoid" and insert ", cannabis" and after "product" insert ", lower-potency hemp edible, and hemp-derived consumer product"

Page 207, line 31, delete the second "or" and insert a comma

Page 207, line 32, delete "cannabinoid" and insert "cannabis" and after "product" insert ", lower-potency hemp edible, or hemp-derived consumer product"

Page 208, line 1, delete everything after "if" and insert "the employee is under the influence of cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product;"

Page 208, delete lines 2 to 3

Page 208, line 4, delete everything after "testing"

Page 208, line 5, delete everything before "verifies" and after "cannabis" insert "flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product"

Page 208, line 7, before "and" insert "flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products"

Page 208, line 10, after "authorized" insert "or required" and after "law" insert "or regulations, or if a failure to do so would cause an employer to lose a monetary or licensing-related benefit under federal law or regulations"

Page 210, line 5, after "testing" insert "or cannabis testing"

Page 213, line 21, delete "49" and insert "52"

Page 213, line 22, delete "47" and insert "50"

Page 216, line 27, delete "LOWER POTENCY" and insert "LOWER-POTENCY"

Page 216, line 28, delete "EDIBLE PRODUCTS" and insert "HEMP EDIBLES"

Page 216, delete lines 30 and 31 and insert:

"(1) prohibits the issuance of a retail license or permit to a person also holding a hemp business license authorizing the manufacture or retail sale of lower-potency hemp edibles;"

Page 217, lines 2 and 6, delete "lower-potency edible product" and insert "lower-potency hemp edible manufacturer or"

Page 217, delete lines 7 and 8 and insert:

"(b) For purposes of this section, "hemp business license authorizing manufacture or retail sale of lower-potency hemp edibles" means a license issued by the Office of Cannabis Management pursuant to sections 342.43 to 342.46."

Page 218, line 3, delete "lower-potency edible products" and insert "lower-potency hemp edibles" and delete "45" and insert "48"

Page 219, line 20, delete "cannabinoid products" and insert "cannabis products, lower-potency hemp edibles,"

Page 219, line 26, delete "cannabinoid" and insert "cannabis flower, cannabis" and after "products" insert ", lower-potency hemp edibles,"

Page 220, line 27, delete "4" and insert "3"

Page 221, line 4, delete "2" and insert "4"

Page 221, line 8, delete "49" and insert "52"

Page 221, line 12, delete "47" and insert "50"

Page 221, line 15, delete "54" and insert "57"

Page 221, line 19, delete "56" and insert "59"

Page 221, line 23, delete "58" and insert "61"

Page 221, after line 23, insert:

"Sec. 50. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision to read:

Subd. 20. **Hemp-derived consumer product.** "Hemp-derived consumer product" has the meaning given in section 342.01, subdivision 35.

Sec. 51. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision to read:

Subd. 21. **Lower-potency hemp edible.** "Lower-potency hemp edible" has the meaning given in section 342.01, subdivision 48."

Page 223, line 27, delete the second "or" and insert a comma and delete "cannabinoid products" and insert "cannabis products, lower-potency hemp edibles, or hemp-derived consumer products"

Page 225, line 1, delete the second "or" and insert a comma

Page 225, line 2, delete "cannabinoid products" and insert "cannabis products, lower-potency hemp edibles, or hemp-derived consumer products"

Page 226, line 11, delete the second "or" and insert a comma and delete "cannabinoid products" and insert "cannabis products, lower-potency hemp edibles, or hemp-derived consumer products"

Page 227, lines 21 and 27, delete "or" and insert a comma and delete "cannabinoid products" and insert "cannabis products, lower-potency hemp edibles, or hemp-derived consumer products"

Page 228, line 7, delete the first "or" and insert a comma and delete "cannabinoid products" and insert "cannabis products, lower-potency hemp edibles, or hemp-derived consumer products"

Page 259, after line 21, insert:

"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 onetime 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."

Page 260, after line 3, insert:

"Subd. 2. **Office of Cannabis Management; extension and research grants.** (a) \$..... in fiscal year 2024 and \$..... 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.

(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.

(d) The minimum state contribution to a grant is \$100,000. The maximum state contribution is either:

(1) \$500,000; or

(2) \$1,500,000, if state contributions are matched by an equal or greater amount of new private research investment."

Renumber the subdivisions in sequence

Page 261, lines 29 and 31, delete "and cannabinoid" and insert ", cannabis" and after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Page 262, lines 5 and 7, delete "and cannabinoid" and insert ", cannabis" and after "products" insert ", lower-potency hemp edibles, and hemp-derived consumer products"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 4, after "cannabis" insert "and certain hemp products"

Page 1, line 5, before the semicolon, insert "and hemp businesses"

Page 1, line 6, delete "and cannabinoid" and insert ", cannabis" and after "products" insert ", and certain hemp products"

Page 1, line 7, delete "and cannabinoid" and insert ", cannabis" after "products" insert ", and certain hemp products"

Page 1, line 8, delete "cannabinoid" and insert "cannabis" and after "businesses" insert ", and hemp businesses"

Page 1, line 10, before the second semicolon, insert "flower, cannabis products, and certain hemp products"

Page 1, line 12, delete "cannabis" and insert "certain products and chemicals"

Page 1, line 16, after "cannabis" insert "flower, cannabis products, and certain hemp products"

Page 1, line 18, after "cannabis" insert "businesses and hemp businesses operating"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Committee on Taxes.

The report was adopted.

Becker-Finn from the Committee on Judiciary Finance and Civil Law to which was referred:

H. F. No. 282, A bill for an act relating to transportation; authorizing collection of race and ethnicity data on applications for drivers' licenses and identification cards; appropriating money; amending Minnesota Statutes 2022, sections 13.69, subdivision 1; 171.06, subdivision 3.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Transportation Finance and Policy.

The report was adopted.

Becker-Finn from the Committee on Judiciary Finance and Civil Law to which was referred:

H. F. No. 402, A bill for an act relating to health; establishing requirements for certain health care entity transactions; changing the expiration date on moratorium conversion transactions; requiring a health system to return charitable assets received from the state to the general fund in certain circumstances; requiring a study on the regulation of certain transactions; requiring a report; appropriating money; amending Laws 2017, First Special Session chapter 6, article 5, section 11, as amended; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the recommendation that the bill be re-referred to the Committee on State and Local Government Finance and Policy.

The report was adopted.

Becker-Finn from the Committee on Judiciary Finance and Civil Law to which was referred:

H. F. No. 665, A bill for an act relating to veterans; amending the available remedies for violating the prohibition on assigning military pay or benefits; amending Minnesota Statutes 2022, section 325F.992, subdivision 3.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Stephenson from the Committee on Commerce Finance and Policy to which was referred:

H. F. No. 1189, A bill for an act relating to insurance; modifying time limitations requirements for motor vehicle insurance policies; amending Minnesota Statutes 2022, section 65B.49, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2022, section 65B.49, is amended by adding a subdivision to read:

Subd. 10. **Time limitations.** (a) Unless expressly provided for in this chapter, a plan of reparation security must conform to the six-year time limitation provided under section 541.05, subdivision 1, clause (1).

(b) The time limitation for commencing a cause of action relating to underinsured motorist coverage under section 65B.49, subdivision 3a, is four years from the date of accrual.

**EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to contracts issued or renewed on or after that date."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Becker-Finn from the Committee on Judiciary Finance and Civil Law to which was referred:

H. F. No. 1202, A bill for an act relating to animal health; declassifying certain data; modifying requirements for certain owners of farmed Cervidae; prohibiting certain registrations; establishing civil liability; modifying disposition of certain federal funds; requiring live-animal testing for chronic wasting disease; transferring certain duties from the Board of Animal Health to the commissioner of natural resources; appropriating money; amending Minnesota Statutes 2022, sections 13.643, subdivision 6; 35.155, subdivisions 1, 4, 10, 11, 12, by adding subdivisions; 35.156, subdivision 2, by adding subdivisions.

Reported the same back with the following amendments:

Page 1, after line 24, insert:

"Sec. 2. Minnesota Statutes 2022, section 17.118, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Livestock" means beef cattle, dairy cattle, swine, poultry, goats, mules, farmed Cervidae, Ratitae, bison, sheep, horses, and llamas.

(c) "Qualifying expenditures" means the amount spent for:

(1) the acquisition, construction, or improvement of buildings or facilities for the production of livestock or livestock products;

(2) the development of pasture for use by livestock including, but not limited to, the acquisition, development, or improvement of:

(i) lanes used by livestock that connect pastures to a central location;

(ii) watering systems for livestock on pasture including water lines, booster pumps, and well installations;

(iii) livestock stream crossing stabilization; and

(iv) fences; or

(3) the acquisition of equipment for livestock housing, confinement, feeding, and waste management including, but not limited to, the following:

(i) freestall barns;

(ii) watering facilities;

(iii) feed storage and handling equipment;

(iv) milking parlors;

(v) robotic equipment;

(vi) scales;

(vii) milk storage and cooling facilities;

(viii) bulk tanks;

(ix) computer hardware and software and associated equipment used to monitor the productivity and feeding of livestock;

(x) manure pumping and storage facilities;

(xi) swine farrowing facilities;

(xii) swine and cattle finishing barns;

(xiii) calving facilities;

(xiv) digesters;

(xv) equipment used to produce energy;

(xvi) on-farm processing facilities equipment;

(xvii) fences, including but not limited to farmed Cervidae perimeter fences required under section 35.155, ~~subdivision 4 subdivisions 4 and 4a~~; and

(xviii) livestock pens and corrals and sorting, restraining, and loading chutes.

Except for qualifying pasture development expenditures under clause (2), qualifying expenditures only include amounts that are allowed to be capitalized and deducted under either section 167 or 179 of the Internal Revenue Code in computing federal taxable income. Qualifying expenditures do not include an amount paid to refinance existing debt."

Page 5, line 1, after "titles" insert "as appropriate, in the county where the premises is located,"

Page 5, line 2, after "that" insert "meets the recording requirements of sections 507.093 and 507.24 and" and delete "location and" and insert "nearest address and the"

Page 5, line 4, after the period, insert "The legal description must be the legal description of record with the county recorder or registrar of titles and must not otherwise be the real estate tax statement legal description of the premises. The notice expires and has no effect ten years after the date of detection stated in the notice. The registrar of titles must omit an expired notice from future certificates of title."

Page 9, line 30, delete "13" and insert "14"

Page 10, line 2, delete "13" and insert "14"

Renumber the sections in sequence

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Committee on Environment and Natural Resources Finance and Policy.

The report was adopted.

Moller from the Committee on Public Safety Finance and Policy to which was referred:

H. F. No. 1233, A bill for an act relating to juvenile justice; prohibiting visual inspection of delinquent children and youth in detention facilities; prohibiting disciplinary room time for delinquent children and youth in detention facilities; amending Minnesota Statutes 2022, section 241.021, subdivisions 2a, 2b, by adding subdivisions.

Reported the same back with the following amendments:

Page 2, delete sections 3 and 4 and insert:

"Sec. 3. **[241.0215] JUVENILE DETENTION FACILITIES; RESTRICTIONS ON STRIP SEARCHES AND DISCIPLINE.**

Subdivision 1. **Applicability.** This section applies to juvenile facilities licensed by the commissioner of corrections under section 241.021, subdivision 2.

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

(b) "Health care professional" means an individual who is licensed or permitted by a Minnesota health-related licensing board, as defined in section 214.01, subdivision 2, to perform health care services in Minnesota within the professional's scope of practice.

(c) "Strip search" means a visual inspection of a juvenile's unclothed breasts, buttocks, or genitalia.

Subd. 3. **Searches restricted.** (a) A staff person working in a facility may not conduct a strip search unless:

(1) a specific, articulable, and immediate contraband concern is present;

(2) other search techniques and technology cannot be used or have failed to identify the contraband; and

(3) the facility's chief administrator or designee has reviewed the situation and approved the strip search.

(b) A strip search must be conducted by:

(1) a health care professional; or

(2) a staff person working in a facility who has received training on trauma-informed search techniques and other applicable training under Minnesota Rules, chapter 2960.



(c) A strip search must be documented in writing and describe the contraband concern, summarize other inspection techniques used or considered, and verify the approval from the facility's chief administrator or, in the temporary absence of the chief administrator, the staff person designated as the person in charge of the facility. A copy of the documentation must be provided to the commissioner within 24 hours of the strip search.

(d) Nothing in this section prohibits or limits a strip search as part of a health care procedure conducted by a health care professional.

**Subd. 4. Discipline restricted.** (a) A staff person working in a facility may not discipline a juvenile by physically or socially isolating the juvenile.

(b) Nothing in this subdivision restricts a facility from isolating a juvenile for the juvenile's safety, staff safety, or the safety of other facility residents when the isolation is consistent with rules adopted by the commissioner.

**Subd. 5. Commissioner action.** The commissioner may take any action authorized under section 241.021, subdivisions 2 and 3, to address a violation of this section.

**Subd. 6. Report.** (a) By February 15 each year, the commissioner must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over public safety finance and policy on the use of strip searches and isolation.

(b) The report must consist of summary data from the previous calendar year and must, at a minimum, include:

(1) how often strip searches were performed;

(2) how often juveniles were isolated;

(3) the length of each period of isolation used and, for juveniles isolated in the previous year, the total cumulative amount of time that the juvenile was isolated that year; and

(4) any injury to a juvenile related to a strip search or isolation, or both, that was reportable as a critical incident.

(c) Data in the report must provide information on the demographics of juveniles who were subject to a strip search and juveniles who were isolated. At a minimum, data must be disaggregated by age, race, and gender.

(d) The report must identify any facility that performed a strip search or used isolation, or both, in a manner that did not comply with this section or rules adopted by the commissioner in conformity with this section.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

#### Sec. 4. **REVISED FACILITY PLANS.**

The commissioner of corrections must direct any juvenile facility licensed by the commissioner to revise its plan under Minnesota Rules, part 2960.0270, subpart 6, and its restrictive-procedures plan under Minnesota Rules, part 2960.0710, subpart 2, to be consistent with Minnesota Statutes, section 241.0215. After receiving notice from the commissioner, a facility must submit the revised plans to the commissioner within 60 days.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

#### Sec. 5. **RULEMAKING.**

(a) The commissioner of corrections must amend Minnesota Rules, chapter 2960, to enforce the requirements under Minnesota Statutes, section 241.0215, including but not limited to training, facility audits, strip searches, disciplinary room time, time-outs, and seclusion. The commissioner may amend the rules to make technical changes and ensure consistency with Minnesota Statutes, section 241.0215.

(b) In amending or adopting rules according to paragraph (a), the commissioner must use the exempt rulemaking process under Minnesota Statutes, section 14.386. Notwithstanding Minnesota Statutes, section 14.386, paragraph (b), a rule adopted under this section is permanent. After the rule is adopted, the authorization to use the exempt rulemaking process expires.

(c) Notwithstanding Minnesota Laws 1995, chapter 226, article 3, sections 50, 51, and 60, or any other law to the contrary, the joint rulemaking authority with the commissioner of human services does not apply to rule amendments applicable only to the Department of Corrections. A rule that is amending jointly administered rule parts must be related to requirements on strip searches, disciplinary room time, time-outs, and seclusion and be necessary for consistency with this section.

**EFFECTIVE DATE.** This section is effective January 1, 2024."

Amend the title as follows:

Page 1, line 3, delete "disciplinary room time for" and insert "discipline by physically or socially isolating"

Page 1, line 4, after the semicolon, insert "providing for reports; providing for rulemaking;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Becker-Finn from the Committee on Judiciary Finance and Civil Law to which was referred:

H. F. No. 1406, A bill for an act relating to public safety; limiting liability for felony murder committed by another person; extending the task force on aiding and abetting felony murder; providing for a report; amending Minnesota Statutes 2022, section 609.05, by adding a subdivision.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Nelson, M., from the Committee on Labor and Industry Finance and Policy to which was referred:

H. F. No. 1522, A bill for an act relating to labor and industry; classifying Occupational Safety and Health Act citation data; amending Minnesota Statutes 2022, sections 182.659, subdivisions 1, 8; 182.66, by adding a subdivision; 182.661, by adding a subdivision; 182.676.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2022, section 13.43, subdivision 6, is amended to read:

Subd. 6. **Access by labor organizations.** (a) Personnel data ~~may~~ **must** be disseminated to labor organizations to the extent ~~that the responsible authority determines that the dissemination is necessary to conduct elections, notify employees of fair share fee assessments, investigate and process grievances,~~ and implement the provisions of chapters 179 and 179A. Personnel data shall be disseminated to labor organizations and to the Bureau of Mediation

Services to the extent the dissemination is ordered or authorized by the commissioner of the Bureau of Mediation Services. Personnel data described under section 179A.07, subdivision 8, must be disseminated to an exclusive representative under the terms of that subdivision. Employee Social Security numbers are not necessary to implement the provisions of chapters 179 and 179A.

(b) The home addresses, nonemployer-issued phone numbers and email addresses, dates of birth, and emails or other communications between exclusive representatives and their members, prospective members, and nonmembers are private data on individuals.

**Sec. 2. [16A.1335] EMPLOYEE SALARIES AND BENEFITS IN EVENT OF STATE GOVERNMENT SHUTDOWN.**

Subdivision 1. **Definition.** As used in this section, "government shutdown" means that, as of July 1 of an odd-numbered year, legislation appropriating money for the general operations of (1) an executive agency, (2) an office or department of the legislature, including each house of the legislature and the Legislative Coordinating Commission, or (3) a judicial branch agency or department, including a court, has not been enacted for the biennium beginning July 1 of that year.

Subd. 2. **Payment required.** Notwithstanding section 16A.17, subdivision 8, state employees must be provided payment for lost salary and benefits resulting from their absence from work during a government shutdown. An employee is eligible for a payment under this section only upon the employee's return to work.

Subd. 3. **Appropriation; limitation.** (a) In the event of a government shutdown, the amount necessary to pay the salary and benefits of employees of any impacted agency, office, or department is appropriated beginning on that July 1 to that agency, office, or department. The appropriation is made from the fund or funds from which an appropriation was made in the previous fiscal year for salary and benefits paid to each affected employee.

(b) Amounts appropriated under this subdivision may not exceed the amount or amounts appropriated for general operations of the affected agency, office, or department in the previous fiscal year.

Subd. 4. **Certification of amount for employees in the legislative and judicial branches.** By June 25 of an odd-numbered year, if a government shutdown appears imminent, the director of the Legislative Coordinating Commission, the chief clerk of the house of representatives, the secretary of the senate, and the chief clerk of the supreme court must each certify to the commissioner of management and budget the amount needed for salaries and benefits for each fiscal year of the next biennium, and the commissioner of management and budget shall make the certified amount available on July 1 of that year or on another schedule that permits payment of all salary and benefit obligations required by this section in a timely manner.

Subd. 5. **Subsequent appropriations.** A subsequent appropriation to the agency, office, or department for regular operations for a biennium in which this section has been applied may only supersede and replace the appropriation provided by subdivision 3 by express reference to this section.

Sec. 3. Minnesota Statutes 2022, section 120A.414, subdivision 2, is amended to read:

Subd. 2. **Plan.** A school board, including the board of a charter school, may adopt an e-learning day plan after consulting meeting and negotiating with the exclusive representative of the teachers. ~~A~~ If a charter school's teachers are not represented by an exclusive representative, the charter school may adopt an e-learning day plan after consulting with its teachers. The plan must include accommodations for students without Internet access at home and for digital device access for families without the technology or an insufficient amount of technology for the number of children in the household. A school's e-learning day plan must provide accessible options for students with disabilities under chapter 125A.

Sec. 4. Minnesota Statutes 2022, section 122A.181, subdivision 5, is amended to read:

Subd. 5. **Limitations on license.** (a) A Tier 1 license is limited to the content matter indicated on the application for the initial Tier 1 license under subdivision 1, clause (2), and limited to the district or charter school that requested the initial Tier 1 license.

(b) A Tier 1 license does not bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).

~~(c) A Tier 1 license does not bring an individual within the definition of a teacher under section 179A.03, subdivision 18.~~

Sec. 5. Minnesota Statutes 2022, section 122A.26, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** (a) A person who teaches in a community education program ~~which that~~ qualifies for aid pursuant to section 124D.52 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program ~~which that~~ is offered through a community education program and which qualifies for community education aid pursuant to section 124D.20 or early childhood and family education aid pursuant to section 124D.135 shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course ~~which that~~ is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher.

(b) A person who teaches a driver training course ~~which that~~ is offered through a community education program to persons under 18 years of age shall be licensed by the Professional Educator Licensing and Standards Board or be subject to section 171.35. A license ~~which that~~ is required for an instructor in a community education program pursuant to this ~~subdivision paragraph~~ shall not be construed to bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, ~~clause paragraph~~ (a).

**EFFECTIVE DATE.** This section is effective for the 2023-2024 school year and later.

Sec. 6. Minnesota Statutes 2022, section 122A.40, subdivision 5, is amended to read:

Subd. 5. **Probationary period.** (a) The first three consecutive years of a teacher's first teaching experience in Minnesota in a single district is deemed to be a probationary period of employment, and, the probationary period in each district in which the teacher is thereafter employed shall be one year. The school board must adopt a plan for written evaluation of teachers during the probationary period that is consistent with subdivision 8. Evaluation must occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school must not be included in determining the number of school days on which a teacher performs services. Except as otherwise provided in paragraph (b), during the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit. However, the board must give any such teacher whose contract it declines to renew for the following school year written notice to that effect before July 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the board must give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 122A.44.

(b) A board must discharge a probationary teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

(c) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(d) A probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and who resumes teaching within 12 months of when the leave began is considered to have a consecutive teaching experience for purposes of paragraph (a) if the probationary teacher completes a combined total of three years of teaching service immediately before and after the leave.

(e) A probationary teacher must complete at least ~~120~~ 90 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

Sec. 7. Minnesota Statutes 2022, section 122A.41, subdivision 2, is amended to read:

Subd. 2. **Probationary period; discharge or demotion.** ~~(a) All teachers in the public schools in cities of the first class during the first three years of consecutive employment shall be deemed to be in a probationary period of employment during which period any annual contract with any teacher may, or may not, be renewed as the school board, after consulting with the peer review committee charged with evaluating the probationary teachers under subdivision 3, shall see fit. The first three consecutive years of a teacher's first teaching experience in Minnesota in a single district is deemed to be a probationary period of employment, and the probationary period in each district in which the teacher is thereafter employed shall be one year.~~ The school site management team or the school board if there is no school site management team, shall adopt a plan for a written evaluation of teachers during the probationary period according to subdivisions 3 and 5. Evaluation by the peer review committee charged with evaluating probationary teachers under subdivision 3 shall occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school shall not be included in determining the number of school days on which a teacher performs services. The school board may, during such probationary period, discharge or demote a teacher for any of the causes as specified in this code. A written statement of the cause of such discharge or demotion shall be given to the teacher by the school board at least 30 days before such removal or demotion shall become effective, and the teacher so notified shall have no right of appeal therefrom.

(b) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(c) A probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and who resumes teaching within 12 months of when the leave began is considered to have a consecutive teaching experience for purposes of paragraph (a) if the probationary teacher completes a combined total of three years of teaching service immediately before and after the leave.

(d) A probationary teacher must complete at least ~~120~~ 90 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

Sec. 8. Minnesota Statutes 2022, section 177.27, subdivision 4, is amended to read:

Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275, subdivision 2a, 181.722, 181.79, ~~and~~ 181.939 to 181.943, ~~or~~ 181.991, and with any rule promulgated under section 177.28. The commissioner shall issue an order requiring an employer to comply with sections 177.41 to 177.435 if the violation is repeated. For purposes of this subdivision only, a

violation is repeated if at any time during the two years that preceded the date of violation, the commissioner issued an order to the employer for violation of sections 177.41 to 177.435 and the order is final or the commissioner and the employer have entered into a settlement agreement that required the employer to pay back wages that were required by sections 177.41 to 177.435. The department shall serve the order upon the employer or the employer's authorized representative in person or by certified mail at the employer's place of business. An employer who wishes to contest the order must file written notice of objection to the order with the commissioner within 15 calendar days after being served with the order. A contested case proceeding must then be held in accordance with sections 14.57 to 14.69. If, within 15 calendar days after being served with the order, the employer fails to file a written notice of objection with the commissioner, the order becomes a final order of the commissioner.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to franchise agreements entered into or amended on or after that date.

Sec. 9. Minnesota Statutes 2022, section 177.42, subdivision 2, is amended to read:

Subd. 2. **Project.** "Project" means acquisition of property, predesign, design, demolition, erection, construction, remodeling, or repairing of a ~~public~~ building, facility, or ~~other~~ public work financed in whole or part by state funds.

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

Sec. 10. Minnesota Statutes 2022, section 179A.03, subdivision 14, is amended to read:

Subd. 14. **Public employee or employee.** (a) "Public employee" or "employee" means any person appointed or employed by a public employer except:

- (1) elected public officials;
- (2) election officers;
- (3) commissioned or enlisted personnel of the Minnesota National Guard;
- (4) emergency employees who are employed for emergency work caused by natural disaster;
- (5) part-time employees whose service does not exceed the lesser of 14 hours per week or 35 percent of the normal work week in the employee's appropriate unit;
- (6) employees whose positions are basically temporary or seasonal in character and: (i) are not for more than 67 working days in any calendar year; ~~or~~ (ii) are not working for a Minnesota school district or charter school; or (iii) are not for more than 100 working days in any calendar year and the employees are under the age of 22, are full-time students enrolled in a nonprofit or public educational institution prior to being hired by the employer, and have indicated, either in an application for employment or by being enrolled at an educational institution for the next academic year or term, an intention to continue as students during or after their temporary employment;
- (7) employees providing services for not more than two consecutive quarters to the Board of Trustees of the Minnesota State Colleges and Universities under the terms of a professional or technical services contract as defined in section 16C.08, subdivision 1;
- (8) employees of charitable hospitals as defined by section 179.35, subdivision 3, except that employees of charitable hospitals as defined by section 179.35, subdivision 3, are public employees for purposes of sections 179A.051, 179A.052, and 179A.13;
- (9) full-time undergraduate students employed by the school which they attend under a work-study program or in connection with the receipt of financial aid, irrespective of number of hours of service per week;

(10) an individual who is employed for less than 300 hours in a fiscal year as an instructor in an adult vocational education program;

~~(11) an individual hired by the Board of Trustees of the Minnesota State Colleges and Universities to teach one course for three or fewer credits for one semester in a year;~~

~~(12)~~ (11) with respect to court employees:

(i) personal secretaries to judges;

(ii) law clerks;

(iii) managerial employees;

(iv) confidential employees; and

(v) supervisory employees; or

~~(13)~~ (12) with respect to employees of Hennepin Healthcare System, Inc., managerial, supervisory, and confidential employees.

(b) The following individuals are public employees regardless of the exclusions of paragraph (a), clauses (5) ~~and~~ ~~(6)~~ to (7):

(1) an employee hired by a school district or the Board of Trustees of the Minnesota State Colleges and Universities except at the university established in the Twin Cities metropolitan area under section 136F.10 or for community services or community education instruction offered on a noncredit basis: (i) to replace an absent teacher or faculty member who is a public employee, where the replacement employee is employed more than 30 working days as a replacement for that teacher or faculty member; or (ii) to take a teaching position created due to increased enrollment, curriculum expansion, courses which are a part of the curriculum whether offered annually or not, or other appropriate reasons;

(2) an employee hired for a position under paragraph (a), clause (6), item (i), if that same position has already been filled under paragraph (a), clause (6), item (i), in the same calendar year and the cumulative number of days worked in that same position by all employees exceeds 67 calendar days in that year. For the purpose of this paragraph, "same position" includes a substantially equivalent position if it is not the same position solely due to a change in the classification or title of the position; ~~and~~

(3) an early childhood family education teacher employed by a school district; and

(4) an individual hired by the Board of Trustees of the Minnesota State Colleges and Universities as the instructor of record to teach (i) one class for more than three credits in a fiscal year, or (ii) two or more credit-bearing classes in a fiscal year.

Sec. 11. Minnesota Statutes 2022, section 179A.03, subdivision 18, is amended to read:

Subd. 18. **Teacher.** "Teacher" means any public employee other than a superintendent or assistant superintendent, principal, assistant principal, or a supervisory or confidential employee, employed by a school district:

(1) in a position for which the person must be licensed by the Professional Educator Licensing and Standards Board or the commissioner of education; ~~or~~

(2) in a position as a physical therapist, occupational therapist, art therapist, music therapist, or audiologist; or

(3) in a position creating and delivering instruction to children in a prekindergarten or early learning program, except that an employee in a bargaining unit certified before January 1, 2023, may remain in a bargaining unit that does not include teachers unless an exclusive representative files a petition for a unit clarification or to transfer exclusive representative status.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 12. Minnesota Statutes 2022, section 179A.03, subdivision 19, is amended to read:

Subd. 19. **Terms and conditions of employment.** "Terms and conditions of employment" means the hours of employment, the compensation therefor including fringe benefits except retirement contributions or benefits other than employer payment of, or contributions to, premiums for group insurance coverage of retired employees or severance pay, staffing ratios, and the employer's personnel policies affecting the working conditions of the employees. In the case of professional employees the term does not mean educational policies of a school district. "Terms and conditions of employment" is subject to section 179A.07. In the case of school employees, "terms and conditions of employment" includes class sizes, student testing, and student-to-personnel ratios.

Sec. 13. Minnesota Statutes 2022, section 179A.06, subdivision 6, is amended to read:

Subd. 6. **Dues checkoff Payroll deduction, authorization, and remittance.** (a) Public employees have the right to request and be allowed ~~dues checkoff payroll deduction~~ for the exclusive representative. ~~In the absence of an exclusive representative, public employees have the right to request and be allowed dues checkoff for the organization of their choice, and the political fund associated with the exclusive representative and registered pursuant to section 10A.12. A public employer must rely on a certification from any exclusive representative requesting remittance of a deduction that the organization has and will maintain an authorization, signed by the public employee from whose salary or wages the deduction is to be made, which may include an electronic signature by the public employee as defined in section 325L.02, paragraph (h). An exclusive representative making such certification must not be required to provide the public employer a copy of the authorization unless a dispute arises about the existence or terms of the authorization. The exclusive representative must indemnify the public employer for any successful claims made by the employee for unauthorized deductions in reliance on the certification.~~

(b) A dues deduction authorization remains in effect until the employer receives notice from the exclusive representative that a public employee has changed or canceled their authorization in writing in accordance with the terms of the original authorizing document, and a public employer must rely on information from the exclusive representative receiving remittance of the deduction regarding whether the deductions have been properly changed or canceled. The exclusive representative must indemnify the public employer for any successful claims made by the employee for unauthorized deductions made in reliance on such information.

(c) Deduction authorization under this section is independent from the public employee's membership status in the organization to which payment is remitted and is effective regardless of whether a collective bargaining agreement authorizes the deduction.

(d) Employers must commence deductions within 30 days of notice of authorization from the exclusive representative and must remit the deductions to the exclusive representative within 30 days of the deduction. The failure of an employer to comply with the provisions of this paragraph shall be an unfair labor practice under section 179A.13, the relief for which shall be reimbursement by the employer of deductions that should have been made or remitted based on a valid authorization given by the employee or employees.

(e) In the absence of an exclusive representative, public employees have the right to request and be allowed payroll deduction for the organization of their choice.



(f) Any dispute under this subdivision must be resolved through an unfair labor practice proceeding under section 179A.13.

Sec. 14. Minnesota Statutes 2022, section 179A.06, is amended by adding a subdivision to read:

Subd. 8. **Liability.** (a) A public employer, a labor organization, or any of its employees or agents shall not be liable for and shall have a complete defense to claims or actions under the laws of this state for requiring, deducting, receiving, or retaining agency or fair share fees from public employees. Current or former public employees shall not have standing to pursue these claims or actions if the fees were permitted at the time under the laws of this state then in force and paid, through payroll deduction or otherwise, prior to June 27, 2018.

(b) This subdivision applies to claims or actions pending on the effective date of this section and to claims or actions filed on or after that date.

(c) The enactment of this section shall not be interpreted to create the inference that any relief made unavailable by this section would otherwise be available.

(d) The legislature finds and declares:

(1) application of this subdivision to pending claims or actions clarifies state law rather than changes it. Public employees who paid agency or fair share fees as a condition of employment according to state law and supreme court precedent prior to June 27, 2018, had no legitimate expectation of receiving the money under any available cause of action. Public employees and organizations who relied on and abided by state law and supreme court precedent in deducting and accepting those fees were not liable to refund them or any agency or fair share fees paid for collective bargaining representation that employee organizations were obligated by state law to provide to public employees. Application of this subdivision to pending claims will preserve, rather than interfere with, important reliance interests; and

(2) this subdivision is necessary to provide certainty to public employers and employee organizations that relied on state law and to avoid disruption of public employee labor relations.

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

Sec. 15. Minnesota Statutes 2022, section 179A.07, subdivision 1, is amended to read:

Subdivision 1. **Inherent managerial policy.** A public employer is not required to meet and negotiate on matters of inherent managerial policy. Matters of inherent managerial policy include, but are not limited to, such areas of discretion or policy as the functions and programs of the employer, its overall budget, utilization of technology, the organizational structure, selection of personnel, and direction ~~and the number~~ of personnel. No public employer shall sign an agreement which limits its right to select persons to serve as supervisory employees or state managers under section 43A.18, subdivision 3, or requires the use of seniority in their selection.

Sec. 16. Minnesota Statutes 2022, section 179A.07, subdivision 6, is amended to read:

Subd. 6. **Time off.** A public employer must afford reasonable time off to elected officers or appointed representatives of the exclusive representative to conduct the duties of the exclusive representative and must, upon request, provide for leaves of absence to elected or appointed officials of the exclusive representative, to elected or appointed officials of an affiliate of an exclusive representative, or to a full-time appointed official of an exclusive representative of teachers in another Minnesota school district.

Sec. 17. Minnesota Statutes 2022, section 179A.07, is amended by adding a subdivision to read:

Subd. 8. **Bargaining unit information.** (a) Within ten calendar days from the date of hire of a bargaining unit employee, a public employer must provide the following contact information to an exclusive representative in an Excel file format or other format agreed to by the exclusive representative: name; job title; worksite location,

including location within a facility when appropriate; home address; work telephone number; home and personal cell phone numbers on file with the public employer; date of hire; and work email address and personal email address on file with the public employer.

(b) Every 120 calendar days beginning on January 1, 2024, a public employer must provide to an exclusive representative in an Excel file or similar format agreed to by the exclusive representative the following information for all bargaining unit employees: name; job title; worksite location, including location within a facility when appropriate; home address; work telephone number; home and personal cell phone numbers on file with the public employer; date of hire; and work email address and personal email address on file with the public employer.

(c) A public employer must notify an exclusive representative within ten calendar days of the separation of employment or transfer out of the bargaining unit of a bargaining unit employee.

Sec. 18. Minnesota Statutes 2022, section 179A.07, is amended by adding a subdivision to read:

Subd. 9. **Access.** (a) A public employer must allow an exclusive representative to meet in person with newly hired employees, without charge to the pay or leave time of the employees, for 30 minutes, within 30 calendar days from the date of hire, during new employee orientations or, if the employer does not conduct new employee orientations, at individual or group meetings. An exclusive representative shall receive no less than ten days' notice in advance of an orientation, except that a shorter notice may be provided where there is an urgent need critical to the operations of the public employer that was not reasonably foreseeable. Notice of and attendance at new employee orientations and other meetings under this paragraph must be limited to the public employer, the employees, the exclusive representative, and any vendor contracted to provide a service for purposes of the meeting. Meetings may be held virtually or for longer than 30 minutes only by mutual agreement of the public employer and exclusive representative.

(b) A public employer must allow an exclusive representative to communicate with bargaining unit members using their employer-issued email addresses regarding collective bargaining, the administration of collective bargaining agreements, the investigation of grievances, other workplace-related complaints and issues, and internal matters involving the governance or business of the exclusive representative, consistent with the employer's generally applicable technology use policies.

(c) A public employer must allow an exclusive representative to meet with bargaining unit members in facilities owned or leased by the public employer regarding collective bargaining, the administration of collective bargaining agreements, grievances and other workplace-related complaints and issues, and internal matters involving the governance or business of the exclusive representative, provided the use does not interfere with governmental operations. Meetings conducted in government buildings pursuant to this paragraph must not be for the purpose of supporting or opposing any candidate for partisan political office or for the purpose of distributing literature or information regarding partisan elections. An exclusive representative conducting a meeting in a government building or other government facility pursuant to this subdivision may be charged for maintenance, security, and other costs related to the use of the government building or facility that would not otherwise be incurred by the government entity.

Sec. 19. Minnesota Statutes 2022, section 179A.12, is amended by adding a subdivision to read:

Subd. 2a. **Majority verification procedure.** (a) Notwithstanding any other provision of this section, an employee organization may file a petition with the commissioner requesting certification as the exclusive representative of an appropriate unit based on a verification that over 50 percent of the employees in the proposed appropriate unit wish to be represented by the petitioner. The commissioner shall require dated representation authorization signatures of affected employees as verification of the employee organization's claim of majority status.

(b) Upon receipt of an employee organization's petition, accompanied by employee authorization signatures under this subdivision, the commissioner shall investigate the petition. If the commissioner determines that over 50 percent of the employees in an appropriate unit have provided authorization signatures designating the employee organization specified in the petition as their exclusive representative, the commissioner shall not order an election but shall certify the employee organization.

Sec. 20. Minnesota Statutes 2022, section 179A.12, subdivision 6, is amended to read:

Subd. 6. **Authorization signatures.** In determining the numerical status of an employee organization for purposes of this section, the commissioner shall require dated representation authorization signatures of affected employees as verification of the statements contained in the joint request or petitions. These authorization signatures shall be privileged and confidential information available to the commissioner only. Electronic signatures, as defined in section 325L.02, paragraph (h), shall be valid as authorization signatures. Authorization signatures shall be valid for a period of one year following the date of signature.

Sec. 21. Minnesota Statutes 2022, section 179A.12, subdivision 11, is amended to read:

Subd. 11. **Unfair labor practices.** If the commissioner finds that an unfair labor practice was committed by an employer or representative candidate or an employee or group of employees, and that the unfair labor practice affected the result of an election or majority verification procedure pursuant to subdivision 2a, or that procedural or other irregularities in the conduct of the election or majority verification procedure may have substantially affected its results, the commissioner may void the ~~election~~ result and order a new election or majority verification procedure.

Sec. 22. **[181.531] EMPLOYER-SPONSORED MEETINGS OR COMMUNICATION.**

Subdivision 1. **Prohibition.** An employer or the employer's agent, representative, or designee must not discharge, discipline, or otherwise penalize or threaten to discharge, discipline, or otherwise penalize or take any adverse employment action against an employee:

(1) because the employee declines to attend or participate in an employer-sponsored meeting or declines to receive or listen to communications from the employer or the agent, representative, or designee of the employer if the meeting or communication is to communicate the opinion of the employer about religious or political matters;

(2) as a means of inducing an employee to attend or participate in meetings or receive or listen to communications described in clause (1); or

(3) because the employee, or a person acting on behalf of the employee, makes a good-faith report, orally or in writing, of a violation or a suspected violation of this section.

Subd. 2. **Remedies.** An aggrieved employee may bring a civil action to enforce this section no later than 90 days after the date of the alleged violation in the district court where the violation is alleged to have occurred or where the principal office of the employer is located. The court may award a prevailing employee all appropriate relief, including injunctive relief, reinstatement to the employee's former position or an equivalent position, back pay and reestablishment of any employee benefits, including seniority, to which the employee would otherwise have been eligible if the violation had not occurred and any other appropriate relief as deemed necessary by the court to make the employee whole. The court shall award a prevailing employee reasonable attorney fees and costs.

Subd. 3. **Notice.** Within 30 days of the effective date of this section, an employer subject to this section shall post and keep posted, a notice of employee rights under this section where employee notices are customarily placed.

Subd. 4. **Scope.** This section does not:

(1) prohibit communications of information that the employer is required by law to communicate, but only to the extent of the lawful requirement;

(2) limit the rights of an employer or its agent, representative, or designee to conduct meetings involving religious or political matters so long as attendance is wholly voluntary or to engage in communications so long as receipt or listening is wholly voluntary; or

(3) limit the rights of an employer or its agent, representative, or designee from communicating to its employees any information that is necessary for the employees to perform their lawfully required job duties.

Subd. 5. **Definitions.** For the purposes of this section:

(1) "political matters" means matters relating to elections for political office, political parties, proposals to change legislation, proposals to change regulations, proposals to change public policy, and the decision to join or support any political party or political, civic, community, fraternal, or labor organization; and

(2) "religious matters" means matters relating to religious belief, affiliation, and practice and the decision to join or support any religious organization or association.

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

Sec. 23. **[181.991] RESTRICTIVE FRANCHISE AGREEMENTS PROHIBITED.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given them.

(b) "Employee" means an individual employed by an employer and includes independent contractors.

(c) "Employer" has the meaning given in section 177.23, subdivision 6.

(d) "Franchise," "franchisee," and "franchisor" have the meanings given in section 80C.01, subdivisions 4 to 6.

Subd. 2. **Prohibition on restrictive franchise agreements.** (a) No franchisor may restrict, restrain, or prohibit in any way a franchisee from soliciting or hiring an employee of a franchisee of the same franchisor.

(b) No franchisor may restrict, restrain, or prohibit in any way a franchisee from soliciting or hiring an employee of the franchisor.

Subd. 3. **Franchise agreement amendment.** Notwithstanding any law to the contrary, no later than one year from the effective date of this section, franchisors shall amend existing franchise agreements to remove any restrictive employment provision that violates subdivision 2.

Subd. 4. **Severability.** If any provision of this section is found to be unconstitutional and void, the remaining provisions of this section are valid.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to franchise agreements entered into or amended on or after that date.

Sec. 24. Minnesota Statutes 2022, section 182.659, subdivision 1, is amended to read:

Subdivision 1. **Authority to inspect.** In order to carry out the purposes of this chapter, the commissioner, upon presenting appropriate credentials to the owner, operator, or agent in charge, is authorized to enter without delay and at reasonable times any place of employment; and to inspect and investigate during regular working hours and at

other reasonable times, and within reasonable limits and in a reasonable manner, any such place of employment and all pertinent conditions, structures, machines, apparatus, devices, equipment, and materials therein, and to question privately any such employer, owner, operator, agent or employee. An employer or its representatives, including but not limited to its management, attorneys, or consultants, may not be present for any employee interview.

Sec. 25. Minnesota Statutes 2022, section 182.659, subdivision 8, is amended to read:

Subd. 8. **Protection from subpoena; data.** Neither the commissioner nor any current or former employee of the department, ~~including those employees of the Department of Health providing services to the Department of Labor and Industry, pursuant to section 182.67, subdivision 1,~~ is subject to subpoena for purposes of inquiry into any occupational safety and health inspection except in enforcement proceedings brought under this chapter. Data that identify individuals who provide data to the department as part of an investigation conducted under this chapter shall be private.

Sec. 26. Minnesota Statutes 2022, section 182.66, is amended by adding a subdivision to read:

Subd. 4. **Classification of citation data.** Notwithstanding section 13.39, subdivision 2, the data in a written citation is classified as public data 20 days after the employer has received the citation. All data in the citation is public, including but not limited to the employer's name, the employer's address, and the address of the worksite; the date or dates of inspection; the date the citation was issued; the provision of the act, standard, rule, or order alleged to have been violated; the severity level of the citation; the description of the nature of the violation; the proposed abatement date; the proposed penalty; and any abatement guidelines. If a notice of contest is filed contesting any part of a citation pursuant to section 182.661, subdivision 3, the date that the notice was filed shall also be classified as public data 20 days after the employer has received the citation.

Sec. 27. Minnesota Statutes 2022, section 182.661, is amended by adding a subdivision to read:

Subd. 3c. **Contestation of time for correction of a violation.** (a) Where an employer contests the period of time fixed for correction of a violation that is not a serious, willful, or repeat violation, the period of time shall not run until the order of the commissioner becomes final.

(b) Where an employer or employee contests the period of time fixed for correction of a violation that is a serious, willful, or repeat violation, the commissioner may refer the matter to the office of administrative hearings for an expedited contested case hearing solely on the reasonableness of the time fixed for correction. The administrative law judge may order the employer to correct the violation pending final resolution of the cited violations on the merits.

Sec. 28. Minnesota Statutes 2022, section 182.676, is amended to read:

#### **182.676 SAFETY COMMITTEES.**

(a) Every public or private employer of more than 25 employees shall establish and administer a joint labor-management safety committee.

(b) Every public or private employer of 25 or fewer employees shall establish and administer a safety committee if it is subject to the requirements of section 182.653, subdivision 8.

~~(1) the employer has a lost workday cases incidence rate in the top ten percent of all rates for employers in the same industry; or~~

~~(2) the workers' compensation premium classification assigned to the greatest portion of the payroll for the employer has a pure premium rate as reported by the Workers' Compensation Rating Association in the top 25 percent of premium rates for all classes.~~

(c) A safety committee must hold regularly scheduled meetings unless otherwise provided in a collective bargaining agreement.

(d) Employee safety committee members must be selected by employees. An employer that fails to establish or administer a safety committee as required by this section may be cited by the commissioner. A citation is punishable as a serious violation under section 182.666.

The commissioner may adopt rules necessary to implement this section.

Sec. 29. Minnesota Statutes 2022, section 326B.093, subdivision 4, is amended to read:

Subd. 4. **Examination results.** If the applicant receives a passing score on the examination and meets all other requirements for licensure, the commissioner must approve the application and notify the applicant of the approval within 60 days of the date of the passing score. The applicant must, within 180 days after the notification of approval, pay the license fee. Upon receipt of the license fee, the commissioner must issue the license. If the applicant does not pay the license fee within 180 days after the notification of approval, the commissioner will rescind the approval and must deny the application. If the applicant does not receive a passing score on the examination, the commissioner must deny the application. If the application is denied because of the applicant's failure to receive a passing score on the examination, then the applicant cannot submit a new application for the license until at least 30 days after the ~~notification date of denial~~ the failed examination.

Sec. 30. Minnesota Statutes 2022, section 326B.106, is amended by adding a subdivision to read:

Subd. 16. **Refrigerants designated as acceptable for use.** No provision of the code or appendix chapter of the code may prohibit or otherwise limit the use of a refrigerant designated as acceptable for use in accordance with United States Code, title 42, section 7671k, provided any equipment containing the refrigerant is listed and installed in full compliance with all applicable requirements, safety standards, and use conditions imposed pursuant to such a designation or as otherwise required by law.

Sec. 31. Minnesota Statutes 2022, section 326B.163, subdivision 5, is amended to read:

Subd. 5. **Elevator.** As used in this chapter, "elevator" means moving walks and vertical transportation devices such as escalators, passenger elevators, freight elevators, dumbwaiters, hand-powered elevators, endless belt lifts, and ~~wheelchair~~ platform lifts. Elevator does not include external temporary material lifts or temporary construction personnel elevators at sites of construction of new or remodeled buildings.

Sec. 32. Minnesota Statutes 2022, section 326B.163, is amended by adding a subdivision to read:

Subd. 5a. **Platform lift.** As used in this chapter, "platform lift" means a powered hoisting and lowering device designed to transport mobility-impaired persons on a guided platform.

Sec. 33. Minnesota Statutes 2022, section 326B.164, subdivision 13, is amended to read:

Subd. 13. **Exemption from licensing.** (a) Employees of a licensed elevator contractor or licensed limited elevator contractor are not required to hold or obtain a license under this section or be provided with direct supervision by a licensed master elevator constructor, licensed limited master elevator constructor, licensed elevator constructor, or licensed limited elevator constructor to install, maintain, or repair platform lifts and stairway chairlifts. Unlicensed employees performing elevator work under this exemption must comply with subdivision 5. This exemption does not include the installation, maintenance, repair, or replacement of electrical wiring for elevator equipment.

(b) Contractors or individuals shall not be required to hold or obtain a license under this section when performing work on:

- (1) conveyors, excluding vertical reciprocating conveyors;
- (2) platform lifts not covered under section 326B.163, subdivision 5a; or
- (3) dock levelers.

Sec. 34. Minnesota Statutes 2022, section 326B.31, subdivision 30, is amended to read:

Subd. 30. **Technology system contractor.** "Technology system contractor" means a licensed contractor whose responsible licensed individual is a licensed power limited technician or licensed master electrician.

Sec. 35. Minnesota Statutes 2022, section 326B.32, subdivision 1, is amended to read:

Subdivision 1. **Composition.** (a) The Board of Electricity shall consist of 12 members. Eleven members shall be appointed by the governor with the advice and consent of the senate and shall be voting members. Appointments of members by the governor shall be made in accordance with section 15.066. If the senate votes to refuse to consent to an appointment of a member made by the governor, the governor shall appoint a new member with the advice and consent of the senate. One member shall be the commissioner of labor and industry or the commissioner's designee, who shall be a voting member. Of the 11 appointed members, the composition shall be as follows:

- (1) one member shall be an electrical inspector;
- (2) two members shall be representatives of the electrical suppliers in rural areas;
- (3) two members shall be master electricians, who shall be contractors;
- (4) two members shall be journeyworker electricians;
- (5) one member shall be a registered consulting electrical engineer;
- (6) ~~two members~~ one member shall be a power limited ~~technicians~~ technician, who shall be a technology system ~~contractors primarily engaged in the business of installing technology circuits or systems~~ contractor; and
- (7) one member shall be a power limited technician; and
- ~~(7)~~ (8) one member shall be a public member as defined by section 214.02.

The electrical inspector shall be appointed to a term to end December 31, 2011. One of the rural electrical suppliers shall be appointed for a term to end December 31, 2011. The other rural electrical supplier shall be appointed for a term to end December 31, 2010. The consulting electrical engineer shall be appointed for a term to end December 31, 2011. One of the master electrician contractors shall be appointed for a term to end December 31, 2011. The other master electrician contractor shall be appointed for a term to end December 31, 2010. One of the journeyworker electricians shall be appointed for a term to end December 31, 2011. The other journeyworker electrician shall be appointed for a term to end December 31, 2010. One of the power limited technicians shall be appointed for a term to end December 31, 2011. The other power limited technician shall be appointed for a term to end December 31, 2010. The public member shall be appointed for a term to end December 31, 2010.

(b) The consulting electrical engineer must possess a current Minnesota professional engineering license and maintain the license for the duration of the term on the board. All other appointed members, except for the public member and the representatives of electrical suppliers in rural areas, must possess a current electrical license issued by the Department of Labor and Industry and maintain that license for the duration of their terms. All appointed members must be residents of Minnesota at the time of and throughout the member's appointment. The term of any appointed member that does not maintain membership qualification status shall end on the date of the status change and the governor shall appoint a new member. It is the responsibility of the member to notify the board of their status change.

(c) For appointed members, except the initial terms designated in paragraph (a), each term shall be three years with the terms ending on December 31. Members appointed by the governor shall be limited to three consecutive terms. The governor shall, all or in part, reappoint the current members or appoint replacement members with the advice and consent of the senate. Midterm vacancies shall be filled for the remaining portion of the term. Vacancies occurring with less than six months time remaining in the term shall be filled for the existing term and the following three-year term. Members may serve until their successors are appointed but in no case later than July 1 in a year in which the term expires unless reappointed.

Sec. 36. Minnesota Statutes 2022, section 326B.36, subdivision 7, is amended to read:

Subd. 7. **Exemptions from inspections.** Installations, materials, or equipment shall not be subject to inspection under sections 326B.31 to 326B.399:

(1) when owned or leased, operated and maintained by any employer whose maintenance electricians are exempt from licensing under sections 326B.31 to 326B.399, while performing electrical maintenance work only as defined by rule;

(2) when owned or leased, and operated and maintained by any electrical, communications, or railway utility, cable communications company as defined in section 238.02, or telephone company as defined under section 237.01, in the exercise of its utility, antenna, or telephone function; and

(i) are used exclusively for the generations, transformation, distribution, transmission, load control, or metering of electric current, or the operation of railway signals, or the transmission of intelligence, and do not have as a principal function the consumption or use of electric current by or for the benefit of any person other than such utility, cable communications company, or telephone company; and

(ii) are generally accessible only to employees of such utility, cable communications company, or telephone company or persons acting under its control or direction; and

(iii) are not on the load side of the service point or point of entrance for communication systems;

(3) when used in the street lighting operations of an electrical utility;

(4) when used as outdoor area lights which are owned and operated by an electrical utility and which are connected directly to its distribution system and located upon the utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction;

(5) when the installation, material, and equipment are in facilities subject to the jurisdiction of the federal Mine Safety and Health Act; or

(6) when the installation, material, and equipment is part of an elevator installation for which the elevator contractor, licensed under section 326B.164, is required to obtain a permit from the authority having jurisdiction as provided by section 326B.184, and the inspection has been or will be performed by an elevator inspector certified



and licensed by the department. This exemption shall apply only to installations, material, and equipment permitted or required to be connected on the load side of the disconnecting means required for elevator equipment under National Electrical Code Article 620, and elevator communications and alarm systems within the machine room, car, hoistway, or elevator lobby.

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

Sec. 37. Minnesota Statutes 2022, section 326B.36, is amended by adding a subdivision to read:

**Subd. 8. Electric utility exemptions; additional requirements.** For exemptions to inspections exclusively for load control allowed for electrical utilities under subdivision 7, clause (2), item (i), the exempted work must be:

(1) performed by a licensed electrician employed by a class A electrical contractor licensed under section 326B.33;

(2) for replacement or repair of existing equipment for an electric utility other than a public utility as defined in section 216B.02, subdivision 4, only; and

(3) completed on or before December 31, 2028.

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

Sec. 38. Minnesota Statutes 2022, section 326B.805, subdivision 6, is amended to read:

Subd. 6. **Exemptions.** The license requirement does not apply to:

(1) an employee of a licensee performing work for the licensee;

(2) a material person, manufacturer, or retailer furnishing finished products, materials, or articles of merchandise who does not install or attach the items;

(3) an owner of residential real estate who builds or improves ~~any structure on~~ residential real estate, if the ~~building or improving is performed by the owner's bona fide employees or by individual owners personally.~~ owner occupies or will occupy the residential real estate for residential purposes, or will retain ownership for rental purposes upon completion of the building or improvement. This exemption does not apply to an owner who constructs or improves ~~property~~ residential real estate for purposes of resale or speculation ~~if the building or improving is performed by the owner's bona fide employees or by individual owners personally.~~ A. An owner of residential ~~building contractor or residential remodeler~~ real estate will be presumed to be building or improving for purposes of speculation if the ~~contractor or remodeler~~ owner constructs or improves more than one property within any 24-month period, unless the properties will be retained by the owner for rental purposes;

(4) an architect or professional engineer engaging in professional practice as defined by section 326.02, subdivisions 2 and 3;

(5) a person whose total gross annual receipts for performing specialty skills for which licensure would be required under this section do not exceed \$15,000;

(6) a mechanical contractor;

(7) a plumber, electrician, or other person whose profession is otherwise subject to statewide licensing, when engaged in the activity which is the subject of that licensure;

(8) specialty contractors who provide only one special skill as defined in section 326B.802;

(9) a school district, or a technical college governed under chapter 136F; and

(10) Habitat for Humanity and Builders Outreach Foundation, and their individual volunteers when engaged in activities on their behalf.

To qualify for the exemption in clause (5), a person must obtain a certificate of exemption from licensure from the commissioner. A certificate of exemption will be issued upon the applicant's filing with the commissioner, an affidavit stating that the applicant does not expect to exceed \$15,000 in gross annual receipts derived from performing services which require licensure under this section during the calendar year in which the affidavit is received. For the purposes of calculating fees under section 326B.092, a certificate of exemption is an entry level license. To renew the exemption in clause (5), the applicant must file an affidavit stating that the applicant did not exceed \$15,000 in gross annual receipts during the past calendar year. If a person, operating under the exemption in clause (5), exceeds \$15,000 in gross receipts during any calendar year, the person must immediately surrender the certificate of exemption and apply for the appropriate license. The person must remain licensed until such time as the person's gross annual receipts during a calendar year fall below \$15,000. The person may then apply for an exemption for the next calendar year.

Sec. 39. Minnesota Statutes 2022, section 326B.921, subdivision 8, is amended to read:

Subd. 8. **Reciprocity with other states.** ~~The commissioner may issue a temporary license without examination, upon payment of the required fee, to nonresident applicants who are licensed under the laws of a state having standards for licensing which the commissioner determines are substantially equivalent to the standards of this state if the other state grants similar privileges to Minnesota residents duly licensed in this state. Applicants who receive a temporary license under this section may acquire an aggregate of 24 months of experience before they have to apply and pass the licensing examination. Applicants must register with the commissioner of labor and industry and the commissioner shall set a fee for a temporary license. Applicants have five years in which to comply with this section.~~

(a) The commissioner may enter into reciprocity agreements for personal licenses with another state if approved by the board. Once approved by the board, the commissioner may issue a personal license without requiring the applicant to pass an examination provided the applicant:

(1) submits an application under this section;

(2) pays the application and examination fee and license fee required under section 326B.092; and

(3) holds a valid comparable license in the state participating in the agreement.

(b) Reciprocity agreements are subject to the following:

(1) the parties to the agreement must administer a statewide licensing program that includes examination and qualifying experience or training comparable to Minnesota's licensing program;

(2) the experience and training requirements under which an individual applicant qualified for examination in the qualifying state must be deemed equal to or greater than required for an applicant making application in Minnesota at the time the applicant acquired the license in the qualifying state;

(3) the applicant must have acquired the license in the qualifying state through an examination deemed equivalent to the same class of license examination in Minnesota;

(4) at the time of application, the applicant must hold a valid license in the qualifying state and have held the license continuously for at least one year before making application in Minnesota;

(5) an applicant is not eligible for a license under this subdivision if the applicant has failed the same or greater class of license examination in Minnesota, or if the applicant's license of the same or greater class has been revoked or suspended; and

(6) an applicant who has failed to renew a personal license for two years or more after its expiration is not eligible for a license under this subdivision.

Sec. 40. Minnesota Statutes 2022, section 326B.925, subdivision 1, is amended to read:

Subdivision 1. **Composition.** (a) The Board of High Pressure Piping Systems shall consist of 13 members. Twelve members shall be appointed by the governor with the advice and consent of the senate and shall be voting members. Appointments of members by the governor shall be made in accordance with section 15.066. If the senate votes to refuse to consent to an appointment of a member made by the governor, the governor shall appoint a new member with the advice and consent of the senate. One member shall be the commissioner of labor and industry or the commissioner of labor and industry's designee, who shall be a voting member. Of the 12 appointed members, the composition shall be as follows:

(1) one member shall be a high pressure piping inspector;

(2) one member shall be a licensed mechanical engineer;

(3) one member shall be a representative of the high pressure piping industry;

(4) four members shall be master high pressure pipefitters engaged in the business of high pressure piping, two from the metropolitan area and two from greater Minnesota;

(5) two members shall be journeyworker high pressure pipefitters ~~engaged in the business of high pressure piping systems installation~~, one from the metropolitan area and one from greater Minnesota;

(6) one member shall be a representative of industrial companies that use high pressure piping systems in their industrial process;

(7) one member shall be a representative from utility companies in Minnesota; and

(8) one member shall be a public member as defined by section 214.02.

The high pressure piping inspector shall be appointed for a term to end December 31, 2011. The professional mechanical engineer shall be appointed for a term to end December 31, 2010. The representative of the high pressure piping industry shall be appointed for a term to end December 31, 2011. Two of the master high pressure pipefitters shall be appointed for a term to end December 31, 2011. The other two master high pressure pipefitters shall be appointed for a term to end December 31, 2010. One of the journeyworker high pressure pipefitters shall be appointed for a term to end December 31, 2011. The other journeyworker high pressure pipefitter shall be appointed for a term to end December 31, 2010. The one representative of industrial companies that use high pressure piping systems in their industrial process shall be appointed for a term to end December 31, 2010. The one representative of a utility company in Minnesota shall be appointed for a term to end December 31, 2010. The public member shall be appointed for a term to end December 31, 2010.

(b) The licensed professional mechanical engineer must possess a current Minnesota professional engineering license and maintain the license for the duration of their term. All other appointed members, except for the representative of the piping industry, the representative of industrial companies that use high pressure piping systems, the public member, and the representative of public utility companies in Minnesota, must possess a current high pressure piping license issued by the Department of Labor and Industry and maintain that license for the duration of their term. All appointed members must be residents of Minnesota at the time of and throughout the member's appointment. The term of any appointed member that does not maintain membership qualification status shall end on the date of status change and the governor shall appoint a new member. It is the responsibility of the member to notify the board of the member's status change.

(c) For appointed members, except the initial terms designated in paragraph (a), each term shall be three years with the terms ending on December 31. Members appointed by the governor shall be limited to three consecutive terms. The governor shall, all or in part, reappoint the current members or appoint replacement members with the advice and consent of the senate. Midterm vacancies shall be filled for the remaining portion of the term. Vacancies occurring with less than six months time remaining in the term shall be filled for the existing term and the following three-year term. Members may serve until their successors are appointed but in no case later than July 1 in a year in which the term expires unless reappointed.

Sec. 41. Minnesota Statutes 2022, section 326B.988, is amended to read:

**326B.988 EXCEPTIONS.**

(a) The provisions of sections 326B.95 to 326B.998 shall not apply to:

(1) boilers and pressure vessels in buildings occupied solely for residence purposes with accommodations for not more than five families;

(2) railroad locomotives operated by railroad companies for transportation purposes;

(3) air tanks installed on the right-of-way of railroads and used directly in the operation of trains;

(4) boilers and pressure vessels under the direct jurisdiction of the United States;

(5) unfired pressure vessels having an internal or external working pressure not exceeding 15 psig with no limit on size;

(6) pressure vessels used for storage of compressed air not exceeding five cubic feet in volume and equipped with an ASME code stamped safety valve set at a maximum of 100 psig;

(7) pressure vessels having an inside diameter not exceeding six inches;

(8) every vessel that contains water under pressure, including those containing air that serves only as a cushion, whose design pressure does not exceed 300 psig and whose design temperature does not exceed 210 degrees Fahrenheit;

(9) boiler or pressure vessels located on farms used solely for agricultural or horticultural purposes; for purposes of this section, boilers used for mint oil extraction are considered used for agricultural or horticultural purposes, provided that the owner or lessee complies with the inspection requirements contained in section 326B.958;

(10) tanks or cylinders used for storage or transfer of liquefied petroleum gases;

(11) unfired pressure vessels in petroleum refineries;

- (12) an air tank or pressure vessel which is an integral part of a passenger motor bus, truck, or trailer;
- (13) hot water heating and other hot liquid boilers not exceeding a heat input of 750,000 BTU per hour;
- (14) hot water supply boilers ~~(water heaters)~~ not exceeding a heat input of ~~500,000~~ 200,000 BTU per hour, ~~a water temperature of 210 degrees Fahrenheit, or potable water heaters not exceeding a heat input of 200,000 BTU per hour or a nominal water capacity of 120 gallons, or a pressure of 160 psig;~~
- (15) a laundry and dry cleaning press not exceeding five cubic feet of steam volume;
- (16) pressure vessels operated full of water or other liquid not materially more hazardous than water, if the vessel's contents' temperature does not exceed 210 degrees Fahrenheit or a pressure of 200 psig;
- (17) steam-powered turbines at papermaking facilities which are powered by steam generated by steam facilities at a remote location;
- (18) manually fired boilers for model locomotive, boat, tractor, stationary engine, or antique motor vehicles constructed or maintained only as a hobby for exhibition, educational or historical purposes and not for commercial use, if the boilers have an inside diameter of 12 inches or less, or a grate area of two square feet or less, and are equipped with an ASME stamped safety valve of adequate size, a water level indicator, and a pressure gauge;
- (19) any pressure vessel used as an integral part of an electrical circuit breaker;
- (20) pressure vessels used for the storage of refrigerant if they are built to ASME code specifications, registered with the national board, and equipped with an ASME code-stamped pressure-relieving device set no higher than the maximum allowable working pressure of the vessel. This does not include pressure vessels used in ammonia refrigeration systems;
- (21) pressure vessels used for the storage of oxygen, nitrogen, helium, carbon dioxide, argon, nitrous oxide, or other medical gas, provided the vessel is constructed to ASME or Minnesota Department of Transportation specifications and equipped with an ASME code-stamped pressure-relieving device. The owner of the vessels shall perform annual visual inspections and planned maintenance on these vessels to ensure vessel integrity;
- (22) pressure vessels used for the storage of compressed air for self-contained breathing apparatuses;
- (23) hot water heating or other hot liquid boilers vented directly to the atmosphere; and
- (24) pressure vessels used for the storage of compressed air not exceeding 1.5 cubic feet (11.22 gallons) in volume with a maximum allowable working pressure of 600 psi or less.
- (b) An engineer's license is not required for hot water supply boilers.
- (c) An engineer's license and annual inspection by the department is not required for boilers, steam cookers, steam kettles, steam sterilizers or other steam generators not exceeding 100,000 BTU per hour input, 25 kilowatt, and a pressure of 15 psig.
- (d) Electric boilers not exceeding a maximum working pressure of 50 psig, maximum of 30 kilowatt input or three horsepower rating shall be inspected as pressure vessels and shall not require an engineer license to operate.

Sec. 42. **[327.30] SACRED COMMUNITIES AND MICRO-UNIT DWELLINGS.**

**Subdivision 1. Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Chronically homeless" has the meaning given in United States Code, title 42, section 11360, as amended through May 20, 2009.

(c) "Designated volunteers" means persons who have not experienced homelessness and have been approved by the religious institution to live in a sacred community as their sole form of housing.

(d) "Extremely low income" means an income that is equal to or less than 30 percent of the area median income, adjusted for family size, as estimated by the Department of Housing and Urban Development.

(e) "Micro unit" means a mobile residential dwelling providing permanent housing within a sacred community that meets the requirements of subdivision 4.

(f) "Religious institution" means a church, synagogue, mosque, or other religious organization organized under chapter 315.

(g) "Sacred community" means a residential settlement established on or contiguous to the grounds of a religious institution's primary worship location primarily for the purpose of providing permanent housing for chronically homeless persons, extremely low-income persons, and designated volunteers that meets the requirements of subdivision 3.

**Subd. 2. Dwelling in micro units in sacred communities authorized.** Religious institutions are authorized to provide permanent housing to people who are chronically homeless, extremely low-income, or designated volunteers, in sacred communities composed of micro units subject to the provisions of this section.

**Subd. 3. Sacred community requirements.** (a) A sacred community must provide residents of micro units access to water and electric utilities either by connecting the micro units to the utilities that are serving the principal building on the lot or by other comparable means, or by providing the residents access to permanent common kitchen facilities and common facilities for toilet, bathing, and laundry with the number and type of fixtures required for an R-2 boarding house under Minnesota Rules, part 1305.2902. Any units that are plumbed shall not be included in determining the minimum number of fixtures required for the common facilities.

(b) A sacred community under this section must:

(1) be appropriately insured;

(2) have between one-third and 40 percent of the micro units occupied by designated volunteers; and

(3) provide the municipality with a written plan approved by the religious institution's governing board that outlines:

(i) disposal of water and sewage from micro units if not plumbed;

(ii) septic tank drainage if plumbed units are not hooked up to the primary worship location's system;

(iii) adequate parking, lighting, and access to units by emergency vehicles;

(iv) protocols for security and addressing conduct within the settlement; and

(v) safety protocols for severe weather.

(c) A sacred community meeting the requirements of this section shall be approved and regulated as a permitted use, conditional use, or planned unit development, as determined by the municipality. When approved, additional permitting is not required for individual micro units.

(d) Sacred communities are subject to the laws governing landlords and tenants under chapter 504B.

Subd. 4. **Micro unit requirements.** (a) In order to be eligible to be placed within a sacred community, a micro unit must be built to the requirements of the American National Standards Institute (ANSI) Code 119.5, which includes standards for heating, electrical systems, and fire and life safety. A micro unit must also meet the following technical requirements:

(1) be no more than 400 gross square feet;

(2) be built on a permanent chassis and anchored to pin foundations with engineered fasteners;

(3) have exterior materials that are compatible in composition, appearance, and durability to the exterior materials used in standard residential construction;

(4) have a minimum insulation rating of R-20 in walls, R-30 in floors, and R-38 in ceilings, as well as residential grade insulated doors and windows;

(5) have a dry, compostable, or plumbed toilet or other system meeting the requirements of the Minnesota Pollution Control Agency, Chapters 7035, 7040, 7049, and 7080, or other applicable rules;

(6) have either an electrical system that meets NFPA 70 NEC, section 551 or 552 as applicable or a low voltage electrical system that meets ANSI/RVIA Low Voltage Standard, current edition;

(7) have minimum wall framing with two inch by four inch wood or metal studs with framing of 16 inches to 24 inches on center, or the equivalent in structural insulated panels, with a floor load of 40 pounds per square foot and a roof live load of 42 pounds per square foot; and

(8) have smoke and carbon monoxide detectors installed.

(b) All micro units, including their anchoring, must be inspected and certified for compliance with these requirements by a licensed Minnesota professional engineer or qualified third-party inspector for ANSI compliance accredited pursuant to either the American Society for Testing and Materials Appendix E541 or ISO/IEC 17020.

(c) Micro units that connect to utilities such as water, sewer, gas, or electric, must obtain any permits or inspections required by the municipality or utility company for that connection.

(d) Micro units must comply with municipal setback requirements established by ordinance for manufactured homes. If a municipality does not have such an ordinance, micro units must be set back on all sides by at least ten feet.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

Sec. 43. Minnesota Statutes 2022, section 572B.17, is amended to read:

**572B.17 WITNESSES; SUBPOENAS; DEPOSITIONS; DISCOVERY.**

(a) An arbitrator may issue a subpoena for the attendance of a witness and for the production of records and other evidence at any hearing and may administer oaths. A subpoena must be served in the manner for service of subpoenas in a civil action and, upon motion to the court by a party to the arbitration proceeding or the arbitrator, enforced in the manner for enforcement of subpoenas in a civil action.

(b) On request of a party to or a witness in an arbitration proceeding, an arbitrator may permit a deposition of any witness to provide testimony at the arbitration hearing, including a witness who cannot be subpoenaed for or is unable to attend a hearing, to be taken under conditions determined by the arbitrator for use as evidence in order to make the proceeding fair, expeditious, and cost-effective.

(c) An arbitrator may permit such discovery as the arbitrator decides is appropriate in the circumstances, taking into account the needs of the parties to the arbitration proceeding and other affected persons and the desirability of making the proceeding fair, expeditious, and cost-effective.

(d) If an arbitrator permits discovery under subsection (c), the arbitrator may order a party to the arbitration proceeding to comply with the arbitrator's discovery-related orders, including the issuance of a subpoena for the attendance of a witness and for the production of records and other evidence at a discovery proceeding, and may take action against a party to the arbitration proceeding who does not comply to the extent permitted by law as if the controversy were the subject of a civil action in this state.

(e) An arbitrator may issue a protective order to prevent the disclosure of privileged information, confidential information, trade secrets, data classified as nonpublic or private pursuant to chapter 13, and other information protected from disclosure as if the controversy were the subject of a civil action in this state.

(f) All laws compelling a person under subpoena to testify and all fees for attending a judicial proceeding, a deposition, or a discovery proceeding as a witness apply to an arbitration proceeding as if the controversy were the subject of a civil action under the laws and rules of civil procedure of this state.

(g) The court may enforce a subpoena or discovery-related order for the attendance of a witness within this state and for the production of records and other evidence issued by an arbitrator in connection with an arbitration proceeding in another state upon conditions determined by the court in order to make the arbitration proceeding fair, expeditious, and cost-effective. A subpoena or discovery-related order issued by an arbitrator must be served in the manner provided by law for service of subpoenas in a civil action in this state and, upon motion to the court by a party to the arbitration proceeding or the arbitrator, enforced in the manner provided by law for enforcement of subpoenas in a civil action in this state.

Sec. 44. **REPEALER.**

Minnesota Statutes 2022, section 179A.12, subdivision 2, is repealed."

Delete the title and insert:

"A bill for an act relating to state government; modifying labor policy provisions; modifying building codes, occupational safety and health, and employment law; amending Minnesota Statutes 2022, sections 13.43, subdivision 6; 120A.414, subdivision 2; 122A.181, subdivision 5; 122A.26, subdivision 2; 122A.40, subdivision 5; 122A.41, subdivision 2; 177.27, subdivision 4; 177.42, subdivision 2; 179A.03, subdivisions 14, 18, 19; 179A.06, subdivision 6, by adding a subdivision; 179A.07, subdivisions 1, 6, by adding subdivisions; 179A.12, subdivisions 6, 11, by adding a subdivision; 182.659, subdivisions 1, 8; 182.66, by adding a subdivision; 182.661, by adding a subdivision; 182.676; 326B.093, subdivision 4; 326B.106, by adding a subdivision; 326B.163, subdivision 5, by adding a subdivision; 326B.164, subdivision 13; 326B.31, subdivision 30; 326B.32, subdivision 1; 326B.36, subdivision 7, by adding a subdivision; 326B.805, subdivision 6; 326B.921, subdivision 8; 326B.925, subdivision 1; 326B.988; 572B.17; proposing coding for new law in Minnesota Statutes, chapters 16A; 181; 327; repealing Minnesota Statutes 2022, section 179A.12, subdivision 2."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Vang from the Committee on Agriculture Finance and Policy to which was referred:

H. F. No. 1587, A bill for an act relating to agriculture; modifying restricted species provisions; amending Minnesota Statutes 2022, section 17.457.

Reported the same back with the following amendments:



Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2022, section 17.457, is amended to read:

**17.457 RESTRICTED SPECIES.**

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Commissioner" means the commissioner of agriculture or the commissioner's designee.

(c) "Restricted species" means Eurasian wild pigs and their hybrids (*Sus scrofa* subspecies and *Sus scrofa* hybrids), excluding domestic hogs (*S. scrofa domesticus*).

(d) "Release" means an intentional introduction or accidental escape of a species from the control of the owner or responsible party.

Subd. 2. **Importation; possession; release of restricted species.** It is unlawful for a person to import, possess, propagate, transport, or release restricted species, ~~except as provided~~ unless the person has a permit as described in subdivision 3.

Subd. 3. **Permits.** ~~(a)~~ The commissioner may issue permits for the transportation, possession, purchase, or importation of restricted species for scientific, research, educational, or commercial purposes. A permit issued under this subdivision may be revoked by the commissioner if the conditions of the permit are not met by the permittee or for any unlawful act or omission, including accidental escapes.

~~(b) The commissioner may issue permits for a person to possess and raise a restricted species for commercial purposes if the person was in possession of the restricted species on March 1, 1993. Under the permit, the number of breeding stock of the restricted species in the possession of the person may not increase by more than 25 percent and the person must comply with the certification requirements in subdivision 7.~~

~~(c) A person may possess a restricted species without a permit for a period not to exceed two days for the purpose of slaughtering the restricted species for human consumption.~~

Subd. 4. **Notice of ~~escape~~ release of restricted species.** In the event of ~~an escape~~ a release of a restricted species, the owner must notify within 24 hours a conservation officer and the Board of Animal Health and is responsible for the recovery of the species. The commissioner may capture or destroy the ~~escaped~~ released animal at the owner's expense.

Subd. 5. **Enforcement.** This section may be enforced by an enforcement officer under sections 97A.205 and 97A.211 and by the commissioner under sections 17.982 to 17.984.

Subd. 6. **Penalty.** A person who violates subdivision 2, 4, or 7 is guilty of a misdemeanor.

Subd. 7. ~~**Certification and Identification requirements.** (a) A person who possesses restricted species on July 1, 1993, must submit certified numbers of restricted species in the person's possession to the Board of Animal Health by June 1, 1993.~~

~~(b)~~ A restricted species in the possession of a person must be marked in a permanent fashion to identify ownership. The restricted species must be marked as soon as practicable after birth or purchase.

Subd. 8. **Containment.** The commissioner, in consultation with the commissioner of natural resources, shall develop criteria for approved containment measures for restricted species ~~with the assistance of producers of restricted species.~~

Subd. 9. **Bond; security.** A person who possesses restricted species must ~~file a bond or deposit~~ provide proof of insurance or file a security bond with the commissioner ~~security in the form and in the an~~ amount determined by the commissioner to pay for the potential costs and damages that would be caused by ~~an escape~~ the release of a restricted species.

Subd. 10. **Fee.** The commissioner ~~shall~~ may impose a fee for permits in an amount sufficient to cover the costs of issuing the permits and for facility inspections. The fee may not exceed \$50. Fee receipts must be deposited in the general fund.

Sec. 2. Minnesota Statutes 2022, section 17.710, is amended to read:

#### **17.710 AGRICULTURAL PRODUCTION CONTRACTS.**

(a) A production contract entered into, renewed, or amended on or after July 1, 1999, between an agricultural producer and a processor of agricultural products must not contain provisions that prohibit the producer from disclosing terms, conditions, and prices contained in the contract. Any provision prohibiting disclosure by the producer is void.

(b) A contract entered into, renewed, or amended on or after July 1, 2023, between an agricultural producer and an entity buying, selling, certifying, or otherwise participating in a market for stored carbon must not contain provisions that prohibit the producer from disclosing terms, conditions, and prices contained in the contract. Any provision prohibiting disclosure by the producer is void.

Sec. 3. Minnesota Statutes 2022, section 17.983, subdivision 1, is amended to read:

Subdivision 1. **Administrative penalties; citation.** If a person has violated a provision of chapter 25, ~~or 31B, or 32D~~; the commissioner may issue a written citation to the person by personal service or by certified mail. The citation must describe the nature of the violation and the statute or rule alleged to have been violated; state the time for correction, if applicable; and the amount of any proposed fine. The citation must advise the person to notify the commissioner in writing within 30 days if the person wishes to appeal the citation. If the person fails to appeal the citation, the citation is the final order and not subject to further review.

Sec. 4. Minnesota Statutes 2022, section 18.78, subdivision 2, is amended to read:

Subd. 2. **Control of purple loosestrife and nonnative Phragmites.** An owner of nonfederal lands underlying public waters or wetlands designated under section 103G.201 is not required to control or eradicate purple loosestrife or nonnative Phragmites below the ordinary high water level of the public water or wetland. The commissioner of natural resources is responsible for control and eradication of purple loosestrife and nonnative Phragmites on public waters and wetlands designated under section 103G.201, except those located upon lands owned in fee title or managed by the United States. The officers, employees, agents, and contractors of the commissioner of natural resources may enter upon public waters and wetlands designated under section 103G.201 and, after providing notification to the occupant or owner of the land, may cross adjacent lands as necessary for the purpose of investigating purple loosestrife or nonnative Phragmites infestations, formulating methods of eradication, and implementing control and eradication of purple loosestrife or nonnative Phragmites. The commissioner of natural resources shall, by June 1 of each year, compile a priority list of purple loosestrife and nonnative Phragmites infestations to be controlled with herbicides in designated public waters. The commissioner of natural resources must distribute the list to county agricultural inspectors, local weed inspectors, and their appointed agents. The

commissioner of natural resources shall control listed purple loosestrife and nonnative Phragmites infestations in priority order within the limits of funding allocated for that purpose. This procedure shall supersede the other provisions for control of noxious weeds set forth elsewhere in this chapter. The responsibility of the commissioner of natural resources to control and eradicate purple loosestrife and nonnative Phragmites on public waters and wetlands located on private lands and the authority to enter upon private lands ends ten days after receipt by the commissioner of a written statement from the landowner that the landowner assumes all responsibility for control and eradication of purple loosestrife and nonnative Phragmites under sections 18.78 to 18.88. State officers, employees, agents, and contractors of the commissioner of natural resources are not liable in a civil action for trespass committed in the discharge of their duties under this section and are not liable to anyone for damages, except for damages arising from gross negligence.

Sec. 5. Minnesota Statutes 2022, section 18F.01, is amended to read:

**18F.01 PURPOSE.**

The purpose of sections 18F.01 to 18F.13 is to establish permits conditions for the release of certain genetically engineered agriculturally related organisms to protect humans and the environment from the potential for significant adverse effects of those releases.

Sec. 6. Minnesota Statutes 2022, section 18F.02, is amended by adding a subdivision to read:

Subd. 3a. **Coordinated Framework.** "Coordinated Framework" means the federal Coordinated Framework for the Regulation of Biotechnology set forth in Federal Register, volume 51, pages 23,302 to 23,350 (June 26, 1986), as amended.

Sec. 7. Minnesota Statutes 2022, section 18F.02, is amended by adding a subdivision to read:

Subd. 7a. **Regulated organism.** "Regulated organism" means a genetically engineered organism that is not exempt from federal regulations or that is not yet authorized for commercial use by the appropriate federal agency in the Coordinated Framework.

Sec. 8. Minnesota Statutes 2022, section 18F.07, is amended to read:

**18F.07 GENETICALLY ENGINEERED AGRICULTURALLY RELATED ORGANISM PERMIT.**

Subdivision 1. **Requirement.** A person may not conduct a release of a genetically engineered agriculturally related organism until a permit for the release has been obtained from the ~~commissioner~~ United States Department of Agriculture (USDA) or Environmental Protection Agency (EPA) or an agency in the Coordinated Framework has determined that the organism is exempt from regulation. The commissioner may accept a USDA or EPA permit or may review a USDA or EPA permit and add additional requirements to ensure that the proposed release of a genetically engineered agriculturally related organism would not create a hazard to the agricultural, forest, or horticultural interests of this state or the state's general environmental quality. Each release of a genetically engineered agriculturally related organism requires a new permit until the ~~commissioner~~ USDA or the EPA determines by rule that the proposed use of the genetically engineered agriculturally related organism is no longer subject to regulation under this chapter.

Subd. 2. **Permit application and review.** (a) ~~After reviewing a completed application, the commissioner may issue a genetically engineered agriculturally related organism permit if the commissioner determines that the applicant has adequately demonstrated that the proposed release does not have the potential for unreasonable adverse effects on the environment. If the commissioner reviews a USDA or EPA permit, the commissioner may prescribe~~ recommend terms and conditions, including, but not limited to, the period for the genetically engineered

agriculturally related organism permit, the amount or number of genetically engineered agriculturally related organisms to be used, monitoring activities, department inspection schedules, reporting of experiment results, and experiment termination procedures. ~~A person may not violate terms or conditions of a permit issued under this section.~~ After a genetically engineered agriculturally related organism permit is issued, the commissioner ~~may revoke or change the permit at any time~~ must inform the permitting agency if the commissioner ~~finds that its permit~~ terms or conditions are being violated or are inadequate to avoid unreasonable adverse effects on the environment.

(b) The commissioner ~~may deny issuance of a genetically engineered agriculturally related organism permit if the commissioner determines that the use to be made of the agriculturally related organisms under the proposed terms and conditions may cause unreasonable adverse effects on the environment~~ request that the USDA or EPA not issue a permit if the commissioner determines that the release of the genetically engineered agriculturally related organism would create a hazard to the agricultural, forest, or horticultural interests of this state or the state's general environmental quality.

(c) The commissioner shall publish a notice of the proposed release at the earliest opportunity in the EQB Monitor and shall notify the chair of the county board and, if applicable, the Tribal council of any reservation where the organism will be released.

Subd. 3. **Application.** A person shall file an application for a genetically engineered agriculturally related organism permit with the commissioner. ~~The application must include:~~ appropriate federal agency in the Coordinated Framework.

- ~~(1) the name and address of the applicant;~~
- ~~(2) any United States Environmental Protection Agency, United States Department of Agriculture, or other federal agency regulatory application or approval document, if required under federal law or rule;~~
- ~~(3) the purpose or objectives of the agriculturally related organism;~~
- ~~(4) the name, address, and telephone number of cooperators or participants in this state;~~
- ~~(5) the amount or number of organisms, materials, cultures, or seeds to be shipped or used in this state; and~~
- ~~(6) other information requested by the commissioner.~~

Subd. 4. **Application fee.** ~~An application for a permit for a genetically engineered agriculturally related organism must be accompanied by a nonrefundable application fee of \$125.~~

Sec. 9. Minnesota Statutes 2022, section 18F.13, is amended to read:

#### **18F.13 EXEMPTIONS.**

(a) The commissioner ~~may provide exemptions to the requirements to prepare an environmental assessment worksheet and obtain a permit for release of genetically engineered agriculturally related organisms for which substantial evidence, including past releases, has shown that the organism can be released without adverse effects on humans and the environment~~ must recognize federal exemptions for the regulation of genetically engineered organisms.

(b) The commissioner ~~may provide exemptions from the requirements to prepare an environmental assessment worksheet and obtain a permit for release of genetically engineered agriculturally related organisms for which substantial evidence, including past releases, has shown that the organism can be released under alternative oversight without adverse effects to humans and the environment~~ must allow the commercial use of agriculturally related genetically engineered organisms, pesticides, fertilizers, soil amendments, or plant amendments that have been deregulated by any federal agency.

Sec. 10. Minnesota Statutes 2022, section 18G.02, subdivision 2, is amended to read:

Subd. 2. **Biological control agent.** "Biological control agent" means a ~~parasite~~ parasitoid, predator, pathogen, or competitive organism intentionally released by humans for the purpose of biological control with the intent of causing a reduction of a host or prey population.

Sec. 11. Minnesota Statutes 2022, section 18G.02, subdivision 6, is amended to read:

Subd. 6. **Compliance agreement.** "Compliance agreement" means a written agreement between ~~a person~~ an entity and a regulatory agency to achieve compliance with regulatory requirements.

Sec. 12. Minnesota Statutes 2022, section 18G.02, is amended by adding a subdivision to read:

Subd. 12a. **Individual.** "Individual" means a single human being who is not the sole proprietor of a registered business related to plant protection or export certification.

Sec. 13. Minnesota Statutes 2022, section 18G.02, subdivision 14, is amended to read:

Subd. 14. **Infested.** "Infested" means a plant ~~has been overrun by~~ that contains an unacceptable level of plant pests, including weeds, or contains or harbors plant pests in a quantity that may threaten other plants.

Sec. 14. Minnesota Statutes 2022, section 18G.02, subdivision 15, is amended to read:

Subd. 15. **Invasive species.** "Invasive species" means an exotic ~~or nonnative~~ species whose introduction and establishment causes, or may cause, economic or environmental harm or harm to human health.

Sec. 15. Minnesota Statutes 2022, section 18G.02, subdivision 16, is amended to read:

Subd. 16. **Mark.** "Mark" means an official indicator affixed by the commissioner for purposes of identification or separation, to, on, around, or near, plants or plant material known or suspected to be infested or infected with a plant pest or that otherwise needs to be distinguished from other plants or materials. This includes, but is not limited to, paint, markers, tags, seals, stickers, tape, ribbons, signs, or placards.

Sec. 16. Minnesota Statutes 2022, section 18G.02, subdivision 20, is amended to read:

Subd. 20. **Person Entity.** "Person Entity" means ~~an individual, a registered business such as a firm, corporation, partnership, association, trust, joint stock company, or unincorporated organization, or sole proprietorship;~~ the state; a state agency; or a political subdivision.

Sec. 17. Minnesota Statutes 2022, section 18G.02, subdivision 22, is amended to read:

Subd. 22. **Phytosanitary certificate or export certificate.** "Phytosanitary certificate" or "export certificate" means a document authorized or prepared by a duly authorized federal or state official that affirms, declares, or verifies that an article, ~~nursery stock,~~ plant, plant product, shipment, or any other officially regulated article meets applicable, legally established, plant pest regulations, including this chapter.

Sec. 18. Minnesota Statutes 2022, section 18G.02, subdivision 24, is amended to read:

Subd. 24. **Plant pest.** "Plant pest" ~~includes, but is not limited to, an invasive species or any pest of plants, agricultural commodities, horticultural products, nursery stock, or noncultivated plants by organisms such as~~ means any organism determined by the commissioner to be capable of causing harm to terrestrial plants, including but not limited to insects, snails, nematodes, fungi, viruses, bacterium, microorganisms, mycoplasma-like organisms, weeds, ~~plants,~~ and parasitic plants.

Sec. 19. Minnesota Statutes 2022, section 18G.02, subdivision 30, is amended to read:

Subd. 30. **Significant damage or harm.** "Significant damage" or "harm" means a level of adverse impact that results in unacceptable economic damage, injury, or loss ~~that exceeds the cost of control~~ for a particular ~~crop~~ plant.

Sec. 20. Minnesota Statutes 2022, section 18G.03, subdivision 1, is amended to read:

Subdivision 1. **Entry and inspection.** (a) The commissioner may enter and inspect a public or private place that might harbor plant pests and may require that the owner destroy or treat plant pests, plants, or other material.

(b) If the owner fails to properly comply with a directive of the commissioner, the commissioner may have any necessary work done at the owner's expense. The commissioner shall notify the owner of the deadline for paying those expenses. If the owner does not reimburse the commissioner for an expense within a time specified by the commissioner, the expense is a charge upon the county as provided in subdivision 4.

(c) If a ~~harmful~~ plant pest infestation or infection threatens plants of an area in the state, the commissioner may take any measures necessary to eliminate or alleviate the potential significant damage or harm.

(d) The commissioner may collect fees required by this chapter.

(e) The commissioner may issue and enforce written or printed "stop-sale" orders, compliance agreements, and other directives and requests to the owner or custodian of any plants or articles infested or infected with a ~~harmful~~ plant pest.

Sec. 21. Minnesota Statutes 2022, section 18G.04, subdivision 2, is amended to read:

Subd. 2. **Control order.** In order to prevent the introduction or spread of ~~harmful or dangerous~~ plant pests, the commissioner may issue orders for necessary control measures. These orders may indicate the type of specific control to be used, the compound or material, the manner or the time of application, and who is responsible for carrying out the control order. Control orders may include directions to control or abate the plant pest to an acceptable level; eradicate the plant pest; restrict the movement of the plant pest or any material, article, appliance, plant, or means of conveyance suspected to be carrying the plant pest; or destroy plants or plant products infested or infected with a plant pest. Material suspected of being infested or infected with a plant pest may be confiscated by the commissioner.

Sec. 22. Minnesota Statutes 2022, section 18G.05, is amended to read:

#### **18G.05 DISCOVERY OF PLANT PESTS; OFFICIAL MARKING OF INFESTED OR INFECTED ARTICLES.**

Upon knowledge of the existence of a ~~dangerous or injurious~~ plant pest ~~or invasive species~~ within the state, the commissioner may conspicuously mark all plants, infested areas, materials, and articles known or suspected to be infested or infested with the plant pest ~~or invasive species~~. ~~Persons, owners, or tenants~~ An entity or individual in possession of the premises or area in which the existence of the plant pest ~~or invasive species~~ is suspected must be notified by the commissioner with prescribed control measures. ~~A person~~ An entity or individual must comply with the commissioner's control order within the prescribed time. If the commissioner determines that satisfactory control or mitigation of the pest has been achieved, the order must be released.

Sec. 23. Minnesota Statutes 2022, section 18G.06, subdivision 2, is amended to read:

Subd. 2. **Quarantine notice.** (a) The commissioner may issue orders to take prompt regulatory action in plant pest emergencies on regulated articles. If continuing quarantine action is required, a formal quarantine may be imposed. Orders may be issued to retain necessary quarantine action on a few properties if eradication treatments have been applied and continuing quarantine action is no longer necessary for the majority of the regulated area.

(b) The commissioner may place an emergency regulation or quarantine in effect without prior public notice in order to take immediate regulatory action to prevent the introduction or establishment of a plant pest.

(c) The commissioner may enter into cooperative agreements with the United States Department of Agriculture and other federal, state, city, or county agencies to assist in the enforcement of federal quarantines. The commissioner may adopt a quarantine or regulation against a plant pest or an area not covered by a federal quarantine. The commissioner may seize, destroy, or require treatment of products moved from a federally regulated area if they were not moved in accordance with the federal quarantine regulations or, if certified, they were found to be infested with the pest organism.

(d) The commissioner may impose a quarantine against a plant pest that is not quarantined in other states to prevent the spread of the plant pest within this state. The commissioner may enact a quarantine against a plant pest of regional or national significance even when no federal domestic quarantine has been adopted. These quarantines regulate intrastate movement between quarantined and nonquarantined areas of this state. The commissioner may enact a parallel state quarantine if there is a federal quarantine applied to a portion of the state.

(e) The commissioner may impose a state exterior quarantine if the plant pest is not established in this state but is established in other states. State exterior quarantines may be enacted even if no federal domestic quarantine has been adopted. The commissioner may issue control orders at destinations necessary to prevent the introduction or spread of plant pests.

Sec. 24. Minnesota Statutes 2022, section 18G.06, subdivision 5, is amended to read:

Subd. 5. **Public notification of a state quarantine or emergency regulation.** (a) For plant pest threats of imminent concern, the commissioner may declare an emergency quarantine or enact emergency orders.

(b) If circumstances permit, public notice and a public hearing must be held to solicit comments regarding the proposed state quarantine. If a plant pest threat is of imminent concern and there is insufficient time to allow full public comment on the proposed quarantine, the commissioner may impose an emergency quarantine until a state quarantine can be implemented.

(c) Upon establishment of a state quarantine, and upon institution of modifications or repeal, notices must be sent to the principal parties of interest, including federal and state authorities, and to organizations representing the public involved in the restrictive measures.

Sec. 25. Minnesota Statutes 2022, section 18G.10, subdivision 4, is amended to read:

Subd. 4. **Phytosanitary and export certificates.** An exporter of plants or plant products desiring to originate shipments from Minnesota to a foreign country requiring a phytosanitary certificate or export certificate must submit an application to the commissioner. Application for phytosanitary certificates or export certificates must be made on forms provided or approved by the commissioner or the USDA. The commissioner may conduct inspections of plants, plant products, or facilities for persons that have applied for or intend to apply for a phytosanitary certificate or export certificate from the commissioner.

The commissioner may issue a phytosanitary certificate or export certificate if the plants or plant products satisfactorily meet the requirements of the importing state or foreign country and the United States Department of Agriculture requirements. The requirements of the destination states or countries must be met by the applicant.

Sec. 26. Minnesota Statutes 2022, section 18G.10, subdivision 5, is amended to read:

Subd. 5. **Certificate fees.** (a) The commissioner shall assess fees sufficient to recover all costs for the inspection, service, and work performed in carrying out the issuance of a phytosanitary certificate or export certificate.

(b) If laboratory analysis or other technical analysis is required to issue a certificate, the commissioner must set and collect the fee to recover this additional cost.

(c) The certificate fee is \$75 or a fee amount, not to exceed \$300, that is sufficient to recover all processing costs for each phytosanitary or export certificate issued. The certificate fee is in addition to any mileage or inspection time charges that are assessed.

(d) For services provided for in subdivision 7 that are goods and services provided for the direct and primary use of a private individual, business, or other entity, the commissioner must set and collect the fees to cover the cost of the services provided.

Sec. 27. Minnesota Statutes 2022, section 18G.10, subdivision 6, is amended to read:

Subd. 6. **Certificate denial or cancellation.** The commissioner may deny or cancel the issuance of a phytosanitary or export certificate for any of the following reasons:

(1) failure of the plants or plant products to meet quarantine, regulations, and requirements imposed by the country, state, or other jurisdiction for which the phytosanitary or export certificate is being requested;

(2) failure to completely or accurately provide the information requested on the application form;

(3) failure to ship the exact plants or plant products which were inspected and approved; or

(4) failure to pay any fees or costs due the commissioner.

Sec. 28. Minnesota Statutes 2022, section 18G.11, subdivision 1, is amended to read:

Subdivision 1. **Detection and control agreements.** The commissioner may enter into cooperative agreements with organizations, ~~persons~~ entities, civic groups, governmental agencies, or other organizations to adopt and execute plans to detect and control areas infested or infected with ~~harmful~~ plant pests. The cooperative agreements may include provisions of joint funding of any control treatment.

If a ~~harmful~~ plant pest infestation or infection occurs and cannot be adequately controlled by ~~individual persons~~ individuals, entities, owners, tenants, or local units of government, the commissioner may conduct the necessary control measures independently or on a cooperative basis with federal or other units of government.

Sec. 29. Minnesota Statutes 2022, section 18G.12, subdivision 1, is amended to read:

Subdivision 1. **Plant pest and invasive species research.** The commissioner shall conduct research to prevent the introduction or spread of ~~invasive species and~~ plant pests that are also terrestrial invasive species into the state and to investigate the feasibility of their control or eradication.

Sec. 30. Minnesota Statutes 2022, section 18G.12, subdivision 2, is amended to read:

Subd. 2. **Statewide program.** The commissioner shall establish a statewide program to prevent the introduction and the spread of ~~harmful plant pest and~~ pests that are also terrestrial invasive species. To the extent possible, the program must provide coordination of efforts among governmental entities and private organizations.

Sec. 31. Minnesota Statutes 2022, section 18H.02, subdivision 2, is amended to read:

Subd. 2. **Agent.** "Agent" means ~~a person~~ an entity who, on behalf of another ~~person~~ entity, receives on consignment, contracts for, or solicits for sale on commission, a plant product from a producer or supplier of the product or negotiates the consignment or purchase of a plant product on behalf of another ~~person~~ entity.



Sec. 32. Minnesota Statutes 2022, section 18H.02, subdivision 3, is amended to read:

Subd. 3. **Annual.** "Annual" means a plant ~~growing in Minnesota~~ with a life cycle of less than one year when grown in Minnesota.

Sec. 33. Minnesota Statutes 2022, section 18H.02, subdivision 8, is amended to read:

Subd. 8. **Consignee.** "Consignee" means ~~a person~~ an entity to whom a plant, nursery stock, horticultural product, or plant product is shipped for handling, planting, sale, resale, or any other purpose.

Sec. 34. Minnesota Statutes 2022, section 18H.02, subdivision 9, is amended to read:

Subd. 9. **Consignor.** "Consignor" means ~~a person~~ an entity who ships or delivers to a consignee a plant, nursery stock, horticultural product, or plant product for handling, planting, sale, resale, or any other purpose.

Sec. 35. Minnesota Statutes 2022, section 18H.02, subdivision 12, is amended to read:

Subd. 12. **Distribute.** "Distribute" means offer for sale, sell, barter, give away, ship, deliver for shipment, receive and deliver, offer to deliver, receive on consignment, contract for, solicit for sale on commission, or negotiate the consignment or purchase in this state.

Sec. 36. Minnesota Statutes 2022, section 18H.02, subdivision 12b, is amended to read:

Subd. 12b. **Etiolated growth.** "Etiolated growth" means ~~bleached and unnatural growth resulting from the exclusion of sunlight~~ plant growth with reduced or no chlorophyll production due to a lack of sunlight. Etiolated growth is evidenced by pale, yellowish or white plants and weak, spindly stems.

Sec. 37. Minnesota Statutes 2022, section 18H.02, subdivision 12c, is amended to read:

Subd. 12c. **Individual.** "Individual" means a human being who is not the sole proprietor of a registered business selling plants for planting.

Sec. 38. Minnesota Statutes 2022, section 18H.02, subdivision 14, is amended to read:

Subd. 14. **Infested.** "Infested" means a plant ~~has been overrun by~~ that contains an unacceptable level of plant pests, including weeds, or contains or harbors plant pests in a quantity that may threaten other plants.

Sec. 39. Minnesota Statutes 2022, section 18H.02, is amended by adding a subdivision to read:

Subd. 15a. **Label.** "Label" means a legible tag or other signage attached to a specific plant or plant container that provides the identity of the plant and any other required or relevant information regarding the plant.

Sec. 40. Minnesota Statutes 2022, section 18H.02, subdivision 16, is amended to read:

Subd. 16. **Mark.** "Mark" means an official indicator affixed by the commissioner for purposes of identification or separation to, on, around, or near plants or plant material known or suspected to be infested or infected with a plant pest or to otherwise distinguish the plants or plant material from other plants or materials. This includes, but is not limited to, paint, markers, tags, seals, stickers, tape, ribbons, signs, or placards.

Sec. 41. Minnesota Statutes 2022, section 18H.02, subdivision 18, is amended to read:

Subd. 18. **Nursery certificate.** "Nursery certificate" means a document issued by the commissioner recognizing that ~~a person~~ an entity is eligible to sell, offer for sale, or distribute certified nursery stock at a particular location under a specified business name.

Sec. 42. Minnesota Statutes 2022, section 18H.02, subdivision 20, is amended to read:

Subd. 20. **Nursery stock.** "Nursery stock" means a plant intended for planting or propagation, including, but not limited to, trees, shrubs, vines, perennials, biennials, grafts, cuttings, and buds that may be sold for propagation, whether cultivated or wild, and all viable parts of these plants. Nursery stock does not include:

(1) field and forage crops or sod;

(2) seeds;

(3) vegetable plants, bulbs, or tubers;

(4) cut material such as flowers or other herbaceous or woody plants, unless stems or other portions are intended for propagation;

(5) tropical plants;

~~(5)~~ (6) annuals; or

~~(6)~~ (7) Christmas trees.

Sec. 43. Minnesota Statutes 2022, section 18H.02, subdivision 24, is amended to read:

Subd. 24. **Owner.** "Owner" includes, but is not limited to, the ~~person entity~~ with the legal right of possession, proprietorship of, or responsibility for the property or place where any of the articles regulated in this chapter are found, or the ~~person entity~~ who is in possession of, proprietorship of, or has responsibility for the regulated articles.

Sec. 44. Minnesota Statutes 2022, section 18H.02, subdivision 24a, is amended to read:

Subd. 24a. **Packaged nursery stock.** "Packaged nursery stock" means bare root nursery stock packed with the roots in moisture-retaining material encased in plastic film or other material designed to hold the moisture-retaining material in place.

Sec. 45. Minnesota Statutes 2022, section 18H.02, subdivision 25, is amended to read:

Subd. 25. **Person Entity.** "~~Person~~ Entity" means ~~an individual, a registered business such as a firm, a corporation, a partnership, an association, a trust, a joint stock company, an unincorporated organization, or a sole proprietorship;~~ the state; a state agency; or a political subdivision.

Sec. 46. Minnesota Statutes 2022, section 18H.02, subdivision 26, is amended to read:

Subd. 26. **Place of origin.** "Place of origin" means the county and state where nursery stock was most recently certified or grown for at least one ~~full~~ growing season.

Sec. 47. Minnesota Statutes 2022, section 18H.02, subdivision 28, is amended to read:

Subd. 28. **Plant pest.** "Plant pest" means ~~a biotic agent that causes or may cause harm to any organism that the commissioner determines is capable of causing harm to terrestrial plants, including but not limited to insects, snails, nematodes, fungi, viruses, bacteria, microorganisms, mycoplasma-like organisms, weeds, and parasitic plants.~~

Sec. 48. Minnesota Statutes 2022, section 18H.02, subdivision 32, is amended to read:

Subd. 32. **Sales location.** "Sales location" means a fixed location from which certified nursery stock is ~~displayed or distributed~~ or displayed with the intent to sell.

Sec. 49. Minnesota Statutes 2022, section 18H.02, subdivision 33, is amended to read:

Subd. 33. **Tree spade.** "Tree spade" means a mechanical device or machinery capable of removing nursery stock, root system, and soil from ~~the a planting in one operation.~~

Sec. 50. Minnesota Statutes 2022, section 18H.03, subdivision 6, is amended to read:

Subd. 6. **Dissemination of information.** The commissioner may disseminate information among growers ~~relative to regarding the treatment of nursery stock in both prevention and elimination of~~ to prevent or eliminate the attack by of plant pests and diseases.

Sec. 51. Minnesota Statutes 2022, section 18H.04, is amended to read:

#### **18H.04 ADOPTION OF RULES.**

The commissioner may adopt rules to carry out the purposes of this chapter. The rules may include, but are not limited to, rules in regard to labeling and the maintenance of viability and vigor of nursery stock. ~~Rules of the commissioner that are in effect on July 1, 2003, relating to plant protection, nursery inspection, or the Plant Pest Act remain in effect until they are superseded by new rules.~~

Sec. 52. Minnesota Statutes 2022, section 18H.05, is amended to read:

#### **18H.05 NURSERY CERTIFICATE REQUIREMENTS.**

(a) No person may offer for sale or distribute certified nursery stock as a nursery stock grower or dealer without first obtaining the appropriate ~~nursery stock~~ certificate from the commissioner. The commissioner may not issue a certificate to ~~a person~~ an entity who does not sell certified nursery stock. Certificates are issued solely for these purposes and may not be used for other purposes.

(b) A certificate issued by the commissioner expires on December 31 of the year it is issued.

(c) ~~A person~~ An entity required to be certified by this section must apply for a certificate or for renewal on a form ~~furnished~~ established by the commissioner ~~which that~~ must contain:

(1) ~~the name and address, and contact information of the applicant;~~

~~the number of locations to be operated by the applicant and their addresses, and~~

(2) the assumed business name of the applicant;

(2) ~~if other than an individual, a statement whether a person is a partnership, corporation, or other organization;~~

(3) ~~the type of business to be operated and, if the applicant is an agent, the principals the applicant represents; and~~

(3) the address of the sales location;

(4) the address or geographical description of any additional location where nursery stock will be handled, if applicable; and

(4) ~~(5)~~ the source or sources of purchased nursery stock.

(d) No ~~person~~ entity may:

(1) falsely claim to be a certified dealer, grower, broker, or agent;

- (2) make willful false statements when applying for a certificate; or
- (3) sell or distribute certified nursery stock to an uncertified nursery stock dealer who is required to be certified or nursery stock grower.
- (e) Each application for a certificate must be accompanied by the appropriate certificate fee under section 18H.07.
- (f) Certificates issued by the commissioner ~~must~~ should be prominently displayed to the public in the place of business where certified nursery stock is sold or distributed.
- (g) The commissioner may refuse to issue a certificate for cause.
- (h) Each grower or dealer is entitled to one sales location under the certificate of the grower or dealer. Each additional sales location maintained by the ~~person~~ entity requires the payment of the full certificate fee ~~for each additional sales outlet.~~
- (i) A grower who is also a dealer is certified only as a grower for that specific site.
- (j) A certificate is personal to the applicant and may not be transferred. A new certificate is necessary if the business entity is changed or if the membership of a partnership is changed, whether or not the business name is changed.
- (k) The certificate issued to a dealer or grower applies to the particular premises named in the certificate. However, if prior approval is obtained from the commissioner, the place of business may be moved to the other premises or location without an additional certificate fee.
- (l) A collector of nursery stock from the wild is required to obtain a dealer's certificate from the commissioner and is subject to all the requirements that apply to the inspection of nursery stock. All collected nursery stock must be labeled as "collected from the wild."

Sec. 53. Minnesota Statutes 2022, section 18H.06, subdivision 2, is amended to read:

Subd. 2. **Occasional sales.** (a) An individual may offer nursery stock for sale and be exempt from the requirement to obtain a nursery stock certificate if:

- (1) the gross sales of all nursery stock in a calendar year do not exceed ~~\$2,000~~ \$1,000;
  - (2) all nursery stock sold or distributed by the individual is intended for planting in Minnesota;
  - (3) all nursery stock ~~purchased or procured for resale or distribution was grown in Minnesota and has been certified by the commissioner~~ sold or distributed was grown by the individual in Minnesota; and
  - (4) the individual conducts sales or distributions of nursery stock on ten or fewer days in a calendar year.
- (b) ~~A municipality may offer certified nursery stock for sale and be exempt from the requirement to obtain a nursery stock certificate if:~~
- (1) ~~all nursery stock offered for sale or distributed is intended for planting by residents of the municipality on public property or public easements within the municipal boundary;~~
  - (2) ~~all nursery stock purchased or procured for resale or distribution is grown in Minnesota and has been certified by the commissioner; and~~

~~(3) the municipality submits to the commissioner before any sale or distribution of nursery stock a list of all suppliers who provide the municipality with nursery stock.~~

~~(e)~~ (b) The commissioner may prescribe the conditions of the exempt nursery sales under this subdivision and may conduct routine inspections of the nursery stock offered for sale.

Sec. 54. Minnesota Statutes 2022, section 18H.07, is amended by adding a subdivision to read:

Subd. 3a. **Waiver of fees.** (a) A nonprofit organization or an individual may offer for sale certified nursery stock and be exempt from the requirement to pay certificate fees if the nonprofit organization or individual:

- (1) sells or distributes certified nursery stock on ten or fewer days in a calendar year;
- (2) uses the proceeds from certified nursery stock sales or distributions for nonprofit purposes; and
- (3) obtains a nursery stock certificate.

(b) A municipality may offer for sale certified nursery stock and be exempt from the requirement to pay certificate fees if:

(1) all nursery stock offered for sale or distributed is intended for planting by residents of the municipality on public property or public easements in the municipality;

(2) all nursery stock purchased or procured for resale or distribution is grown in Minnesota and has been certified by the commissioner; and

(3) the municipality obtains a live plant dealer certificate.

(c) The commissioner may prescribe the conditions of nursery fee waivers and may conduct routine inspections of nursery stock offered for sale.

Sec. 55. Minnesota Statutes 2022, section 18H.07, subdivision 4, is amended to read:

Subd. 4. **Reinspection; additional or optional inspection fees.** ~~If a reinspection~~ an irregular inspection is required or an additional inspection is needed or requested, a fee ~~must~~ may be assessed based on mileage and inspection time as follows:

- (1) mileage must be charged at the current United States Internal Revenue Service reimbursement rate; and
- (2) inspection time must be charged at a rate sufficient to recover all inspection costs, including the driving time to and from the location in addition to the time spent conducting the inspection.

Sec. 56. Minnesota Statutes 2022, section 18H.08, subdivision 1, is amended to read:

Subdivision 1. **Services and fees.** The commissioner may make small lot inspections or perform other necessary services for which another charge is not specified. For these services, the commissioner ~~shall~~ may set a fee plus expenses that will recover the cost of performing this service. The commissioner may set an additional acreage fee for inspection of seed production fields for exporters in order to meet domestic and foreign plant quarantine requirements.

Sec. 57. Minnesota Statutes 2022, section 18H.09, is amended to read:

**18H.09 NURSERY STOCK CERTIFICATION REQUIREMENTS.**

(a) All nursery stock growing at sites identified by nursery stock dealers or nursery stock growers and submitted for inspection must be inspected by the commissioner within the previous 12 months prior to sale and found apparently free from ~~quarantine and regulated nonquarantine pests as well as significantly dangerous or potentially damaging~~ plant pests. The commissioner may waive a site inspection under the following conditions:

- (1) the nursery stock is not going to be sold within 12 months;
- (2) the nursery stock will not be moved out of Minnesota; and
- (3) the nursery site or stock is not subject to certification requirements associated with a state or federally regulated or quarantined plant pest.

All nursery stock originating from out of state and offered for sale in Minnesota must have been inspected by the appropriate state or federal agency during the previous 12 months and found free from ~~quarantine and regulated nonquarantine pests as well as~~ significantly dangerous or potentially damaging plant pests. A nursery stock certificate is valid from January 1 to December 31.

(b) Nursery stock must be accessible to the commissioner for inspection during regular business hours. Weeds or other growth that hinder a proper inspection are grounds to suspend or withhold a certificate or require a reinspection for which a fee may be charged.

(c) Inspection reports issued to growers must contain a list of the plant pests found at the time of inspection. Withdrawal-from-distribution or other orders are considered part of the inspection reports. A withdrawal-from-distribution or other order must contain a list of plants withdrawn from distribution and the location of the plants.

(d) The commissioner may ~~post signs to delineate~~ mark sections withdrawn from distribution or subject to other special circumstances. These ~~signs~~ marks must remain in place until the commissioner removes ~~them~~ the marks or grants written permission to the grower to remove the ~~signs~~ marks.

(e) Inspection reports issued to dealers must outline the violations involved and corrective actions to be taken including withdrawal-from-distribution orders which would specify nursery stock that could not be distributed from a certain area.

(f) Optional inspections of plants may be conducted by the commissioner upon request by any ~~persons~~ entity desiring an inspection. A fee as provided in section 18H.07 must be charged for such an inspection.

Sec. 58. Minnesota Statutes 2022, section 18H.10, is amended to read:

**18H.10 STORAGE OF NURSERY STOCK.**

(a) All nursery stock must be kept and displayed under conditions of temperature, light, and moisture sufficient to maintain the viability and vigor of the nursery stock.

(b) Packaged ~~dormant~~ nursery stock must be stored under conditions that retard growth, prevent etiolated growth, and protect its viability.

(c) Balled and burlapped nursery stock being held for sale ~~to the public~~ must be kept in a moisture-holding material approved by the commissioner and not toxic to plants. The moisture-holding material must adequately cover and protect the ball of earth and must be kept moist at all times. The commissioner may approve alternative nursery stock management practices to maintain the viability of balled and burlapped stock.

Sec. 59. Minnesota Statutes 2022, section 18H.12, is amended to read:

**18H.12 DAMAGED, DISEASED, INFESTED, OR MISREPRESENTED STOCK.**

(a) No ~~person~~ entity may knowingly offer to distribute, advertise, or display nursery stock that is infested or infected with ~~quarantine or regulated nonquarantine pests or significant dangerous or potentially damaging~~ plant pests, ~~including noxious weeds~~ or nursery stock that is in a dying condition, desiccated, frozen or damaged by freezing, or materially damaged in any way.

(b) No ~~person~~ entity may knowingly offer to distribute, advertise, or display nursery stock that may result in the capacity and tendency or effect of deceiving any purchaser or prospective purchaser as to the quantity, size, grade, kind, species name, age, variety, maturity, condition, vigor, hardiness, number of times transplanted, growth ability, growth characteristics, rate of growth, time required before flowering or fruiting, price, origin, place where grown, or any other material respect.

(c) Upon discovery or notification of damaged, diseased, infested, or misrepresented stock, the commissioner may place a ~~stop sale~~ stop sale and a withdrawal from distribution order on the material. The order makes it an illegal action to distribute, give away, destroy, alter, or tamper with the plants.

(d) The commissioner may conspicuously mark all plants, materials, and articles known or suspected to be infected or infested with ~~quarantine or regulated nonquarantine pests or significant dangerous or potentially damaging~~ plant pests. The commissioner shall notify the persons, owners, or the tenants in possession of the premises or area in question of the existence of the plant pests.

(e) If the commissioner determines that this chapter has been violated, the commissioner may order that the nuisance, infestation, infection, or plant pest be abated by whatever means necessary, including, but not limited to, destruction, confiscation, treatment, return shipment, or quarantine.

(f) The plant owner is liable for all costs associated with a stop order or a quarantine, treatment, or destruction of plants. The commissioner is not liable for any actual or incidental costs incurred by ~~a person~~ an entity due to authorized actions of the commissioner. The commissioner must be reimbursed by the owner of plants for actual expenses incurred by the commissioner in carrying out a stop order.

Sec. 60. Minnesota Statutes 2022, section 18H.13, is amended to read:

**18H.13 SHIPMENT OF NURSERY STOCK INTO MINNESOTA.**

Subdivision 1. **Identification of origin.** Proof of valid nursery certification and origin of all nursery stock must accompany ~~the~~ any shipment. It is the shared responsibility of both the consignee and consignor to examine all shipments for the presence of current and applicable nursery stock certifications for all plant material from all sources of stock in each shipment.

Subd. 2. **Reciprocity.** ~~A person~~ An entity residing outside the state may distribute nursery stock in Minnesota if:

(1) the ~~person~~ entity is duly certified under the nursery laws of the state where the nursery stock originates and the laws of that state are essentially equivalent to the laws of Minnesota as determined by the commissioner; and

(2) the ~~person~~ entity complies with this chapter and the rules governing nursery stock distributed in Minnesota.

Subd. 3. **Reciprocal agreements.** The commissioner may cooperate with and enter into reciprocal agreements with other states regarding licensing and movement of nursery stock. Reciprocal agreements with other states do not prevent the commissioner from prohibiting the distribution in Minnesota of any nursery stock that fails to meet minimum criteria for nursery stock of Minnesota certified growers, dealers, or both. An official directory of certified nurseries and related nursery industry businesses from other states is acceptable in lieu of individual nursery certificates.

Subd. 4. **Foreign nursery stock.** ~~A person~~ An entity receiving a shipment of nursery stock from a foreign country that has not been inspected and released by the United States Department of Agriculture at the port of entry must notify the commissioner of the arrival of the shipment, its contents, and the name of the consignor. The ~~person~~ entity must hold the shipment unopened until inspected or released by the commissioner.

Subd. 5. **Transportation companies.** ~~A person~~ An entity who acts as the representative of a transportation company, private carrier, commercial shipper, common carrier, express parcel carrier, or other transportation entity, and receives, ships, or otherwise distributes a carload, box, container, or any package of plants, plant materials, or nursery stock, that does not have all required certificates attached as required or fails to immediately notify the commissioner is in violation of this chapter.

Sec. 61. Minnesota Statutes 2022, section 18H.14, is amended to read:

**18H.14 LABELING AND ADVERTISING OF NURSERY STOCK.**

(a) Plants, plant materials, or nursery stock must not be labeled or advertised with false or misleading information including, but not limited to, the scientific name, variety, place of origin, and hardiness zone as defined by the United States Department of Agriculture, ~~and growth habit.~~

(b) All nonhardy nursery stock as designated by the commissioner must be labeled correctly for hardiness or be labeled "nonhardy" in Minnesota.

(c) ~~A person~~ An entity may not offer for distribution plants, plant materials, or nursery stock, represented by some specific or special form of notation, including, but not limited to, "free from" or "grown free of," unless the plants are produced under a specific program approved by the commissioner to address the specific plant properties addressed in the special notation claim.

(d) Nursery stock collected from the wild state must be inspected and certified prior to sale and at the time of sale must be labeled "Collected from the Wild." The label must remain on each plant or clump of plants while it is offered for sale and during the distribution process. The collected stock may be grown in nursery rows at least two years, after which the plants may be sold without the labeling required by this paragraph.

(e) ~~A person selling at retail or providing to an end user~~ An entity may not label or advertise an annual plant, bedding plant, or other plant, plant material, or nursery stock as beneficial to pollinators if the annual plant, bedding plant, plant material, or nursery stock has:

(~~1~~) been treated with and has a detectable level of a systemic insecticide that:

(~~i~~) (1) has a pollinator protection box on the label; or

(~~ii~~) (2) has a pollinator, bee, or honey bee precautionary statement in the environmental hazards section of the insecticide product label; ~~and~~

~~(2) a concentration in its flowers greater than the no-observed adverse effect level of a systemic insecticide.~~

The commissioner shall enforce this paragraph as provided in chapter 18J.

(f) For the purposes of paragraph (e):

(~~1~~) "systemic insecticide" means an insecticide that is both absorbed by the plant and translocated through the plant's vascular system; ~~and~~

~~(2) "no-observed adverse effect level" means the level established by the United States Environmental Protection Agency for acute oral toxicity for adult honeybees.~~



Sec. 62. Minnesota Statutes 2022, section 18H.15, is amended to read:

**18H.15 VIOLATIONS.**

(a) ~~A person~~ An entity who offers to distribute nursery stock that is uncertified, uninspected, or falsely labeled or advertised possesses an illegal regulated commodity that is considered infested or infected with ~~harmful~~ plant pests and subject to regulatory action and control. If the commissioner determines that the provisions of this section have been violated, the commissioner may order the destruction of all of the plants unless the ~~person~~ entity:

- (1) provides proper phytosanitary preclearance, phytosanitary certification, or nursery stock certification;
- (2) agrees to have the plants, plant materials, or nursery stock returned to the consignor; and
- (3) provides proper documentation, certification, or compliance to support advertising claims.

(b) The plant owner is liable for all costs associated with a withdrawal-from-distribution order or the quarantine, treatment, or destruction of plants. The commissioner is not liable for actual or incidental costs incurred by ~~a person~~ an entity due to the commissioner's actions. The commissioner must be reimbursed by the owner of the plants for the actual expenses incurred in carrying out a withdrawal-from-distribution order or the quarantine, treatment, or destruction of any plants.

(c) It is unlawful for ~~a person~~ an entity to:

(1) misrepresent, falsify, or knowingly distribute, sell, advertise, or display damaged, mislabeled, misrepresented, infested, or infected nursery stock;

(2) fail to obtain a nursery certificate as required by the commissioner;

(3) fail to renew a nursery certificate, but continue business operations;

~~(4) fail to display a nursery certificate;~~

~~(5) (4)~~ misrepresent or falsify a nursery certificate;

~~(6) (5)~~ refuse to submit to a nursery inspection;

~~(7) (6)~~ fail to provide the cooperation necessary to conduct a successful nursery inspection;

~~(8) (7)~~ offer for sale uncertified ~~plants, plant materials, or~~ nursery stock;

~~(9) (8)~~ possess an illegal regulated commodity;

~~(10) (9)~~ violate or disobey a commissioner's order;

~~(11) (10)~~ violate a quarantine issued by the commissioner;

~~(12) (11)~~ fail to obtain phytosanitary certification for plant material or nursery stock brought into Minnesota;

~~(13) (12)~~ deface, mutilate, or destroy a nursery stock certificate, phytosanitary certificate, or phytosanitary preclearance certificate, or other commissioner mark, permit, or certificate;

~~(14) (13)~~ fail to notify the commissioner of an uncertified shipment of ~~plants, plant materials, or~~ nursery stock;

~~(15)~~ (14) transport uncertified plants, plant materials, or nursery stock in Minnesota; or

~~(16)~~ (15) sell nursery stock to an uncertified nursery stock dealer who is required to be certified.

Sec. 63. Minnesota Statutes 2022, section 18H.18, is amended to read:

**18H.18 CONSERVATION OF CERTAIN WILDFLOWERS.**

Subdivision 1. **Restrictions on collecting.** No ~~person~~ entity shall distribute any species of orchids (*Orchidaceae*), any gentian (*Gentiana*), arbutus (*Epigaea repens*), lilies (*Lilium* species), coneflowers (*Echinacea* species), bloodroot (*Sanguinaria canadensis*), mayapple (*Podophyllum peltatum*), any species of trillium (*Trillium* species), or lotus (*Nelumbo lutea*), ~~which that~~ have been collected in any manner from any public or private property without the written permission of the property owner ~~and~~. Plants listed in this subdivision that are intended to be offered for sale must have written authorization from the commissioner.

Subd. 2. **Collection without sale.** Wildflower collection from public or private land for the purpose of transplanting the plants to a ~~person's~~ an entity's private property and not offering for immediate sale, requires the written permission from the property owner of the land on which the wildflowers are growing.

Subd. 3. **Collection with intent to sell or distribute wildflowers.** (a) The wildflowers listed in this section may be offered for immediate sale only if the plants are to be used for scientific or herbarium purposes.

(b) The wildflowers listed in this section must not be collected and sold commercially unless the plants are:

(1) growing naturally, collected, and cultivated on the collector's property; or

(2) collected through the process described in subdivision 2 and transplanted and cultivated on the collector's property for at least one growing season before the sale.

(c) The collector must obtain a written permit from the commissioner before the plants may be offered for commercial sale.

(d) A wildflower listed under this section that is sold commercially must be individually labeled with a department permit number.

Sec. 64. Minnesota Statutes 2022, section 32D.02, subdivision 2, is amended to read:

Subd. 2. **Power and authority.** For the purpose of enforcing this chapter, the commissioner and the commissioner's assistants, agents, and employees have the power and authority granted under chapter 34A and sections 31.02 to 31.171.

Sec. 65. Minnesota Statutes 2022, section 32D.09, subdivision 2, is amended to read:

Subd. 2. **Permitting.** No person shall operate a dairy plant in this state unless the dairy plant, equipment, and water supply and plumbing system have been first approved by the commissioner and a permit issued to operate the same. ~~A permit may be revoked by the commissioner for due cause pursuant to section 34A.06.~~

Sec. 66. Minnesota Statutes 2022, section 34A.04, subdivision 1, is amended to read:

Subdivision 1. **Enforcement required.** (a) The commissioner shall enforce this chapter and chapters 28, 28A, 29, 30, 31, 31A, 32D, and 34. To carry out the enforcement duties under these chapters, the commissioner may, upon presenting appropriate credentials, during regular working hours and at other reasonable times, inspect premises subject to the commissioner's enforcement and licensing authority; require information from persons with information relevant to an inspection; and inspect and copy relevant papers and records, including business records.

(b) The commissioner may administer oaths, take and cause to be taken depositions of witnesses, and issue subpoenas, and may petition the district court in the county in which the premises is located to compel compliance with subpoenas or to permit an inspection.

(c) Violations of chapters 28, 28A, 29, 30, 31, 31A, 32D, and 34, or rules adopted under chapters 28, 28A, 29, 30, 31, 31A, 32D, and 34, are a violation of this chapter.

(d) Upon the request of the commissioner, county attorneys, sheriffs, and other officers having authority in the enforcement of the general criminal laws shall take action to the extent of their authority necessary or proper for the enforcement of this chapter or standards, stipulations, and agreements of the commissioner.

Sec. 67. **REPEALER.**

Subdivision 1. **Genetically engineered organisms.** Minnesota Statutes 2022, sections 18F.02, subdivisions 2 and 9; and 18F.12, are repealed.

Subd. 2. **Plant protection and nurseries.** Minnesota Statutes 2022, sections 18G.02, subdivisions 12, 17, 21, 25, and 29; 18H.02, subdivisions 10, 12a, 29, 31, 32a, and 34; and 18H.06, subdivision 1, are repealed.

Subd. 3. **Dairy law.** Minnesota Statutes 2022, sections 17.984; and 32D.03, subdivision 5, are repealed."

Delete the title and insert:

"A bill for an act relating to agriculture; modifying restricted species provisions; prohibiting certain provisions in carbon storage contracts; prohibiting false labeling of certain pesticide-treated plants as pollinator friendly; modifying genetically engineered organisms provisions; modifying nursery and plant protection provisions; modifying provisions regulating the dairy industry; modifying control and eradication of nonnative Phragmites; amending Minnesota Statutes 2022, sections 17.457; 17.710; 17.983, subdivision 1; 18.78, subdivision 2; 18F.01; 18F.02, by adding subdivisions; 18F.07; 18F.13; 18G.02, subdivisions 2, 6, 14, 15, 16, 20, 22, 24, 30, by adding a subdivision; 18G.03, subdivision 1; 18G.04, subdivision 2; 18G.05; 18G.06, subdivisions 2, 5; 18G.10, subdivisions 4, 5, 6; 18G.11, subdivision 1; 18G.12, subdivisions 1, 2; 18H.02, subdivisions 2, 3, 8, 9, 12, 12b, 12c, 14, 16, 18, 20, 24, 24a, 25, 26, 28, 32, 33, by adding a subdivision; 18H.03, subdivision 6; 18H.04; 18H.05; 18H.06, subdivision 2; 18H.07, subdivision 4, by adding a subdivision; 18H.08, subdivision 1; 18H.09; 18H.10; 18H.12; 18H.13; 18H.14; 18H.15; 18H.18; 32D.02, subdivision 2; 32D.09, subdivision 2; 34A.04, subdivision 1; repealing Minnesota Statutes 2022, sections 17.984; 18F.02, subdivisions 2, 9; 18F.12; 18G.02, subdivisions 12, 17, 21, 25, 29; 18H.02, subdivisions 10, 12a, 29, 31, 32a, 34; 18H.06, subdivision 1; 32D.03, subdivision 5."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Howard from the Committee on Housing Finance and Policy to which was referred:

H. F. No. 1667, A bill for an act relating to housing; expanding eligible uses for housing infrastructure bonds; amending Minnesota Statutes 2022, section 462A.37, subdivision 2.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Hassan from the Committee on Economic Development Finance and Policy to which was referred:

H. F. No. 1922, A bill for an act relating to tourism; modifying membership of the Explore Minnesota Tourism Council; amending Minnesota Statutes 2022, section 116U.25.

Reported the same back with the following amendments:

Page 1, after line 4, insert:

"Section 1. **[116J.015] EXPIRATION OF REPORT MANDATES.**

(a) If the submission of a report by the commissioner of employment and economic development to the legislature is mandated by statute and the enabling legislation does not include a date for the submission of a final report, the mandate to submit the report expires according to this section.

(b) If the mandate requires the submission of an annual report and the mandate was enacted before January 1, 2022, the mandate expires January 1, 2024. If the mandate requires the submission of a biennial or less frequent report and the mandate was enacted before January 1, 2022, the mandate expires January 1, 2025.

(c) Any reporting mandate enacted on or after January 1, 2022, expires three years after the date of enactment if the mandate requires the submission of an annual report and expires five years after the date of enactment if the mandate requires the submission of a biennial or less frequent report unless the enacting legislation provides for a different expiration date.

(d) The commissioner shall submit to the chairs and ranking minority members of the legislative committees with jurisdiction over employment and economic development by February 15 of each year, beginning February 15, 2023, a list of all reports set to expire during the following calendar year according to this section.

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

Sec. 2. Minnesota Statutes 2022, section 116J.552, subdivision 4, is amended to read:

Subd. 4. **Development authority.** "Development authority" includes a statutory or home rule charter city, county, federally recognized Tribe, housing and redevelopment authority, economic development authority, and a port authority.

Sec. 3. Minnesota Statutes 2022, section 116J.552, subdivision 6, is amended to read:

Subd. 6. **Municipality.** "Municipality" means the statutory or home rule charter city, town, federally recognized Tribe, or, in the case of unorganized territory, the county in which the site is located.

Sec. 4. Minnesota Statutes 2022, section 116L.04, subdivision 1a, is amended to read:

Subd. 1a. **Pathways program.** The pathways program may provide grants-in-aid for developing programs which assist in the transition of persons from welfare to work and assist individuals at or below 200 percent of the federal poverty guidelines. The program is to be operated by the board. The board shall consult and coordinate with program administrators at the Department of Employment and Economic Development to design and provide services for temporary assistance for needy families recipients.

Pathways grants-in-aid may be awarded to educational or other nonprofit training institutions or to workforce development intermediaries for education and training programs and services supporting education and training programs that serve eligible recipients.

Preference shall be given to projects that:

- (1) provide employment with benefits paid to employees;
- (2) provide employment where there are defined career paths for trainees;
- (3) pilot the development of an educational pathway that can be used on a continuing basis for transitioning persons from welfare to work; and
- (4) demonstrate the active participation of Department of Employment and Economic Development workforce centers, Minnesota State College and University institutions and other educational institutions, and local welfare agencies.

Pathways projects must demonstrate the active involvement and financial commitment of ~~private~~ a participating business. Pathways projects must be matched with cash or in-kind contributions on at least a one-half-to-one ratio by a participating ~~private~~ business.

A single grant to any one institution shall not exceed \$400,000. A portion of a grant may be used for preemployment training.

Sec. 5. Minnesota Statutes 2022, section 116L.17, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them in this subdivision.

(b) "Commissioner" means the commissioner of employment and economic development.

(c) "Dislocated worker" means an individual who is a resident of Minnesota at the time employment ceased or was working in the state at the time employment ceased and:

(1) has been permanently separated or has received a notice of permanent separation from public or private sector employment and is eligible for or has exhausted entitlement to unemployment benefits, and is unlikely to return to the previous industry or occupation;

(2) has been long-term unemployed and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which the individual resides, including older individuals who may have substantial barriers to employment by reason of age;

(3) has been terminated or has received a notice of termination of employment as a result of a plant closing or a substantial layoff at a plant, facility, or enterprise;

(4) has been self-employed, including farmers and ranchers, and is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters;

(5) is a veteran as defined by section 197.447, has been discharged or released from active duty under honorable conditions within the last 36 months, and (i) is unemployed or (ii) is employed in a job verified to be below the skill level and earning capacity of the veteran;

(6) is an individual determined by the United States Department of Labor to be covered by trade adjustment assistance under United States Code, title 19, sections 2271 to 2331, as amended; or

(7) is a displaced homemaker. A "displaced homemaker" is an individual who has spent a substantial number of years in the home providing homemaking service and (i) has been dependent upon the financial support of another; and ~~now~~ due to divorce, separation, death, or disability of that person, must now find employment to self support; or (ii) derived the substantial share of support from public assistance on account of dependents in the home and no longer receives such support. To be eligible under this clause, the support must have ceased while the worker resided in Minnesota.

For the purposes of this section, "dislocated worker" does not include an individual who was an employee, at the time employment ceased, of a political committee, political fund, principal campaign committee, or party unit, as those terms are used in chapter 10A, or an organization required to file with the federal elections commission.

(d) "Eligible organization" means a state or local government unit, nonprofit organization, community action agency, business organization or association, or labor organization.

(e) "Plant closing" means the announced or actual permanent shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment.

(f) "Substantial layoff" means a permanent reduction in the workforce, which is not a result of a plant closing, and which results in an employment loss at a single site of employment during any 30-day period for at least 50 employees excluding those employees that work less than 20 hours per week."

Page 3, after line 7, insert:

"Sec. 7. [298.2216] GIANTS RIDGE ACCOUNT.

Subdivision 1. **Account established.** The Giants Ridge account is established in the state treasury. The account consists of appropriations made by the state or funds dedicated by the Department of Iron Range Resources and Rehabilitation. The account may also receive private contributions, gifts, or grants under section 16A.013. Any interest or profit accruing from investment of these sums is credited to the account.

Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Commissioner" means the commissioner of Iron Range resources and rehabilitation.

(c) "Income" means the amount of interest or profit accruing from the investment of account funds.

(d) "Long-term maintenance" means activities that would constitute substantial repairs or rehabilitation.

(e) "Routine maintenance" means activities that are predictable and repetitive.

Subd. 3. **Use of funds.** (a) Income derived from the investment of principal in the account may be used by the commissioner for capital expenditures, facility operations, or routine or long-term maintenance of the commercial, state-owned assets within the Giants Ridge Recreation Area. No money from this account may be used for any purposes except those described in this section and no money from this account may be transferred to any other account in the state treasury without specific legislative authorization.

(b) Investment management fees incurred by the State Board of Investment are eligible expenses for reimbursement from the account.

(c) The commissioner has authority to approve or deny expenditures of funds in the account.

Subd. 4. **Appropriation.** Income in the account derived from the investment of principal is appropriated upon request by the commissioner to the agency for the purposes described in this section. The commissioner may also request appropriations from the principal for capital expenditures when the commissioner determines such expenditures are in the best interest of the agency.

Subd. 5. **Investment.** Funds in the account shall be invested pursuant to law by the State Board of Investment.

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

Sec. 8. **DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION; AUTHORIZATION OF SEPARATION AND RETENTION INCENTIVE PROGRAMS.**

The commissioner of Iron Range resources and rehabilitation may provide separation and retention incentive programs for employees of the agency that are consistent with the provisions of Laws 2009, chapter 78, article 7, section 2, as amended by Laws 2010, chapters 215, article 9, section 2, and 216, section 53. The cost of such incentives are payable solely by funds made available to the commissioner of Iron Range resources and rehabilitation under Minnesota Statutes, chapter 298. Employees must not be required to participate in the programs. This section expires December 31, 2024.

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

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to economic development; adopting various policy provisions relating to Explore Minnesota Tourism, the Department of Employment and Economic Development, and the Department of Iron Range Resources and Rehabilitation; creating an account; appropriating money; amending Minnesota Statutes 2022, sections 116J.552, subdivisions 4, 6; 116L.04, subdivision 1a; 116L.17, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116J."

Correct the title numbers accordingly

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Pryor from the Committee on Education Policy to which was referred:

H. F. No. 2037, A bill for an act relating to education; providing for school health services; amending Minnesota Statutes 2022, section 121A.21.

Reported the same back with the following amendments:

Page 1, after line 4, insert:

"Section 1. **[121A.20] LICENSED SCHOOL NURSE.**

Subdivision 1. **Purpose and duties.** (a) The Department of Education must employ a school health services specialist to:

(1) provide technical assistance to school districts and charter schools for the education-related health needs of their students;

(2) serve as the primary source of information and support for schools in addressing emergency readiness, public health, and the needs of children and youth with acute and chronic health conditions and related disorders; and

(3) serve as the primary liaison to the Department of Health and other state agencies to coordinate school-based, health-related services for students.

(b) The school health services specialist's duties include:

(1) increasing professional awareness and competencies of school nurses and other specialized instructional support personnel, using the competencies defined in the most recent edition of the document jointly prepared by the American Nurses Association and the National Association of School Nurses identified as "School Nursing: Scope and Standards of Practice" to meet the educational needs of students with acute or chronic health conditions, or students identified with risk characteristics associated with health and mental health;

(2) developing implementation guidance to assist general education and special education teachers in (i) recognizing health-related educational needs of children and youth, and (ii) improving students' attendance and full participation in instruction and other school activities;

(3) developing implementation guidance to assist teachers, specialized instructional support personnel, and school administrators in prevention of and intervention with health-harming behavior and mental health; and

(4) increasing the availability of online and asynchronous professional development programs and materials for school staff.

Subd. 2. **Definition.** For purposes of this section, "health services specialist" means a professional registered nurse who:

(1) is licensed as a public health nurse in Minnesota;

(2) is licensed as a school nurse in Minnesota;

(3) has a minimum of three years of experience in school nursing services or as a public health nurse serving schools;

(4) has experience in managing a districtwide health policy, overseeing a budget, and supervising personnel; and

(5) has a graduate degree in nursing, public health, education, or a related field.

Subd. 3. **Requirements for position.** The Department of Education's school health services specialist must be highly trained in school nursing, which includes knowledge about child growth and development; public health; health education; and special education with a focus on the impact of health on learning, comprehensive assessment of learning-related health using interventions that are evidence-based, and documentation and evaluation of child health knowledge, skills, status, and education implications. The specialist must have knowledge of section 504 plans, health insurance and third-party reimbursement, health privacy, and emergency preparedness. The specialist must also have skills in interdisciplinary collaboration, policy development, parent involvement, health teaching and learning, and staff development."

Page 3, after line 6, insert:

"Sec. 3. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the commissioner of education in the fiscal years designated.



Subd. 2. **School health services specialist.** For a school health services specialist according to section 1:

<u>\$.....</u>	<u>.....</u>	<u>2024</u>
<u>\$.....</u>	<u>.....</u>	<u>2025"</u>

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "appropriating money;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Committee on Education Finance.

The report was adopted.

Klevorn from the Committee on State and Local Government Finance and Policy to which was referred:

H. F. No. 2092, A bill for an act relating to metropolitan government; creating a task force on metropolitan governance.

Reported the same back with the following amendments:

Page 3, line 12, delete "Subdivisions 5, 6, and 7 apply" and insert "Subdivision 5 applies"

With the recommendation that when so amended the bill be re-referred to the Committee on Transportation Finance and Policy.

The report was adopted.

Hansen, R., from the Committee on Environment and Natural Resources Finance and Policy to which was referred:

H. F. No. 2105, A bill for an act relating to state lands; modifying requirements for conveying easements and leasing state lands; adding to and deleting from state parks, forests, and waysides; authorizing sale and exchange of certain state lands; amending Minnesota Statutes 2022, sections 84.63; 84.631; 84.632; 84.66, subdivision 7; 92.502; 282.04, subdivision 1, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 282.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2022, section 84.66, subdivision 7, is amended to read:

Subd. 7. **Landowner responsibilities.** The commissioner may enroll eligible land in the program by signing an easement in recordable form with a landowner in which the landowner agrees to:

(1) convey to the state a permanent easement that is not subject to any prior title, lien, or encumbrance, except for preexisting easements that are acceptable to the commissioner; and

(2) manage the land in a manner consistent with the purposes for which the land was selected for the program and not convert the land to other uses.

Sec. 2. **ADDITIONS TO STATE PARKS.**

Subdivision 1. [85.012] [Subd. 21.] Frontenac State Park, Goodhue County. The following area is added to Frontenac State Park, Goodhue County:

That part of the Southeast Quarter of Section 10, Township 112 North, Range 13 West, and that part of the Southwest Quarter of Section 11, Township 112 North, Range 13 West, Goodhue County, Minnesota, described as follows: Commencing at the northeast corner of the Southeast Quarter of said Section 10; thence southerly on an assumed azimuth from North of 189 degrees 34 minutes 33 seconds, along the east line of the Southeast Quarter of said Section 10, a distance of 1,100.31 feet; thence westerly 269 degrees 34 minutes 33 seconds azimuth, a distance of 80.53 feet to the point of beginning of the land to be described; thence northerly 340 degrees 42 minutes 19 seconds azimuth, a distance of 300.00 feet; thence easterly 100 degrees 22 minutes 46 seconds azimuth, a distance of 286.97 feet to the centerline of County Road Number 2, as now located and established; thence southerly and southwesterly, along said centerline, to the intersection with a line drawn southerly 160 degrees 42 minutes 19 seconds azimuth from the point of beginning; thence northerly 340 degrees 42 minutes 19 seconds azimuth, a distance of 51.66 feet to the point of beginning.

EXCEPT the following described premises:

Part of the Northeast Quarter of the Southeast Quarter of Section 10, Township 112 North, Range 13 West, Goodhue County, shown as Parcel 6 on the plat designated as Goodhue County Right-of-Way Plat No. 23 on file and of record in the Office of the County Recorder in and for Goodhue County, Minnesota.

ALSO EXCEPT the following:

Part of the Northwest Quarter of the Southwest Quarter of Section 11, Township 112 North, Range 13 West, Goodhue County, shown as Parcel 1 on the plat designated as Goodhue County Highway Right-Of-Way Plat No. 24 on file and of record in the Office of the County Recorder in and for Goodhue County, Minnesota.

Subd. 2. [85.012] [Subd. 60.] William O'Brien State Park, Washington County. The following area is added to William O'Brien State Park, Washington County:

The South Half of the Northwest Quarter, except the East 2 rods thereof, Section 25, Township 32, Range 20.

Sec. 3. **ADDITION TO STATE FOREST.**

[89.021] [Subd. 42a.] Riverlands State Forest. Those parts of St. Louis County described as follows are added to Riverlands State Forest:

That part of Government Lot 8, Section 30, Township 51 North, Range 19, St. Louis County, Minnesota, lying northwesterly of the railroad right-of-way.

Sec. 4. **PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; AITKIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale the surplus land bordering public water that is described in paragraph (c).

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Aitkin County and is described as:

The West 16.25 feet of that part of the 32.50-foot-wide road, as delineated on the Plat of Sugar Lake Addition, according to the plat of record and on file in the Office of the County Recorder in and for Aitkin County, Minnesota, lying northerly of the following described line: Commencing at the iron monument at the southwest corner of Section 2, Township 45, Range 25, said Aitkin County, Minnesota; thence North 0 degrees 00 minutes 23 seconds West, assumed bearing, 2,020.36 feet along the west line of said Section 2 to the point of beginning of the line to be described; thence North 89 degrees 59 minutes 37 seconds East 32.50 feet to the west line of Lot 1 said Sugar Lake Addition and said line there terminating.

(d) The land borders Sugar Lake. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to private ownership.

**Sec. 5. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; BECKER COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Becker County and is described as:

All that part of Government Lot 2, Section 12, Township 139 North, Range 40 West of the 5th P.M., bounded by the water's edge of Cotton Lake and the following described lines: Commencing at the North quarter corner of said Section 12, from which the northwest corner of said section bears North 90 degrees 00 minutes West; thence South 00 degrees 00 minutes East, 325.0 feet; thence North 90 degrees 00 minutes East, 72.0 feet to the point of beginning and the centerline of County State-Aid Highway No. 29; thence South 25 degrees 52 minutes East, 222.27 feet along the centerline of said highway; thence North 90 degrees 00 minutes West, 284.0 feet, more or less, to the water's edge of Cotton Lake and there terminating; and from the point of beginning, North 90 degrees 00 minutes West, 249.1 feet, more or less, to the water's edge of Cotton Lake and there terminating.

(d) The land borders Cotton Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to private ownership.

**Sec. 6. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; BECKER COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Becker County and is described as:

Lot 1, Pearl Hill, according to the certified plat on file and of record in the Office of the Register of Deeds in and for Becker County, Minnesota, and being a part of Government Lots 2 and 3, Section 13, Township 138 North, Range 42 West.

(d) The land borders Pearl Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to private ownership.

**Sec. 7. PRIVATE SALE OF TAX-FORFEITED LAND; BELTRAMI COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, Beltrami County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Beltrami County and is described as:

That part of the Southwest Quarter of the Southwest Quarter, Section 20, Township 150 North, Range 35 West, Beltrami County, Minnesota: Commencing at the southwest corner of the said Southwest Quarter of the Southwest Quarter, said corner is documented by a Certificate of Location of Government Corner filed in the Office of the Beltrami County Recorder on February 14, 2013, by Document No. A000529106; thence South 89 degrees 31 minutes 48 seconds East, bearing based on the Beltrami County Coordinate System, South Zone, along the south line of said Southwest Quarter of the Southwest Quarter, a distance of 1,318.01 feet; thence North 00 degrees 00 minutes 57 seconds West, along the east line of said Southwest Quarter of the Southwest Quarter, a distance of 929.92 feet to the point of beginning of land to be described and said point is designated by an iron pipe, 1/2 inch in diameter, stamped LS 15483; thence continue North 00 degrees 00 minutes 57 seconds West, along said east line, a distance of 151.79 feet to a point designated by an iron pipe, 1/2 inch in diameter, stamped LS 15483; thence North 81 degrees 33 minutes 00 seconds West a distance of 62.18 feet to a point designated by an iron pipe, 1/2 inch in diameter, stamped LS 15483; thence South 08 degrees 27 minutes 00 seconds West a distance of 150.14 feet to the intersection with a line bearing North 81 degrees 33 minutes 00 seconds West from the point of beginning and said intersection is designated by an iron pipe, 1/2 inch in diameter, stamped LS 15483; thence South 81 degrees 33 minutes 00 seconds East a distance of 84.53 feet to the point of beginning (0.25 acres) (part of parcel identification number 01.00227.00).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership to resolve an encroachment.

**Sec. 8. PRIVATE SALE OF TAX-FORFEITED LAND; BELTRAMI COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, Beltrami County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Beltrami County and is described as: the East 11.00 feet of the North 80.00 feet of the South 714.97 feet of the Northwest Quarter of the Southeast Quarter, Section 1, Township 146 North, Range 34 West, Beltrami County, Minnesota (0.02 acres) (part of parcel identification number 15.00030.00).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership to resolve an encroachment.

**Sec. 9. PRIVATE SALE OF SURPLUS LAND BORDERING PUBLIC WATER; CROW WING COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c).

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be conveyed is located in Crow Wing County and is described as:

That part of Government Lot 2, Section 11, Township 44, Range 28, Crow Wing County, Minnesota, described as follows: Commencing at the southeast corner of said Government Lot 2; thence South 89 degrees 08 minutes 05 seconds West, assumed bearing along the south line of said Government Lot 2 a distance of 203.73 feet to the westerly right-of-way of State Highway No. 18; thence North 24 degrees 13 minutes 27 seconds West, along said westerly right-of-way 692.40 feet, to the point of beginning; thence continuing North 24 degrees 13 minutes 27 seconds West along said westerly right-of-way 70.31 feet; thence North 89 degrees 25 minutes 27 seconds West 90.00 feet; thence South 11 degrees 16 minutes 29 seconds East 87.00 feet; thence North 78 degrees 43 minutes 31 seconds East 103.84 feet to the point of beginning. Said parcel contains 0.17 acres of land, more or less, and is subject to existing easements of record.

(d) The tax parcel from which the land will be split borders Borden Lake, but the land to be sold does not border Borden Lake. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land were returned to private ownership.

Sec. 10. **PRIVATE SALE OF TAX-FORFEITED LAND; ITASCA COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, Itasca County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Itasca County and is described as: the Northwest Quarter of the Southeast Quarter, Section 25, Township 56, Range 25 (parcel identification number 02-025-4200).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 11. **PUBLIC OR PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; KANDIYOHI COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by public or private sale the surplus land that is described in paragraph (c), subject to the state's reservation of a perpetual flowage easement.

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Kandiyohi County and is described as:

Lots 18 and 19 of First Addition to Walleye Beach, according to the plat thereof on file and of record in the Office of the Register of Deeds in and for Kandiyohi County, Minnesota.

(d) The land borders Florida Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to private ownership.

Sec. 12. **PRIVATE SALE OF TAX-FORFEITED LANDS; KOOCHICHING COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or any other law to the contrary, Koochiching County may sell by private sale the tax-forfeited lands described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Koochiching County and is described as:

That part of Lot 53, Plat of Riverview Acres, according to the recorded plat thereof on file in the Office of the County Recorder, Koochiching County, Minnesota, lying northwesterly of the following described line: Commencing at the northwest corner of said Lot 53; thence South 89 degrees 59 minutes 47 seconds East 31.00 feet along the north line of said Lot 53 to the point of beginning of the line to be described; thence South 67 degrees 10 minutes 42 seconds West 33.51 feet to the west line of said Lot 53 and there terminating. Said parcel contains 200 square feet, more or less.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 13. **PRIVATE SALE OF TAX-FORFEITED LANDS; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as:

Lot 6, Block 12, Chambers First Division of Duluth (parcel number 010-0460-00660).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership to resolve a structure encroachment.

Sec. 14. **PRIVATE SALE OF TAX-FORFEITED LANDS; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as:

The West 3 feet of the North 20 feet of Lot 87, Block 75, Duluth Proper Third Division (parcel number 010-1310-01945).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership to resolve a structure encroachment.

Sec. 15. **PRIVATE SALE OF TAX-FORFEITED LANDS; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as:

Lot 90, except the North 100 feet and except the East Half of the South 50 feet of Lot 90 and except the West 6 feet of the South 50 feet of the West Half of Lot 90, Block 75, Duluth Proper Third Division (parcel number 010-1310-02125).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership to resolve a structure encroachment.

Sec. 16. **PRIVATE SALE OF TAX-FORFEITED LANDS; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as:

Block 11, Endion Park Division of Duluth (parcel number 010-1490-00860).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership to resolve a structure encroachment.

Sec. 17. **PRIVATE SALE OF TAX-FORFEITED LANDS; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited lands described in paragraph (c).

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land descriptions to correct errors and ensure accuracy.

(c) The lands to be sold are located in St. Louis County and are described as:

(1) Lots 52, 54, and 56, Fond Du Lac Fourth Street Duluth (parcel number 010-1620-01260);

(2) Lots 58 and 60, Fond Du Lac Fourth Street Duluth (parcel number 010-1620-01290);

(3) Lots 21 thru 39, odd numbers, and Lot 41 except the North 52 feet, and except the North 52 feet of Lots 43, 45, and 47, and Lots 49 and 51 except that part lying North of a line drawn from a point on the westerly line of Lot 49 and 52 feet South of the northwest corner to a point on the easterly line of Lot 51 38.1 feet South of the northeast corner, and all of Lots 53, 55, 57, and 59, and except that part of Lots 21 thru 39, odd numbered lots, lying 20 feet northerly and 20 feet southerly of a line beginning at a point on the west line of Lot 21 13.56 feet South of

the northwest corner of Lot 21; thence to a point 54.83 feet South of the northeast corner along the east line of Lot 39, and except the southerly 46 feet of the northerly 98 feet of Lots 41, 43, and 45, and except that part of Lots 47 thru 57, odd numbered lots, described as beginning at a point on the west line of Lot 47 52 feet South of the northwest corner of Lot 47; thence easterly 40 feet to a point on the east line of Lot 47 52 feet South of the northeast corner of Lot 47; thence northeasterly 81.22 feet to a point on the east line of Lot 51 38.1 feet South of the northeast corner of Lot 51; thence North 17.3 feet to a point on the east line of Lot 51 20.8 feet South of the northeast corner of Lot 51; thence northeasterly 82.68 feet to the northwest corner of Lot 57; thence East 40 feet to the northeast corner of Lot 57; thence South 64.1 feet along the east line of Lot 57; thence southwesterly 242.22 feet to a point on the west line of Lot 47 98 feet South of the northwest corner of Lot 47; thence North 46 feet along the west line of Lot 47 to the point of beginning, and except Lot 59, and except that part of Lots 25, 27, 29, 31, 33, 35, 37, and 39 lying southerly of a line run parallel with and distant 20 feet southerly of the following described line: beginning at a point on the west line of Lot 21, distant 13.56 feet South of the northwest corner thereof; thence southeasterly to a point on the east line of said Lot 39, distant 54.83 feet South of the northeast corner thereof and there terminating, Fond Du Lac Fourth Street Duluth (parcel number 010-1620-00290); and

(4) that part of Lots 21 thru 39, odd numbered lots, lying 20 feet northerly and 20 feet southerly of a line beginning at a point on the west line of Lot 21 13.56 feet South of the northwest corner of Lot 21; thence to a point 54.83 feet South of the northeast corner along the east line of Lot 39 and the southerly 46 feet of the northerly 98 feet of Lots 41, 43, and 45, and that part of Lots 47 thru 57, odd numbered lots, described as beginning at a point on the west line of Lot 47 52 feet South of the northwest corner of Lot 47; thence easterly 40 feet to a point on the east line of Lot 47 52 feet South of the northeast corner of Lot 47; thence northeasterly 81.22 feet to a point on the east line of Lot 51 38.1 feet South of the northeast corner of Lot 51; thence North 17.3 feet to a point on the east line of Lot 51 20.8 feet South of the northeast corner of Lot 51; thence northeasterly 82.68 feet to the northwest corner of Lot 57; thence East 40 feet to the northeast corner of Lot 57; thence South 64.1 feet along the east line of Lot 57; thence southwesterly 242.22 feet to a point on the west line of Lot 47 98 feet South of the northwest corner of Lot 47; thence North 46 feet along the west line of Lot 47 to the point of beginning, and Lot 59, Fond Du Lac Fourth Street Duluth (parcel number 010-1620-00291).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership for the Mission Creek Cemetery.

Sec. 18. **PRIVATE SALE OF TAX-FORFEITED LANDS; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited lands described in paragraph (c).

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land descriptions to correct errors and ensure accuracy.

(c) The lands to be sold are located in St. Louis County and are described as:

(1) Lot 28, Fond Du Lac Fourth Street Duluth (part of parcel number 010-1620-01140);

(2) Lot 30, Fond Du Lac Fourth Street Duluth (part of parcel number 010-1620-01150);

(3) Lot 32, Fond Du Lac Fourth Street Duluth (part of parcel number 010-1620-01160);

(4) Lot 34, Fond Du Lac Fourth Street Duluth (part of parcel number 010-1620-01170);

(5) Lot 36, Fond Du Lac Fourth Street Duluth (part of parcel number 010-1620-01180);

(6) Lot 38, Fond Du Lac Fourth Street Duluth (part of parcel number 010-1620-01190);



(7) Lots 40 thru 48, even numbered lots, Fond Du Lac Fourth Street Duluth (part of parcel number 010-1620-01200); and

(8) Lot 50, Fond Du Lac Fourth Street Duluth (part of parcel number 010-1620-01250).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership for the Mission Creek Cemetery.

Sec. 19. **PRIVATE SALE OF TAX-FORFEITED LANDS; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as:

The South Half of Section 31, Township 50, Range 20, Town of Fine Lakes (part of parcel number 355-0010-04960).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership to resolve a structure encroachment.

Sec. 20. **PRIVATE SALE OF SURPLUS LAND BORDERING PUBLIC WATER; SHERBURNE COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale the surplus land bordering public water that is described in paragraph (c) for less than market value.

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be conveyed is located in Sherburne County and is described as:

That part of Government Lot 6, Section 31, Township 34 North, Range 27 West, Sherburne County, Minnesota, described as follows: Commencing at the most northerly corner of Outlot A, Eagle Lake Estates, according to the plat thereof on file and of record in the Office of the County Recorder in and for Sherburne County, Minnesota, being an existing iron monument with an aluminum cap stamped "Judicial Landmark 16095" (JLM); thence southwesterly 146.20 feet along the easterly line of said Outlot A on a curve concave to the southeast, having a central angle of 14 degrees 41 minutes 15 seconds, radius of 570.32 feet, and a chord bearing of South 29 degrees 12 minutes 20 seconds West, to a JLM; thence South 21 degrees 51 minutes 43 seconds West, along said easterly line, 196.53 feet to the point of beginning; thence continuing South 21 degrees 51 minutes 43 seconds West, along said easterly line, 35.00 feet to a JLM; thence South 89 degrees 38 minutes 17 seconds East, along the northerly line of said Outlot A, 87 feet, more or less, to the water's edge of Eagle Lake; thence northerly along said water's edge, 45 feet, more or less, to a line bearing North 80 degrees 55 minutes 20 seconds East from the point of beginning; thence South 80 degrees 55 minutes 20 seconds West 70 feet, more or less, to the point of beginning.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land were returned to private ownership.

Sec. 21. **EFFECTIVE DATE.**

Sections 13 to 20 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state lands; modifying requirements for conveying easements; adding to state parks and state forest; authorizing sales of certain state lands; amending Minnesota Statutes 2022, section 84.66, subdivision 7."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Klevorn from the Committee on State and Local Government Finance and Policy to which was referred:

H. F. No. 2204, A bill for an act relating to metropolitan government; providing for redistricting of the Metropolitan Council districts; amending Minnesota Statutes 2022, section 473.123, by adding a subdivision; repealing Minnesota Statutes 2022, section 473.123, subdivision 3e.

Reported the same back with the following amendments:

Page 1, line 9, delete "MC2023-1" and insert "MC2023-2"

Page 1, line 11, delete "....." and insert "March 21"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Nelson, M., from the Committee on Labor and Industry Finance and Policy to which was referred:

H. F. No. 2336, A bill for an act relating to energy; establishing the Minnesota Climate Innovation Finance Authority to provide financing and leverage private investment for clean energy and other projects; requiring a report; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216C.

Reported the same back with the following amendments:

Page 3, after line 19, insert:

"(m) "Project labor agreement" means a prehire collective bargaining agreement with a council of building and construction trades labor organizations (1) prohibiting strikes, lockouts, and similar disruptions, and (2) providing for a binding procedure to resolve labor disputes on the project."

Reletter the paragraphs in sequence

Page 4, line 23, after "acquire" insert "by purchase" and delete everything after "name"

Page 4, line 24, delete "or foreclosure."

Page 5, line 16, before "investment" insert "lending and"

Page 6, line 10, delete the second "and"

Page 6, line 11, after "skills" insert "and qualifications"

Page 6, line 12, delete the period and insert ", making an affirmative effort to recruit and hire a director and staff who are from, or share the interests of, the communities the authority must serve;"

Page 6, after line 12, insert:

"(13) apply for, either as a direct or subgrantee applicant, and accept Greenhouse Gas Reduction Fund grants authorized by the federal Clean Air Act, United States Code, title 42, section 7434(a). If the application deadlines for these grants are earlier than is practical for the authority to meet, the commissioner shall apply on behalf of the authority. In all cases, applications for these funds by or on behalf of the authority must be coordinated with all known Minnesota applicants; and

(14) ensure that authority contracts with all third-party administrators, contractors, and subcontractors contain required covenants, representations, and warranties specifying that contracted third parties are agents of the authority and that all acts of contracted third parties are considered acts of the authority, provided that the act is within the contracted scope of work."

Page 6, line 18, after "investment" insert ", co-lending,"

Page 6, line 21, delete "and"

Page 6, delete lines 22 to 24 and insert:

"(4) expend up to 25 percent of funds appropriated to the authority for start-up purposes, which may be used for financing programs and project investments authorized under this section, prior to adoption of the strategic plan required under subdivision 7 and the investment strategy under subdivision 8; and

(5) require a specific project to agree to implement a project labor agreement as a condition of receiving financing from the authority."

Page 7, after line 11, insert:

"(c) Before providing any direct loans to residential borrowers, the authority must issue a request for information to existing known financing entities specifying the market need and the authority's goals in meeting the underserved market segment, and soliciting each financing entity's:

(1) current financing offerings for that specific market;

(2) prior efforts to meet that specific market; and

(3) plans and capabilities to serve that specific market.

(d) The authority may only provide direct loans to residential borrowers if the authority certifies that no financing entity is currently able to meet the specific underserved market need and the authority's goals, and that the authority's entry into the market does not supplant or duplicate any existing financing activities in that specific market."

Page 7, line 17, after the first "communities" insert ", labor organizations," and delete "from"

Page 7, line 21, delete "and"

Page 7, line 23, delete the period and insert "; and"

Page 7, after line 23, insert:

"(4) agree to implement a project labor agreement."

Page 7, line 30, after "177.45" insert ", including the posting of prevailing wage rates, prevailing hours of labor, and hourly basic rates of pay for all trades on the project in at least one conspicuous location at the project site"

Page 8, after line 9, insert:

"(c) The authority and any third-party administrator, contractor, subcontractor, or agent that conducts lending, financing, investment, marketing, administration, servicing, or installation of measures in connection with a qualified project financed in whole or in part with authority funds is subject to sections 325D.43 to 325D.48; 325F.67 to 325F.71; 325G.06 to 325G.14; 325G.29 to 325G.37; and 332.37."

Page 8, line 10, delete "(c)" and insert "(d)"

Page 9, line 7, delete "....." and insert "December 15, 2024"

Page 12, line 16, after the comma, insert "the ratio of projects subject to and exempt from prevailing wage requirements under subdivision 6, paragraph (b)."

Page 12, line 27, before "\$45,000,000" insert "(a)"

Page 12, after line 29, insert:

"(b) Of the amount appropriated in paragraph (a), the commissioner of management and budget may make up to \$..... available to the commissioner of commerce, at the request of the commissioner of commerce, for activities related to preparing and submitting an application on the authority's behalf for federal Greenhouse Gas Reduction Funds as authorized under section 216C.441, subdivision 4, paragraph (a), clause (13), or to conduct other necessary start-up activities before the authority has sufficient staff resources to do so."

With the recommendation that when so amended the bill be re-referred to the Committee on Climate and Energy Finance and Policy.

The report was adopted.

Klevorn from the Committee on State and Local Government Finance and Policy to which was referred:

H. F. No. 2555, A bill for an act relating to state government; modifying the number of copies of a mandated report that a department or agency must file with the Legislative Reference Library; amending Minnesota Statutes 2022, section 3.195, subdivision 1.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Nelson, M., from the Committee on Labor and Industry Finance and Policy to which was referred:

H. F. No. 2687, A bill for an act relating to labor and industry; modifying the elevator contractor licensing requirements for work on certain equipment; amending Minnesota Statutes 2022, sections 326B.163, subdivision 5, by adding a subdivision; 326B.164, subdivision 13.

Reported the same back with the following amendments:

Page 2, line 6, delete "including" and insert "excluding"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Liebling from the Committee on Health Finance and Policy to which was referred:

H. F. No. 2712, A bill for an act relating to human services; modifying the procedure for sanctions; modifying background studies conducted by the Department of Human Services; modifying definitions; modifying applications and application process; modifying license fees; modifying commissioner of health access to recipient medical records; modifying notice requirements for monetary recovery and sanctions; modifying administrative reconsideration process; modifying licensing data; modifying when email addresses are made public; prohibiting prone restraints in licensed or certified facilities; amending Minnesota Statutes 2022, sections 13.46, subdivision 4; 62V.05, subdivision 4a; 122A.18, subdivision 8; 245A.02, subdivisions 5a, 10b; 245A.04, subdivisions 1, 7; 245A.041, by adding a subdivision; 245A.07, subdivisions 2a, 3; 245A.10, subdivisions 3, 4; 245A.16, subdivision 1; 245C.02, subdivisions 6a, 11c, by adding subdivisions; 245C.03, subdivisions 1, 1a, 4, 5, 5a; 245C.031, subdivisions 1, 4; 245C.05, subdivisions 1, 5a, by adding a subdivision; 245C.07; 245C.08, subdivision 1; 245C.10, subdivision 4; 245C.30, subdivision 2; 245C.31, subdivision 1; 245C.33, subdivision 4; 245H.13, subdivision 9; 245I.20, subdivision 10; 256.9685, subdivisions 1a, 1b; 256.9686, by adding a subdivision; 256B.04, subdivision 15; 256B.064; 256B.27, subdivision 3; 524.5-118, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 2022, sections 245A.22; 245C.02, subdivision 9; 245C.301; 256.9685, subdivisions 1c, 1d; Minnesota Rules, parts 9505.0505, subpart 18; 9505.0520, subpart 9b.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Becker-Finn from the Committee on Judiciary Finance and Civil Law to which was referred:

H. F. No. 2718, A bill for an act relating to agriculture; establishing a grain indemnity account; appropriating money; amending Minnesota Statutes 2022, sections 223.16, by adding a subdivision; 223.17, subdivisions 7, 7a; 223.175; 223.19; 232.22, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 223; repealing Minnesota Statutes 2022, sections 223.17, subdivisions 4, 8; 232.22, subdivisions 4, 6, 6a, 7.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Agriculture Finance and Policy.

The report was adopted.

Klevorn from the Committee on State and Local Government Finance and Policy to which was referred:

H. F. No. 2950, A bill for an act relating to retirement; authorizing eligible employees of Minnesota State Colleges and Universities who are members of the higher education individual retirement account plan to elect coverage by the Teachers Retirement Association and receive retroactive service credit; proposing coding for new law in Minnesota Statutes, chapter 354B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
MINNESOTA STATE RETIREMENT SYSTEM

Section 1. Minnesota Statutes 2022, section 352B.08, subdivision 1, is amended to read:

Subdivision 1. **Eligibility; when to apply; accrual.** (a) Every member who is credited with three or more years of allowable service if first employed before July 1, 2013, or with at least ten years of allowable service if first employed after June 30, 2013, is entitled to separate from state service and upon becoming 50 years old, is entitled to receive a life annuity, upon separation from state service.

(b) Members must apply for an annuity in a form and manner prescribed by the executive director.

(c) No application may be made more than ~~90~~ 60 days before the date the member is eligible to retire by reason of both age and service requirements.

(d) An annuity begins to accrue no earlier than 180 days before the date the application is filed with the executive director.

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

Sec. 2. Minnesota Statutes 2022, section 356.551, subdivision 2, is amended to read:

Subd. 2. **Determination.** (a) Unless the minimum purchase amount set forth in paragraph (c) applies, the prior service credit purchase amount is an amount equal to the actuarial present value, on the date of payment, as calculated by the chief administrative officer of the pension plan and reviewed by the actuary retained under section 356.214, of the amount of the additional retirement annuity obtained by the acquisition of the additional service credit in this section.

(b) Calculation of this amount must be made using the investment return assumption applicable to the public pension plan specified in section 356.215, subdivision 8, and the mortality table adopted for the public pension plan.

(1) Unless clause (2) applies, the calculation must assume continuous future service in the public pension plan until, and retirement at, the age at which the minimum requirements of the fund for normal retirement or retirement with an annuity unreduced for retirement at an early age, including section 356.30, are met with the additional service credit purchased. The calculation must also assume a full-time equivalent salary, or actual salary, whichever is greater, and a future salary history that includes annual salary increases at the applicable salary increase rate for the plan specified in section 356.215, subdivision 8.

(2) This clause applies when the calculation is being done for purposes of section 352.272; 352B.087; 353.0141, subdivision 3; 354.544; ~~or 354A.0961; or 490.1211, subdivision 2.~~ The calculation must include continuous future service in the public pension plan until, and retirement at, any age at or after which the minimum requirements of the fund for early retirement or retirement with an annuity unreduced for retirement at an early age, including

section 356.30, are met with the additional service credit purchased. The calculation must be determined using the retirement age that provides the most valuable benefit to the member. The calculation must also assume a full-time equivalent salary, or actual salary, whichever is greater, and a future salary history that includes annual salary increases at the applicable salary increase rate for the plan specified in section 356.215, subdivision 8.

(c) The prior service credit purchase amount may not be less than the amount determined by applying, for each year or fraction of a year being purchased, the sum of the employee contribution rate, the employer contribution rate, and the additional employer contribution rate, if any, applicable during that period, to the person's annual salary during that period, or fractional portion of a year's salary, if applicable, plus interest at the applicable annual rate or rates specified in section 356.59, subdivision 2, 3, 4, or 5, whichever applies, compounded annually, from the end of the year in which contributions would otherwise have been made to the date on which the payment is received.

(d) Unless otherwise provided by statutes governing a specific plan, payment must be made in one lump sum within one year of the prior service credit authorization or prior to the member's effective date of retirement, whichever is earlier. Payment of the amount calculated under this section must be made by the applicable eligible person.

(e) However, the current employer or the prior employer may, at its discretion, pay all or any portion of the payment amount that exceeds an amount equal to the employee contribution rates in effect during the period or periods of prior service applied to the actual salary rates in effect during the period or periods of prior service, plus interest at the applicable annual rate or rates specified in section 356.59, subdivision 2, 3, 4, or 5, whichever applies, compounded annually, from the date on which the contributions would otherwise have been made to the date on which the payment is made. If the employer agrees to payments under this subdivision, the purchaser must make the employee payments required under this subdivision within 90 days of the prior service credit authorization. If that employee payment is made, the employer payment under this subdivision must be remitted to the chief administrative officer of the public pension plan within 60 days of receipt by the chief administrative officer of the employee payments specified under this subdivision.

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

Sec. 3. Minnesota Statutes 2022, section 490.1211, is amended to read:

**490.1211 UNIFORMED SERVICE.**

**Subdivision 1. Federal uniformed service protections.** (a) A judge who is absent from employment by reason of service in the uniformed services, as defined in United States Code, title 38, section 4303(13), and who returns to state employment as a judge upon discharge from service in the uniformed service within the time frame required in United States Code, title 38, section 4312(e), may obtain service credit for the period of the uniformed service, provided that the judge did not separate from uniformed service with a dishonorable or bad conduct discharge or under other than honorable conditions.

(b) The judge may obtain credit by paying into the fund equivalent member contribution based on the contribution rate or rates in effect at the time that the uniformed service was performed multiplied by the full and fractional years being purchased and applied to the annual salary rate. The annual salary rate is the average annual salary during the purchase period that the judge would have received if the judge had continued to provide employment services to the state rather than to provide uniformed service, or if the determination of that rate is not reasonably certain, the annual salary rate is the judge's average salary rate during the 12-month period of judicial employment rendered immediately preceding the ~~purchase~~ period of the uniformed service.

(c) The equivalent employer contribution and, if applicable, the equivalent employer additional contribution, must be paid by the employing unit, using the employer and employer additional contribution rate or rates in effect at the time that the uniformed service was performed, applied to the same annual salary rate or rates used to compute the equivalent member contribution.

(d) If the member equivalent contributions provided for in this section are not paid in full, the judge's allowable service credit must be prorated by multiplying the full and fractional number of years of uniformed service eligible for purchase by the ratio obtained by dividing the total member contributions received by the total member contributions otherwise required under this section.

(e) To receive allowable service credit under this section, the contributions specified in this section ~~and section 490.121~~ must be transmitted to the fund during the period which begins with the date on which the individual returns to judicial employment and which has a duration of three times the length of the uniformed service period, but not to exceed five years. If the determined payment period is calculated to be less than ~~one year~~ three years, the contributions required under this section to receive service credit ~~may~~ must be transmitted to the fund within ~~one year~~ three years from the discharge date.

(f) The amount of allowable service credit obtainable under this section and section 490.121 may not exceed five years, unless a longer purchase period is required under United States Code, title 38, section 4312.

(g) The state court administrator shall pay interest on all equivalent member and employer contribution amounts payable under this section. Interest must be at the applicable annual rate or rates specified in section 356.59, subdivision 2, compounded annually, from the end of each fiscal year of the leave or break in service to the end of the month in which payment is received.

**Subd. 2. State-authorized purchase of service credit for periods of military service.** (a) Unless prohibited under paragraph (b), a judge is eligible to purchase service credit, not to exceed five cumulative years of service credit, for one or more periods of service in the uniformed services, as defined in United States Code, title 38, section 4303(13), if:

(1) the judge has at least three years of service credit with the judges retirement plan under this chapter;

(2) the duration of the judge's current period of employment is at least six months; and

(3) the judge did not obtain service credit for a period of military service under subdivision 1.

(b) A service credit purchase is prohibited if:

(1) the judge separated from uniformed service with a dishonorable or bad conduct discharge or under other than honorable conditions;

(2) the judge has purchased or otherwise received service credit from any Minnesota public employee pension plan for the same period of service in the uniformed services; or

(3) the judge's service in the uniformed services occurred before the judge was first appointed or elected as a judge.

(c) When purchasing a period of service, if the period of service in the uniformed services is one year or less, the judge must purchase the full period of service. If the period of service in the uniformed services is longer than one year, the judge may purchase the full period, not to exceed five cumulative years, or may purchase a portion of the period of service. If the judge purchases a portion of the period of service in the uniformed services, the portion must: (1) not be less than one year; and (2) be in increments of six months of service.

**Subd. 3. Application and documentation.** To purchase service credit under subdivision 2, a judge must apply to the executive director of the Minnesota State Retirement System to make the purchase. The application must include all necessary documentation of the judge's qualifications to make the purchase, signed written permission to allow the executive director to request and receive necessary verification of applicable facts and eligibility requirements, and any other relevant information that the executive director may require.



Subd. 4. **Purchase payment amount; service credit grant.** (a) The purchase payment amount for a purchase under subdivision 2 is the amount determined under section 356.551 for the period or periods of service requested, except that, for purposes of calculating the purchase payment amount to purchase service credit for service in the uniformed services between periods of employment as a judge, section 356.551, subdivision 2, paragraph (c), does not apply.

(b) Service credit must be granted by the judges retirement plan to the purchasing judge upon the executive director's receipt of the purchase payment amount. The service credit purchased under this section may not be used for the purpose of determining a disability benefit under section 490.124, subdivision 4.

(c) Payment must be made before the effective date of the judge's retirement.

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

Sec. 4. **REPEALER.**

Minnesota Statutes 2022, section 490.124, subdivision 10, is repealed.

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

ARTICLE 2  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION  
ADMINISTRATIVE PROVISIONS

Section 1. Minnesota Statutes 2022, section 353.01, subdivision 2a, is amended to read:

Subd. 2a. **Included employees; mandatory membership.** (a) Public employees whose ~~annual~~ salary from one governmental subdivision is stipulated in advance to exceed \$5,100 if the person is not a school year employee or \$3,800 if the person is a school year employee exceeds \$425 in any month and who are not specifically excluded under subdivision 2b or who have not been provided an option to participate under subdivision 2d, whether individually or by action of the governmental subdivision, must participate as members of the association with retirement coverage by the general employees retirement plan under this chapter, the public employees police and fire retirement plan under this chapter, or the local government correctional employees retirement plan under chapter 353E, whichever applies. Membership commences as a condition of ~~their~~ employment on the first day of ~~their~~ employment or on the first day that the eligibility criteria are met, whichever is later. Public employees include but are not limited to:

(1) persons whose salary meets the threshold in this paragraph from employment in one or more positions within one governmental subdivision;

(2) elected county sheriffs;

(3) persons who are appointed, employed, or contracted to perform governmental functions that by law or local ordinance are required of a public officer, including, but not limited to:

(i) town and city clerk or treasurer;

(ii) county auditor, treasurer, or recorder;

(iii) city manager as defined in section 353.028 who does not exercise the option provided under subdivision 2d; or

(iv) emergency management director, as provided under section 12.25;

(4) physicians under section 353D.01, subdivision 2, who do not elect public employees defined contribution plan coverage under section 353D.02, subdivision 2;

(5) full-time employees of the Dakota County Agricultural Society;

(6) employees of the Red Wing Port Authority who were first employed by the Red Wing Port Authority before May 1, 2011, and who are not excluded employees under subdivision 2b;

(7) employees of the Seaway Port Authority of Duluth who are not excluded employees under subdivision 2b;

(8) employees of the Stevens County Housing and Redevelopment Authority who were first employed by the Stevens County Housing and Redevelopment Authority before May 1, 2014, and who are not excluded employees under subdivision 2b;

(9) employees of the Minnesota River Area Agency on Aging who were first employed by a Regional Development Commission before January 1, 2016, and who are not excluded employees under subdivision 2b; and

(10) employees of the Public Employees Retirement Association.

(b) A public employee or elected official who was a member of the association on June 30, 2002, based on employment that qualified for membership coverage by the public employees retirement plan or the public employees police and fire plan under this chapter, or the local government correctional employees retirement plan under chapter 353E as of June 30, 2002, retains that membership for the duration of the person's employment in that position or incumbency in elected office. Except as provided in subdivision 28, the person shall participate as a member until the employee or elected official terminates public employment under subdivision 11a or terminates membership under subdivision 11b.

(c) If ~~in any subsequent year the annual salary of an included public employee is less than the minimum salary threshold specified in this subdivision~~ \$425 in any subsequent month, the member retains membership eligibility.

(d) For the purpose of participation in the general employees retirement plan, public employees include employees who were members of the former Minneapolis Employees Retirement Fund on June 29, 2010.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 2. Minnesota Statutes 2022, section 353.01, subdivision 2b, is amended to read:

Subd. 2b. **Excluded employees.** (a) The following public employees are not eligible to participate as members of the association with retirement coverage by the general employees retirement plan, the local government correctional employees retirement plan under chapter 353E, or the public employees police and fire ~~retirement~~ plan:

(1) persons whose ~~annual salary from one governmental subdivision never exceeds an amount, stipulated in writing in advance, of \$5,100 if the person is not a school district employee or \$3,800 if the person is a school year employee. If annual compensation from one governmental subdivision to an employee exceeds the stipulated amount in a calendar year or a school year, whichever applies, after being stipulated in advance not to exceed the applicable amount, the stipulation is no longer valid and contributions must be made on behalf of the employee under section 353.27, subdivision 12, from the first month in which the employee received salary exceeding \$425 in a month;~~

(2) public officers who are elected to a governing body, city mayors, or persons who are appointed to fill a vacancy in an elected office of a governing body, whose term of office commences on or after July 1, 2002, for the service to be rendered in that elected position;

(3) election judges and persons employed solely to administer elections;

(4) patient and inmate personnel who perform services for a governmental subdivision;

(5) except as otherwise specified in subdivision 12a, employees who are employed solely in a temporary position as defined under subdivision 12a, and employees who resign from a nontemporary position and accept a temporary position within 30 days of that resignation in the same governmental subdivision;

(6) employees who are employed by reason of work emergency caused by fire, flood, storm, or similar disaster, but if the person becomes a probationary or provisional employee within the same pay period, other than on a temporary basis, the person is a "public employee" retroactively to the beginning of the pay period;

(7) employees who by virtue of their employment in one governmental subdivision are required by law to be a member of and to contribute to any of the plans or funds administered by the Minnesota State Retirement System, the Teachers Retirement Association, or the St. Paul Teachers Retirement Fund Association, but this exclusion must not be construed to prevent a person from being a member of and contributing to the Public Employees Retirement Association and also belonging to and contributing to another public pension plan or fund for other service occurring during the same period of time, and a person who meets the definition of "public employee" in subdivision 2 by virtue of other service occurring during the same period of time becomes a member of the association unless contributions are made to another public retirement plan on the salary based on the other service or to the Teachers Retirement Association by a teacher as defined in section 354.05, subdivision 2;

(8) persons who are members of a religious order and are excluded from coverage under the federal Old Age, Survivors, Disability, and Health Insurance Program for the performance of service as specified in United States Code, title 42, section 410(a)(8)(A), as amended, if no irrevocable election of coverage has been made under section 3121(r) of the Internal Revenue Code of 1954, as amended;

(9) persons who are:

(i) employed by a governmental subdivision who have not reached the age of 23 and who are enrolled on a full-time basis to attend or are attending classes on a full-time basis at an accredited school, college, or university in an undergraduate, graduate, or professional-technical program, or at a public or charter high school;

(ii) employed as resident physicians, medical interns, pharmacist residents, or pharmacist interns and are serving in a degree or residency program in a public hospital or in a public clinic; or

(iii) students who are serving for a period not to exceed five years in an internship or a residency program that is sponsored by a governmental subdivision, including an accredited educational institution;

(10) persons who hold a part-time adult supplementary technical college license who render part-time teaching service in a technical college;

(11) for the first three years of employment, foreign citizens who are employed by a governmental subdivision, except that the following foreign citizens must be considered included employees under subdivision 2a:

(i) H-1B, H-1B1, and E-3 status holders;

(ii) employees of Hennepin County or Hennepin Healthcare System, Inc.;

(iii) employees legally authorized to work in the United States for three years or more; and

(iv) employees otherwise required to participate under federal law;

(12) public hospital employees who elected not to participate as members of the association before 1972 and who did not elect to participate from July 1, 1988, to October 1, 1988;

(13) except as provided in section 353.86, volunteer ambulance service personnel, as defined in subdivision 35, but persons who serve as volunteer ambulance service personnel may still qualify as public employees under subdivision 2 and may be members of the Public Employees Retirement Association and participants in the general employees retirement plan or the public employees police and fire plan, whichever applies, on the basis of compensation received from public employment service other than service as volunteer ambulance service personnel;

(14) except as provided in section 353.87, volunteer firefighters, as defined in subdivision 36, engaging in activities undertaken as part of volunteer firefighter duties, but a person who is a volunteer firefighter may still qualify as a public employee under subdivision 2 and may be a member of the Public Employees Retirement Association and a participant in the general employees retirement plan or the public employees police and fire plan, whichever applies, on the basis of compensation received from public employment activities other than those as a volunteer firefighter;

(15) employees in the building and construction trades, as follows:

(i) pipefitters and associated trades personnel employed by Independent School District No. 625, St. Paul, with coverage under a collective bargaining agreement by the pipefitters local 455 pension plan who were either first employed after May 1, 1997, or, if first employed before May 2, 1997, elected to be excluded under Laws 1997, chapter 241, article 2, section 12;

(ii) electrical workers, plumbers, carpenters, and associated trades personnel employed by Independent School District No. 625, St. Paul, or the city of St. Paul, with coverage under a collective bargaining agreement by the electrical workers local 110 pension plan, the plumbers local 34 pension plan, or the carpenters local 322 pension plan who were either first employed after May 1, 2000, or, if first employed before May 2, 2000, elected to be excluded under Laws 2000, chapter 461, article 7, section 5;

(iii) bricklayers, allied craftworkers, cement masons, glaziers, glassworkers, painters, allied tradesworkers, and plasterers employed by the city of St. Paul or Independent School District No. 625, St. Paul, with coverage under a collective bargaining agreement by the bricklayers and allied craftworkers local 1 pension plan, the cement masons local 633 pension plan, the glaziers and glassworkers local 1324 pension plan, the painters and allied trades local 61 pension plan, or the plasterers local 265 pension plan who were either first employed after May 1, 2001, or if first employed before May 2, 2001, elected to be excluded under Laws 2001, First Special Session chapter 10, article 10, section 6;

(iv) plumbers employed by the Metropolitan Airports Commission, with coverage under a collective bargaining agreement by the plumbers local 34 pension plan, who were either first employed after May 1, 2001, or if first employed before May 2, 2001, elected to be excluded under Laws 2001, First Special Session chapter 10, article 10, section 6;

(v) electrical workers or pipefitters employed by the Minneapolis Park and Recreation Board, with coverage under a collective bargaining agreement by the electrical workers local 292 pension plan or the pipefitters local 539 pension plan, who were first employed before May 2, 2015, and elected to be excluded under Laws 2015, chapter 68, article 11, section 5;

(vi) laborers and associated trades personnel employed by the city of St. Paul or Independent School District No. 625, St. Paul, who are designated as temporary employees with coverage under a collective bargaining agreement by a multiemployer plan as defined in section 356.27, subdivision 1, who were either first employed on or after June 1, 2018, or if first employed before June 1, 2018, elected to be excluded under Laws 2018, chapter 211, article 16, section 13; and

(vii) employees who are trades employees as defined in section 356.27, subdivision 1, first hired on or after July 1, 2020, by the city of St. Paul or Independent School District No. 625, St. Paul, except for any trades employee for whom contributions are made under section 356.24, subdivision 1, clause (8), (9), or (10), by either employer to a multiemployer plan as defined in section 356.27, subdivision 1;

(16) employees who are hired after June 30, 2002, solely to fill seasonal positions under subdivision 12b which are limited in duration by the employer to a period of six months or less in each year of employment with the governmental subdivision;

(17) persons who are provided supported employment or work-study positions by a governmental subdivision and who participate in an employment or industries program maintained for the benefit of these persons where the governmental subdivision limits the position's duration to up to five years, including persons participating in a federal or state subsidized on-the-job training, work experience, senior citizen, youth, or unemployment relief program where the training or work experience is not provided as a part of, or for, future permanent public employment;

(18) independent contractors and the employees of independent contractors;

(19) reemployed annuitants of the association during the course of that reemployment;

(20) persons appointed to serve on a board or commission of a governmental subdivision or an instrumentality thereof;

(21) persons employed as full-time fixed-route bus drivers by the St. Cloud Metropolitan Transit Commission who are members of the International Brotherhood of Teamsters Local 638 and who are, by virtue of that employment, members of the International Brotherhood of Teamsters Central States pension plan; and

(22) persons employed by the Duluth Transit Authority or any subdivision thereof who are members of the Teamsters General Local Union 346 and who are, by virtue of that employment, members of the Central States Southeast and Southwest Areas Pension Fund.

(b) Any person performing the duties of a public officer in a position defined in subdivision 2a, paragraph (a), clause (3), is not an independent contractor and is not an employee of an independent contractor.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 3. Minnesota Statutes 2022, section 353.01, subdivision 15, is amended to read:

Subd. 15. **Dependent child.** For the purpose of survivor benefit eligibility ~~under sections 353.31, subdivision 1, and 353.657, subdivision 3,~~ "dependent child" means:

~~(1) a biological or adopted child of a deceased member who is unmarried, and under 18, or age 18 to 23, so long as the child submits evidence of full time enrollment in an accredited educational institution. "Dependent child" also includes;~~

~~(2) a child of the member conceived during the member's lifetime and born after the member's death. It also means, unless a parent-child relationship does not exist under section 524.2-120, subdivision 10; and~~

~~(3) a dependent child who has not reached the age of 23 and is the subject of adoption proceedings filed by a member, and who, within two years after death of the member, by judgment and decree duly entered, is adjudged to be the adopted child of the deceased member; subject, however, to the qualifying conditions of age and dependency under this subdivision. The dependency of the child dates from is a dependent child effective on the date of the~~

decree of adoption. ~~"Dependent child" also includes a child age 18 to 23 who had submitted evidence of full time enrollment in an accredited educational institution but was determined to be medically unable to continue school on a full time basis. The board of trustees shall adopt written procedures to make determinations regarding eligibility based on a student being medically unable to continue school, and may not continue a benefit for medical reasons for a period greater than one year.~~

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 4. Minnesota Statutes 2022, section 353.0162, is amended to read:

**353.0162 SALARY CREDIT PURCHASE FOR PERIODS OF REDUCED SALARY.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them, unless the context clearly indicates another meaning is intended.

(b) "Differential salary credit" is the difference between the salary received by the member during a period of reduced salary as described in subdivision 2 and the salary of the member, excluding overtime, on which contributions to the applicable plan would have been made during the period based on the member's normal employment period, measured in hours or otherwise, as applicable, and rate of pay.

(c) "Reporting period" means a school year, for school year employees, or a calendar year, for all other employees, during which a member has a period of reduced salary.

Subd. 2. **Salary credit purchase permitted.** (a) A member may purchase differential salary credit as described in paragraph (c) for a period of reduced salary as described in paragraph (b).

~~(b)~~ The period of reduced salary must be a period occurring entirely within one school year, for school year employees, or one calendar year, for all other employees, during which the member receives no salary or a reduced salary from the employer while the member is:

- (1) receiving workers' compensation payments related to the member's service to the public employer;
- (2) on an authorized leave of absence;
- (3) on an authorized leave of absence as a result of a budgetary or salary savings program offered or mandated by a governmental subdivision, if certified to the executive director by the governmental subdivision; or
- (4) on a periodic, repetitive leave that is offered to all employees of a governmental subdivision where the leave program is certified by the employer to the association as one that does not exceed 208 hours during the school year or calendar year, as applicable.

~~(c) Differential salary credit is the difference between the salary received by the member during a period of reduced salary specified in paragraph (b) and the salary of the member, excluding overtime, on which contributions to the applicable plan would have been made during the period based on the member's normal employment period, measured in hours or otherwise, as applicable, and rate of pay.~~

Subd. 3. **Payment amount.** (d) (a) To receive differential salary credit, the member shall pay the plan, by delivering payment to the executive director, an amount equal to:

- (1) the applicable employee contribution rate under section 353.27, subdivision 2; 353.65, subdivision 2; or 353E.03, subdivision 1, as applicable, multiplied by the differential salary amount;
- (2) plus an employer equivalent payment equal to the applicable employer contribution rate in section 353.27, subdivision 3; 353.65, subdivision 3; or 353E.03, subdivision 2, as applicable, multiplied by the differential salary amount;

(3) plus, if applicable, an equivalent employer additional amount equal to the additional employer contribution rate in section 353.27, subdivision 3a, multiplied by the differential salary amount.

~~(e)~~ (b) The employer, by appropriate action of its governing body and documented in its official records, may pay on behalf of the member the amounts determined under paragraph ~~(d)~~ (a), clauses (2) and (3), as applicable, plus interest under paragraph ~~(f)~~ (c). However, if the period of reduced salary is a periodic, repetitive leave under ~~paragraph (b) subdivision 2~~, clause (4), then the employer must pay on behalf of the member the amount determined under paragraph ~~(d)~~ (a), clauses (2) and (3), as applicable, plus interest under paragraph ~~(f)~~ (c).

~~(f)~~ (c) Payment under this section must include interest on the contribution amount or amounts, whichever applies, at the applicable rate or rates specified in section 356.59, subdivision 3, compounded annually, prorated for the number of months, if less than 12 months, from the end of the school year or calendar year, as applicable, until full payment is received by the executive director.

Subd. 4. **Timing of required payment.** Payment under this section must be completed by the earliest of: ~~(1) six months after termination of public service by the employee under section 353.01, subdivision 11a; (2) no later than one year after the termination end of the each reporting period of reduced salary specified in paragraph (b); or (3) six months after the commencement of a disability benefit.~~

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 5. Minnesota Statutes 2022, section 353.031, subdivision 10, is amended to read:

Subd. 10. **Restoring forfeited service and salary credit.** ~~(a)~~ To restore forfeited service and salary credit, a repayment of a refund must be made within six months after the effective date of disability benefits or within six months after the date of the filing of the disability application, whichever is later-

~~(b)~~, except for that the salary credit purchase for periods of reduced salary must be made as authorized under section 353.0162, paragraph (b), clause (1), no purchase of prior service or payment made in lieu of salary deductions otherwise authorized under section 353.01 or 353.0162 may be made after the occurrence of the disability for which an application is filed under this section.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 6. Minnesota Statutes 2022, section 353.32, subdivision 1c, is amended to read:

Subd. 1c. **Dependent child survivor coverage.** If ~~there is a deceased member has~~ no surviving spouse eligible for benefits under subdivision 1a, a the member's dependent child or children as defined in section 353.01, subdivision ~~15a~~ 15, is eligible for monthly payments. Payments to a dependent child must be paid from the date of the member's death to the date the dependent child attains age 20 ~~if the child is under age 15. If the child is 15 years or older on the date of death, payment must be made for five years~~ 23. The payment to a dependent child is an amount actuarially equivalent to the value of a 100 percent optional annuity under subdivision 1a using the age of the member and the age of the dependent child at the date of the member's death in lieu of the age of the surviving spouse. If there is more than one dependent child, each dependent child ~~shall~~ must receive a proportionate share of the actuarial value of the ~~employee's account~~ 100 percent optional annuity.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 7. Minnesota Statutes 2022, section 353E.001, is amended by adding a subdivision to read:

Subd. 1a. **Fund.** "Fund" means the public employees local government correctional service retirement fund.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 8. Minnesota Statutes 2022, section 353E.001, is amended by adding a subdivision to read:

Subd. 2a. **Member.** "Member" means an individual identified as a member under section 353E.02, for whom retirement coverage is provided by the plan.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 9. Minnesota Statutes 2022, section 353E.001, is amended by adding a subdivision to read:

Subd. 3a. **Plan.** "Plan" means the public employees local government correctional service retirement plan.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 10. Minnesota Statutes 2022, section 353E.07, subdivision 3, is amended to read:

Subd. 3. **Election; accrual.** A surviving spouse election under subdivisions 1 and 2 may be made at any time after the date of death of ~~the local government correctional service employee~~ a member. The surviving spouse benefit begins to accrue as of the first of the next month following the date on which the application for the benefit was filed.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 11. Minnesota Statutes 2022, section 353E.07, subdivision 4, is amended to read:

Subd. 4. **Surviving spouse coverage; term certain.** In lieu of the 100 percent optional annuity under subdivision 1, the surviving spouse of a deceased ~~local government correctional service employee~~ member may elect to receive survivor coverage in a term certain of ten, 15, or 20 years. The monthly term certain annuity must be actuarially equivalent to the 100 percent optional annuity under subdivision 1 and must be based on tables approved by the actuary retained under section 356.214. The optional annuity ceases upon the expiration of the term certain period. If a survivor elects a term certain annuity and dies before the expiration of the specified term certain period, the commuted value of the remaining annuity payments must be paid in a lump sum to the survivor's estate.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 12. Minnesota Statutes 2022, section 353E.07, subdivision 5, is amended to read:

Subd. 5. **Dependent child survivor coverage.** ~~If there is a deceased member has no surviving spouse eligible for benefits under subdivisions 1, 2, and 4, a~~ the member's dependent child as defined in section 353.01, subdivision 15a 15, is eligible for a ~~dependent child~~ survivor benefit. Benefits to a dependent child must be paid from the date of the employee's death to the date the dependent child attains age ~~20 if the child is under age 15 on the date of death. If the child is 15 years or older on the date of death, the benefit is payable for five years~~ 23. The payment to a dependent child is an amount actuarially equivalent to the value of a 100 percent joint and survivor optional annuity using the age of the ~~employee member~~ and the age of the dependent child at the date of the member's death in lieu of the age of the surviving spouse. If there is more than one dependent child, each dependent child ~~shall must~~ receive a proportionate share of the actuarial value of the ~~employee's account~~ 100 percent joint and survivor optional annuity, with the amount of the benefit payable to each child to be determined based on the portion of the total eligibility period that each child is eligible. The process for calculating the ~~dependent child~~ survivor benefit must be approved by the actuary retained under section 356.214.

**EFFECTIVE DATE.** This section is effective July 1, 2023.



Sec. 13. **REVISOR INSTRUCTION.**

In Minnesota Statutes, sections 353E.01 to 353E.08, the revisor of statutes shall change the terms "public employees local government correctional service retirement fund" to "fund" and "an employee covered under section 353E.02" to "member" and "local government correctional employee" to "member" and "public employees local government correctional service retirement plan" to "plan" wherever the terms appear in statutes. The revisor shall make any necessary grammatical changes or changes to sentence structure necessary to preserve the meaning of the text as a result of the changes.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 14. **REPEALER.**

Minnesota Statutes 2022, section 353.01, subdivision 15a, is repealed.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

ARTICLE 3  
PUBLIC EMPLOYEES DEFINED CONTRIBUTION PLAN

Section 1. Minnesota Statutes 2022, section 353D.01, is amended by adding a subdivision to read:

Subd. 1a. **Definitions.** Unless the context clearly indicates that a different meaning is intended, the terms defined in this subdivision, for the purposes of this chapter, have the meanings given:

(1) "association" means the public employees retirement association; and

(2) "plan" means the public employees defined contribution plan.

Sec. 2. Minnesota Statutes 2022, section 353D.01, subdivision 2, is amended to read:

Subd. 2. **Eligibility.** (a) Eligibility to participate in the ~~defined contribution~~ plan is available to:

(1) ~~any~~ any ~~elected or appointed~~ elected or appointed local government ~~officials~~ official of a governmental subdivision who ~~elect~~ elects to participate in the plan under section 353D.02, subdivision 1, and who, for the ~~elected~~ service rendered to a governmental subdivision, ~~are~~ is not ~~members~~ a member of the ~~Public Employees Retirement~~ association within the meaning of section 353.01, subdivision 7;

(2) physicians who, if they did not elect to participate in the plan under section 353D.02, subdivision 2, would meet the definition of member under section 353.01, subdivision 7;

(3) basic and advanced life-support emergency medical service personnel who are employed by any public ambulance service that elects to participate under section 353D.02, subdivision 3;

(4) members of a municipal rescue squad associated with the city of Litchfield in Meeker County, or of a county rescue squad associated with Kandiyohi County, if an independent nonprofit rescue squad corporation, incorporated under chapter 317A, performing emergency management services, and if not affiliated with a fire department or ambulance service and if its members are not eligible for membership in that fire department's or ambulance service's relief association or comparable pension plan;

(5) employees of the Port Authority of the city of St. Paul who elect to participate in the plan under section 353D.02, subdivision 5, and who are not members of the ~~Public Employees Retirement~~ association under section 353.01, subdivision 7;

(6) city managers who elected to be excluded from the general employees retirement plan of the ~~Public Employees Retirement~~ association under section 353.028 and who elected to participate in the public employees defined contribution plan under section 353.028, subdivision 3, paragraph (b);

(7) volunteer or emergency on-call firefighters serving in a municipal fire department or an independent nonprofit firefighting corporation who are not covered by the ~~public employees~~ police and fire retirement plan and who are not covered by a volunteer firefighters relief association and who elect to participate in the public employees defined contribution plan;

(8) elected county sheriffs who are former members of the police and fire plan and who are receiving a retirement annuity as provided under section 353.651; and

(9) persons ~~who are excluded from membership under section 353.01, subdivision 2b, paragraph (a), clause (23)~~ appointed to serve on a board or commission of a governmental subdivision or an instrumentality thereof.

~~(b) For purposes of this chapter, an elected local government official includes a person appointed to fill a vacancy in an elective office. Service as an elected local government official only includes service for the governmental subdivision for which the official was elected by the public at large. Service as an elected local government official ceases and eligibility to participate terminates when the person ceases to be an elected official. An elected local government official does not include an elected county sheriff who must be a member of the police and fire plan as provided under chapter 353.~~

~~(e)~~ (b) Individuals otherwise eligible to participate in the plan under this subdivision who are currently covered by a public or private pension plan because of their employment or provision of services are not eligible to participate in the public employees defined contribution plan.

~~(d)~~ (c) A former participant is a person who has terminated eligible employment or service and has not withdrawn the value of the person's individual account.

Sec. 3. Minnesota Statutes 2022, section 353D.02, subdivision 1, is amended to read:

Subdivision 1. **Elected Local government officials.** Eligible elected or appointed local government officials may elect to participate in the defined contribution plan after being elected or appointed to ~~elective~~ public office by filing a membership application on a form prescribed by the executive director of the association authorizing contributions to be deducted from the ~~elected~~ official's salary. Participation begins on the first day of the pay period for which the contributions were deducted or, if pay period coverage dates are not provided, the date on which the membership application or contributions are received in the office of the association, whichever is received first, provided further that the membership application is received by the association within 60 days of the receipt of the contributions. An election to participate in the plan is revocable during incumbency.

Sec. 4. Minnesota Statutes 2022, section 353D.03, subdivision 1, is amended to read:

Subdivision 1. **Contributions for eligible participants.** (a) The following classes of eligible participants who elect to participate in the public employees defined contribution plan under section 353D.02 shall contribute an amount equal to five percent of salary as defined in section 353.01, subdivision 10:

(1) ~~elected~~ local government officials;

(2) physicians; and

(3) persons who are excluded from membership under section 353.01, subdivision 2b, paragraph (a), clause (23).

(b) A participant's governmental subdivision shall contribute a matching amount.

Sec. 5. **REINSTATEMENT OF APPOINTED OFFICIALS; RESUMPTION OF CONTRIBUTIONS.**

**Subdivision 1. Reinstatement of appointed officials, election not to participate, and make-up contributions.** (a) Any local government official whose participation in the public employees defined contribution plan under Minnesota Statutes, chapter 353D, ceased on or after January 1, 2020, and before the effective date of this section because the official's position changed from an elected position to an appointed position, may participate in the plan upon the effective date of this section by providing notice to the governing body of the local government no later than 30 days after the effective date of this section.

(b) For any official who elects to participate under paragraph (a):

(1) the local government must contribute, no later than 60 days after the effective date of this section, the matching amount that the local government would have contributed under Minnesota Statutes, section 353D.03, subdivision 1, paragraph (b), for the period during which the official's participation ceased; and

(2) the official may contribute, no later than 60 days after the effective date of this section, any amount the official elects, but not to exceed the amount that the official would have contributed under Minnesota Statutes, section 353D.03, subdivision 1, paragraph (a), for the period during which the official's participation ceased.

**Subd. 2. Resumption of contributions by and for appointed officials.** Contributions required under Minnesota Statutes, section 353D.03, subdivision 1, must be made by the local government official and the local government beginning with the first full pay period following the effective date of this section for any official who resumes participation under subdivision 1, paragraph (a).

Sec. 6. **EFFECTIVE DATE.**

Sections 1 to 5 are effective the day following final enactment.

ARTICLE 4  
PERA SERVICE CREDIT FOR  
TWO METROPOLITAN AIRPORT POLICE OFFICERS

Section 1. **TRANSFER OF PAST PERA GENERAL PLAN SERVICE CREDIT TO THE POLICE AND FIRE PLAN.**

**Subdivision 1. Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Executive director" means the executive director of the Public Employees Retirement Association.

(c) "General plan" means the general employees retirement plan of the Public Employees Retirement Association.

(d) "Police and fire plan" means the police and fire retirement plan of the Public Employees Retirement Association.

(e) "Service credit" means time credited as allowable service under Minnesota Statutes, section 353.01, subdivision 16, and credit for salary earned during that time.

(f) "Transfer period" means the period beginning May 2, 2005, and ending October 28, 2005.

Subd. 2. **Authorization.** Notwithstanding any state law to the contrary, an eligible person described in subdivision 3 who makes a payment to the police and fire retirement fund, as permitted under subdivision 4, on or before one year following the effective date of this section is entitled to have:

(1) the employer payment made on the eligible person's behalf under subdivision 5; and

(2) applicable past service credit transferred from the general plan to the police and fire plan for the transfer period under subdivision 6.

Subd. 3. **Eligible person.** (a) An eligible person is a person described in paragraph (b) or (c).

(b) An eligible person is a person who:

(1) was born on July 2, 1982;

(2) was hired as a full-time police officer by the Metropolitan Airports Commission on May 2, 2005; and

(3) was erroneously credited with allowable service in the general plan instead of the police and fire plan for the period beginning May 2, 2005, and ending October 28, 2005.

(c) An eligible person is a person who:

(1) was born on April 18, 1982;

(2) was hired as a full-time police officer by the Metropolitan Airports Commission on May 2, 2005; and

(3) was erroneously credited with allowable service in the general plan instead of the police and fire plan for the period beginning May 2, 2005, and ending October 28, 2005.

Subd. 4. **Payment by eligible person.** (a) An eligible person may pay to the executive director the difference between the employee contribution rate for the general plan and the employee contribution rate for the police and fire plan for the transfer period. The difference between the two rates must be applied to the eligible person's salary at the time that each contribution would have been deducted from pay if the eligible person had been covered by the police and fire plan for the transfer period. The payment must include interest at the applicable annual interest rate or rates that applied for each period listed in Minnesota Statutes, section 354.49, subdivision 2, calculated from the date that each contribution would have been deducted to the date that payment is made.

(b) The payment under paragraph (a) must be made in a lump sum no later than one year following the effective date. Upon receipt of payment, the executive director must notify the Metropolitan Airports Commission that the payment was made and of the amount owed under subdivision 5.

Subd. 5. **Payment by the Metropolitan Airports Commission.** If an eligible person makes the payment under subdivision 4, the Metropolitan Airports Commission, on behalf of the eligible person, must pay to the Public Employees Retirement Association the actuarial present value of the additional benefit resulting from the transferred service credit less the payment made under subdivision 4. This amount must be paid by the department in a lump sum within 30 days after the date on which the executive director notifies the Metropolitan Airports Commission under subdivision 4.

Subd. 6. **Transfer of assets and service credit.** (a) If the payments under subdivisions 4 and 5 are made, the executive director must transfer assets from the general employees retirement fund to the police and fire retirement fund in an amount equal to the actuarial present value of the benefits earned by the eligible person under the general plan during the transfer period. The transfer of assets must be made within 15 days after receipt of the payments under subdivisions 4 and 5.

(b) Upon transfer of the assets under paragraph (a), the eligible person shall have service credit in the police and fire plan and no service credit in the general plan for the transfer period.

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

ARTICLE 5  
TEACHERS RETIREMENT ASSOCIATION

Section 1. Minnesota Statutes 2022, section 354.06, subdivision 2, is amended to read:

Subd. 2. **President; executive director.** The board ~~shall~~ must annually elect one of its members as president. It ~~shall~~ must elect an executive director. Notwithstanding any law to the contrary, the board must set the salary of the executive director. The salary of the executive director must not exceed the limit for a position listed in section 15A.0815, subdivision 2. The executive director shall serve ~~during~~ at the pleasure of the board and be the executive officer of the board, with ~~such~~ the duties prescribed in subdivision 2a and any additional duties as that the board ~~shall~~ may prescribe. The board ~~shall~~ must employ all other clerks and employees necessary to properly administer the association. ~~The cost and expense of administering the provisions of this chapter shall be paid by the association.~~ The board ~~shall~~ must appoint an executive director on the basis of education, experience in the retirement field, ability to manage and lead system staff, and ability to assist the board in setting a vision for the system. The executive director ~~shall~~ must have had at least five years of experience ~~on the administrative staff of a major~~ in either an executive-level management position or in a position with responsibility for the governance, management, or administration of a retirement system plan.

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

ARTICLE 6  
ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION

Section 1. **[354A.25] AUTHORITY TO ELECT A SURVIVOR ANNUITY FOR A SAME-SEX SPOUSE.**

Subdivision 1. **Authorization.** Notwithstanding any law or bylaws to the contrary, an eligible person, as defined in subdivision 2, is authorized to file an amended benefit election to change the eligible person's retirement annuity to a joint and survivor annuity and designate a beneficiary who is the same sex as the eligible person if the eligible person had not previously been allowed to designate a same-sex spouse because the law or bylaws did not permit the designation of a same-sex spouse.

Subd. 2. **Definitions.** For the purposes of this section, the following definitions apply, unless the context clearly indicates another meaning is intended.

(a) "Eligible person" means a person who:

(1) was formerly a basic member as defined under section 354A.011, subdivision 8, or a coordinated member, as defined under section 354A.011, subdivision 11, of the St. Paul Teachers Retirement Fund Association;

(2) retired before August 1, 2013, and is receiving a retirement annuity;

(3) was unmarried at the time of retirement due to the lack of full recognition of same sex marriages under state law; and

(4) had a same-sex spouse at the time of retirement who has continued to be the eligible person's same-sex spouse until the time of the filing of the amended benefit election under subdivision 3.

(b) "Same-sex spouse" means a spouse of the same sex as the eligible person who otherwise satisfies the eligibility requirements to receive spousal benefits under the basic plan or coordinated plan of the St. Paul Teachers Retirement Fund Association. Before August 1, 2013, a same-sex spouse is an individual in a relationship with the eligible person that would have caused the individual to satisfy the eligibility requirements to receive spousal benefits under the basic plan or coordinated plan of the St. Paul Teachers Retirement Fund Association had the individual and eligible person been permitted to marry under state law.

Subd. 3. **Right to elect a joint and survivor annuity for a same-sex spouse.** (a) An eligible person may file an amended benefit election to change the eligible person's retirement annuity to a joint and survivor annuity that will pay an annuity for the life of the eligible person and a survivor annuity for the life of the eligible person's same-sex spouse.

(b) To file an amended benefit election, the eligible person must file an election in the form requested by the executive director of the St. Paul Teachers Retirement Fund Association and must designate the same-sex spouse as the primary designated beneficiary.

Subd. 4. **Eligible persons who are members of the coordinated plan.** If the eligible person is a member of the coordinated plan of the St. Paul Teachers Retirement Fund Association, the executive director will recalculate the eligible person's benefit based on the amended benefit election and notify the eligible person of the amount that was overpaid plus interest since the commencement of the retirement annuity. The overpayment plus interest must be recovered in accordance with section 354A.12, subdivision 7, by reducing future monthly pension payments.

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

#### ARTICLE 7 TRANSFERS FROM THE MINNESOTA STATE IRAP TO TRA

#### Section 1. **ALLOWING TRANSFERS FROM THE IRAP TO TRA FOR FOUR FOND DU LAC COLLEGE EMPLOYEES.**

Subdivision 1. **Authorization.** Notwithstanding any provision of law to the contrary, an eligible person described in subdivision 2 is authorized to become a member of the Teachers Retirement Association and to receive service and salary credit in the Teachers Retirement Association upon making an election and the contribution required under subdivision 3.

Subd. 2. **Eligible person.** (a) An eligible person is a person described in paragraph (b), (c), (d), or (e).

(b) An eligible person is a person who:

(1) was born on June 14, 1969;

(2) is employed by a Minnesota state college or university or the Board of Trustees of the Minnesota State Colleges and Universities;

(3) was first employed on December 13, 2017, by the Fond du Lac Tribal and Community College as an eLearning support specialist, with retirement coverage in the higher education individual retirement account plan; and

(4) was not offered an election to be covered by the Teachers Retirement Association as authorized by Minnesota Statutes 2017, section 354B.21.

(c) An eligible person is a person who:

(1) was born on October 9, 1992;

(2) is employed by a Minnesota state college or university or the Board of Trustees of the Minnesota State Colleges and Universities;

(3) was first employed on June 12, 2019, by the Fond du Lac Tribal and Community College as the Nandagikendan (Seek to Learn) Academy director with retirement coverage in the higher education individual retirement account plan; and

(4) was not offered an election to be covered by the Teachers Retirement Association as authorized by Minnesota Statutes 2019, section 354B.211.

(d) An eligible person is a person who:

(1) was born on November 12, 1983;

(2) is employed by a Minnesota state college or university or the Board of Trustees of the Minnesota State Colleges and Universities;

(3) was first employed on February 18, 2020, by the Fond du Lac Tribal and Community College as a youth education outreach coordinator with retirement coverage in the higher education individual retirement account plan; and

(4) was not offered an election to be covered by the Teachers Retirement Association as authorized by Minnesota Statutes 2020, section 354B.211.

(e) An eligible person is a person who:

(1) was born on September 3, 1982;

(2) is employed by a Minnesota state college or university or the Board of Trustees of the Minnesota State Colleges and Universities;

(3) was first employed on June 11, 2018, by the Fond du Lac Tribal and Community College as a farm manager with retirement coverage in the higher education individual retirement account plan; and

(4) was not offered an election to be covered by the Teachers Retirement Association as authorized by Minnesota Statutes 2018, section 354B.21.

**Subd. 3. Election, transfer, and payment.** (a) To elect coverage by the Teachers Retirement Association, an eligible person must submit a written application to the executive director of the Teachers Retirement Association on a form provided by the Teachers Retirement Association. The application must include documentation demonstrating that the person is an eligible person under subdivision 2 and any other relevant information that the executive director may require.

(b) Membership in the Teachers Retirement Association commences after the date the executive director receives the retirement coverage election and information described under paragraph (a) and the contribution specified under paragraph (c), if any. Upon membership commencement, the executive director must grant past service and salary credit for employment with a Minnesota state college or university from the date the eligible person was first employed as described under subdivision 2.

(c) If the eligible person makes the retirement coverage election under paragraph (a), the eligible person must make a contribution to the Teachers Retirement Association equal to the excess, if any, of the employee contributions that the eligible person would have made if covered by the Teachers Retirement Association for the period of past service and salary for which credit is to be granted under paragraph (b) over the employee contributions that the eligible person made to the higher education individual retirement account plan for the same period of past service and salary. The executive director of the Teachers Retirement Association must determine the amount to be contributed under this paragraph and notify the eligible person of the amount required and options for making the payment.

(d) Upon the election of retirement coverage under paragraph (a) and payment of the contribution under paragraph (c), if a contribution is required, the value of the eligible person's account in the higher education individual retirement account plan must be transferred to the Teachers Retirement Association.

(e) Upon receipt of the amount transferred under paragraph (d), the Teachers Retirement Association shall determine the required purchase payment amount calculated under Minnesota Statutes, section 356.551, as if the coverage election was a prior service credit purchase.

(f) From the amount calculated under paragraph (e), the executive director of the Teachers Retirement Association must subtract the amounts received under paragraphs (c) and (d). The Board of Trustees of the Minnesota State Colleges and Universities must transmit the remaining amount, if any, to the executive director of the Teachers Retirement Association within 60 days following the receipt of the amount transferred under paragraph (d).

Subd. 4. **Expiration.** The authority to make a retirement coverage election under this section expires one year from the effective date of this section.

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

Sec. 2. **ALLOWING TRANSFER FROM THE IRAP TO TRA FOR ONE MINNESOTA STATE EMPLOYEE.**

(a) Notwithstanding any provision of law to the contrary, an eligible person described in paragraph (b) is authorized to become a member of the Teachers Retirement Association and to receive service and salary credit in the Teachers Retirement Association from May 28, 2008, upon making an election under paragraph (c) and upon making the required contribution under paragraph (e).

(b) An eligible person is a person who:

(1) was born on July 11, 1950;

(2) was first employed on May 28, 2008, in the Minnesota State system office in the city of St. Paul as an academic program director and, on December 31, 2022, was employed as the system director for Academic Programs, Planning, and Transfer, with retirement coverage in the higher education individual retirement account plan; and

(3) was not offered an election to be covered by the Teachers Retirement Association as authorized by Minnesota Statutes 2008, section 354B.21.

(c) To elect coverage by the Teachers Retirement Association, an eligible person must submit a written application to the executive director of the Teachers Retirement Association on a form provided by the Teachers Retirement Association. The application must include documentation demonstrating that the person is an eligible person under paragraph (b) and any other relevant information that the executive director may require.

(d) Membership in the Teachers Retirement Association commences after the date the executive director receives (1) the retirement coverage election, including information described in paragraph (c), and (2) the contribution specified in paragraph (e). Upon membership commencement, the executive director must grant past service and salary credit for employment with Minnesota State from May 28, 2008.

(e) If the eligible person makes the retirement coverage election under paragraph (c), the eligible person must make a contribution to the Teachers Retirement Association equal to the excess, if any, of the employee contributions that the eligible person would have made if covered by the Teachers Retirement Association for the



period of past service and salary for which credit is to be granted under paragraph (d) over the employee contributions that the eligible person made to the higher education individual retirement account plan for the same period of past service and salary. The executive director of the Teachers Retirement Association must determine the amount to be contributed under this paragraph and notify the eligible person of the amount required and options for making the payment.

(f) If payment is made under paragraph (e), the value of the eligible person's account in the higher education individual retirement account plan must be transferred to the Teachers Retirement Association.

(g) Upon receipt of the amount transferred under paragraph (f), the Teachers Retirement Association shall determine the required purchase payment amount calculated under Minnesota Statutes, section 356.551, as if the coverage election was a purchase of prior service credit.

(h) From the amount calculated under paragraph (g), the executive director of the Teachers Retirement Association must subtract the amounts received under paragraphs (e) and (f). The Board of Trustees of the Minnesota State Colleges and Universities must transmit the remaining amount, if any, to the executive director of the Teachers Retirement Association within 60 days following the receipt of the amount transferred under paragraph (f).

(i) An eligible person's authority to make a retirement coverage election under this section expires one year from the effective date of this section.

(j) An eligible person may elect coverage by the Teachers Retirement Association under paragraph (c) during or after the eligible person's employment with the Minnesota State Colleges and Universities, as long as the eligible person has not withdrawn or taken a distribution of all or any portion of the eligible person's account in the higher education individual retirement account plan.

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

### Sec. 3. **WORK GROUP ON IRAP TO TRA TRANSFERS.**

Subdivision 1. **Work group established.** The executive director of the Legislative Commission on Pensions and Retirement must convene a work group for the purpose of recommending legislation to end the need for special legislation permitting participants in the higher education individual retirement account plan to transfer to the Teachers Retirement Association because the participant was not aware or did not receive notice of the right to elect a transfer when the participant was eligible to elect a transfer under applicable law.

Subd. 2. **Membership.** (a) The work group must consist of at least the following:

(1) representatives from Minnesota State Colleges and Universities;

(2) representatives from the Teachers Retirement Association;

(3) one representative from the Inter Faculty Organization (IFO);

(4) one representative from the Minnesota State College Faculty (MSCF); and

(5) one representative from the Minnesota Association of Professional Employees (MAPE).

(b) The executive director may invite others to participate in one or more meetings of the work group.

(c) The organizations specified in paragraph (a) must provide the executive director with the names and contact information for the representatives who will serve on the work group by June 15, 2023.

Subd. 3. **Scope.** (a) The work group must recommend legislation or alternatives for legislation that:

(1) address the cost of the transfers to the Teachers Retirement Association and the Minnesota State Colleges and Universities;

(2) end the need for participants in the higher education individual retirement account plan to seek special legislation permitting them to transfer to the Teachers Retirement Association;

(3) would have authorized the transfer election by all individuals covered by special legislation in the last ten legislative sessions had the recommended legislation been enacted 11 years ago;

(4) require the administration of Minnesota State Colleges and Universities to conduct outreach to all facilities and plan participants to inform them about the opportunity to transfer to the Teachers Retirement Association and the procedure for doing so;

(5) require an annual report to the Legislative Commission on Pensions and Retirement from the appropriate human resources manager at Minnesota State Colleges and Universities and the executive director of the Teachers Retirement Association on the number of employees who elected a transfer during the prior twelve-month period under the legislation and, for each employee, the cost of the transfer to the employee and Minnesota State Colleges and Universities and the actuarial cost of the employee's pension benefit at the time of the transfer as calculated by the Teachers Retirement Association; and

(6) must not increase the unfunded liability of the Teachers Retirement Association.

(b) The recommendation must be accompanied by estimates prepared by representatives of the Minnesota State Colleges and Universities of the number of participants in the higher education individual retirement account plan who are eligible for a transfer under the recommended legislation and the cost to the Minnesota State Colleges and Universities if the eligible participants elect the transfer.

Subd. 4. **Due date for submitting recommendation to the commission.** The executive director must submit the recommendation of the work group to the chair of the Legislative Commission on Pensions and Retirement by January 5, 2024.

Subd. 5. **Meetings.** (a) The executive director must convene the first meeting of the work group by August 1, 2023, and will serve as chair.

(b) Meetings may be conducted remotely or in-person or a combination of remote and in-person.

(c) In-person meetings will be held in the offices of the Legislative Coordinating Commission.

Subd. 6. **Compensation; lobbying; retaliation.** (a) Members of the work group serve without compensation.

(b) Participation in the work group is not lobbying under Minnesota Statutes, chapter 10A.

(c) An individual's employer or an association of which an individual is a member must not retaliate against the individual because of the individual's participation in the work group.

Subd. 7. **Administrative support.** Commission staff must provide administrative support for the work group.

Subd. 8. **Expiration.** The work group expires June 30, 2024.

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

ARTICLE 8  
SERVICE CREDIT PURCHASES  
FOR PERIODS OF MILITARY LEAVE

Section 1. Minnesota Statutes 2022, section 354.53, subdivision 3, is amended to read:

Subd. 3. **Eligible payment period.** (a) To receive service credit under this section, the contributions specified in this section must be transmitted to the Teachers Retirement Association during the period which begins with the date on which the individual returns to teaching service and which has a duration of three times the length of the uniformed service period, but not to exceed five years.

(b) Notwithstanding paragraph (a), if the payment period determined under paragraph (a) is less than ~~one year~~ three years, the contributions required under this section to receive service credit may be made within ~~one year~~ three years from the discharge date.

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

Sec. 2. Minnesota Statutes 2022, section 354A.093, subdivision 4, is amended to read:

Subd. 4. **Eligible payment period.** (a) To receive service credit under this section, the contributions specified in this section must be transmitted to the St. Paul Teachers Retirement Fund Association during the period which begins with the date the individual returns to teaching service and which has a duration of three times the length of the uniformed service period, but not to exceed five years.

(b) Notwithstanding paragraph (a), if the payment period determined under paragraph (a) is less than ~~one year~~ three years, the contributions required under this section to receive service credit may be made within ~~one year~~ three years from the discharge date.

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

ARTICLE 9  
ANNUAL LIMIT ON PUBLIC FUNDS  
CONTRIBUTED TO TWO MULTIEMPLOYER PENSION PLANS

Section 1. Minnesota Statutes 2022, section 356.24, subdivision 1, is amended to read:

Subdivision 1. **Restriction; exceptions.** It is unlawful for a school district or other governmental subdivision or state agency to levy taxes for or to contribute public funds to a supplemental pension or deferred compensation plan that is established, maintained, and operated in addition to a primary pension program for the benefit of the governmental subdivision employees other than:

- (1) to a supplemental pension plan that was established, maintained, and operated before May 6, 1971;
- (2) to a plan that provides solely for group health, hospital, disability, or death benefits;
- (3) to the individual retirement account plan established by chapter 354B;
- (4) to a plan that provides solely for severance pay under section 465.72 to a retiring or terminating employee;
- (5) to a deferred compensation plan defined in subdivision 3;

(6) for personnel employed by the Board of Trustees of the Minnesota State Colleges and Universities and not covered by clause (5), to the supplemental retirement plan under chapter 354C, if the supplemental plan coverage is provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of the covered employees in an appropriate unit, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of \$2,700 a year for each employee;

(7) to a supplemental plan or to a governmental trust to save for postretirement health care expenses qualified for tax-preferred treatment under the Internal Revenue Code, if the supplemental plan coverage is provided for in a personnel policy or in the collective bargaining agreement of a public employer with the exclusive representative of the covered employees in an appropriate unit;

(8) to the laborers national industrial pension fund or to a laborers local pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of ~~\$7,000~~ \$10,000 per year per employee;

(9) to the plumbers and pipefitters national pension fund or to a plumbers and pipefitters local pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of \$5,000 per year per employee;

(10) to the international union of operating engineers pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of ~~\$5,000~~ \$10,000 per year per employee;

(11) to the International Association of Machinists national pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of \$5,000 per year per employee;

(12) for employees of United Hospital District, Blue Earth, to the state of Minnesota deferred compensation program, if the employee makes a contribution, in an amount that does not exceed the total percentage of covered salary under section 353.27, subdivisions 3 and 3a;

(13) to the alternative retirement plans established by the Hennepin County Medical Center under section 383B.914, subdivision 5; or

(14) to the International Brotherhood of Teamsters Central States pension plan for fixed-route bus drivers employed by the St. Cloud Metropolitan Transit Commission who are members of the International Brotherhood of Teamsters Local 638 by virtue of that employment.

#### ARTICLE 10

#### VESTING UNDER THE PERA STATEWIDE VOLUNTEER FIREFIGHTER PLAN

Section 1. Minnesota Statutes 2022, section 353G.01, subdivision 8, is amended to read:

Subd. 8. **Member.** "Member" means an individual who is or was a volunteer firefighter ~~who provides active providing~~ service to a ~~municipal fire department~~ municipality or an independent nonprofit firefighting corporation ~~where the applicable municipality or corporation~~ that has elected coverage by the ~~retirement~~ plan under section 353G.05, and ~~which~~ whose service is covered by the ~~retirement~~ plan.

Sec. 2. Minnesota Statutes 2022, section 353G.01, is amended by adding a subdivision to read:

Subd. 12a. **Service credit.** "Service credit" means the period of service rendered by a volunteer firefighter that is certified under section 353G.07 by the fire chief of the fire department in which the volunteer firefighter serves. A volunteer firefighter's service credit equals all periods of service with any fire department covered by the plan.

Sec. 3. Minnesota Statutes 2022, section 353G.01, is amended by adding a subdivision to read:

Subd. 14a. **Vesting service credit.** "Vesting service credit" means service credit plus any earlier period of service rendered as a volunteer firefighter in a fire department in the state that was not covered by the plan at the time the service was rendered. The earlier period of service must be certified by the fire chief of the fire department covered by the plan in a manner similar to the requirements of section 353G.07. The volunteer firefighter must provide documentation in a form acceptable to the executive director regarding the earlier period of service.

Sec. 4. Minnesota Statutes 2022, section 353G.01, subdivision 15, is amended to read:

Subd. 15. **Volunteer firefighter.** "Volunteer firefighter" means a person who is an active member of a ~~municipal~~ the fire department of a municipality or an independent nonprofit firefighting corporation and who, in that capacity, engages in fire suppression activities, provides emergency response services, or delivers fire education or prevention services on an on-call basis.

Sec. 5. Minnesota Statutes 2022, section 353G.09, subdivision 1, is amended to read:

Subdivision 1. **Entitlement.** (a) A member ~~of~~ with at least one year of service credit with a fire department with active firefighters that are covered by the ~~retirement~~ plan is entitled to a ~~service pension~~ retirement benefit as defined in subdivision 1a from the ~~retirement~~ fire department's account in the plan if the member:

- (1) has separated from active service with the fire department for at least 30 days;
- (2) has attained the age of at least 50 years;
- (3) has satisfied the minimum service requirement in paragraph (b) or (c), as applicable; and
- (4) applies in a manner prescribed by the executive director ~~for the service pension.~~

(b) ~~A~~ If the member is a member of the lump-sum division, the member satisfies the minimum service requirement if the member ~~meets at least one of the following requirements:~~ is at least 40 percent vested as determined under subdivision 2.

- ~~(1) the member is at least 40 percent vested based on years of service as a member of the retirement plan;~~
- ~~(2) the member is at least 40 percent vested based on years of service with the fire department and the total number of years of service as a member of the former affiliated relief association plus years of service as a member of the retirement plan is at least five; or~~

~~(3)~~ (c) If the member is a member of the monthly benefit division, the member satisfies the minimum service requirement if the member has completed at least the minimum number of years of service as a member of the retirement plan specified in the retirement benefit plan document ~~attributable to the applicable fire department if the person is a member of the monthly benefit retirement division applicable to the member.~~

Sec. 6. Minnesota Statutes 2022, section 353G.09, is amended by adding a subdivision to read:

Subd. 1a. **Retirement benefit.** (a) A volunteer firefighter who is entitled to a service pension under subdivision 1 must receive a retirement benefit under subdivision 1, paragraph (a) or (b), as applicable.

(b) The retirement benefit of a member of the lump-sum division is equal to the number of years of service credit certified under section 353G.07 for the member, multiplied by the service pension level applicable to the member under section 353G.11, multiplied by the member's vested percentage under subdivision 2.

(c) The retirement benefit of a member of the monthly benefit division is equal to the number of years of service credit certified under section 353G.07 for the member, multiplied by the service pension level applicable to the member under section 353G.112, multiplied by the member's vested percentage under subdivision 2.

Sec. 7. Minnesota Statutes 2022, section 353G.09, subdivision 2, is amended to read:

Subd. 2. ~~Vesting schedule; nonforfeitable portion of service pension~~ **Vested percentage.** A member of the plan has a nonforfeitable right to a retirement benefit, up to the percent vested. The member's vested percentage is determined under paragraph (a), (b), or (c), as applicable.

~~(a) Except as provided in paragraphs (c) and (d), an active retirement division is entitled to a service pension and employed in a fire department that joined the plan before January 1, 2023, the member's vested percentage is equal to the nonforfeitable percentage that corresponds to the number of the applicable service pension amount, taking into account years of vesting service as a member of the retirement plan plus years of service as a member of the former affiliated relief association, if any, credit, as follows:~~

Completed years of service credit	Nonforfeitable <u>Vested percentage</u> of the service pension
less than 5	0 percent
5	40 percent
6	44 percent
7	48 percent
8	52 percent
9	56 percent
10	60 percent
11	64 percent
12	68 percent
13	72 percent
14	76 percent
15	80 percent
16	84 percent
17	88 percent
18	92 percent
19	96 percent

~~(b) If the member is a member of the lump-sum division and employed in a fire department that joined the retirement plan on or after January 1, 2023, the member's vested percentage is equal to the percentage determined by applying the vesting schedule selected in the request for coverage under section 353G.05, subdivision 1a, taking into account years of vesting service credit.~~

~~(c) If an active the member is a member of the monthly benefit retirement division and has completed 20 years of service as a member of the plan, the member is 100 percent vested. If the member has completed less than 20 years of service credit as a member of the monthly benefit retirement division of the plan, the person's entitlement to a service pension must be governed by member's vested percentage is equal to the percentage determined under the retirement benefit plan document attributable to the applicable fire department applicable to the member.~~

~~(e) A person described in paragraph (d) is entitled to the vested portion of the service pension as determined by applying the vesting schedule selected in the request for coverage under section 353G.05, subdivision 1a, taking into account years of service as a member of the retirement plan plus years of service as a member of the former affiliated relief association, if any.~~

~~(d) A person is described in this paragraph if the person becomes a member of the lump-sum retirement division in connection with the transfer of coverage from a relief association to the retirement plan on or after January 1, 2023, or in connection with a municipality or independent nonprofit firefighting corporation joining the retirement plan on or after January 1, 2023.~~

Sec. 8. Minnesota Statutes 2022, section 353G.14, is amended to read:

**353G.14 PURCHASE OF ANNUITY CONTRACTS DISTRIBUTIONS FROM LUMP-SUM DIVISION.**

Subdivision 1. **Lump sum.** Unless a volunteer firefighter requests an annuity under subdivision 2, the executive director must distribute a lump-sum service pension in the form of a single payment from the account of each fire department covered by the plan in which the volunteer firefighter earned a retirement benefit under section 353G.09.

Subd. 2. **Annuity.** The executive director may purchase an annuity contract on behalf of a ~~retiring~~ volunteer firefighter retiring from the lump-sum ~~retirement~~ retirement division of the ~~statewide retirement~~ retirement plan with a total premium payment in an amount equal to the lump-sum service pension payable under section 353G.09 if the purchase was requested by the ~~retiring~~ volunteer firefighter in a manner prescribed by the executive director. The annuity contract must be purchased from an insurance carrier that is licensed to do business in this state. If purchased, the annuity contract is in lieu of any service pension or other benefit from the lump-sum retirement plan of the retirement plan. The annuity contract may be purchased at any time after the volunteer firefighter discontinues active service, but the annuity contract must stipulate that no annuity amounts are payable before the ~~former~~ volunteer firefighter attains the age of 50.

Sec. 9. **REVISOR INSTRUCTION.**

In Minnesota Statutes, chapter 353G, the revisor of statutes shall change the terms in column A to the terms in column B wherever the terms appear.

Column A

lump-sum retirement division  
monthly benefit retirement division  
retirement plan

Column B

lump-sum division  
monthly benefit division  
plan

Sec. 10. **REPEALER.**

Minnesota Statutes 2022, sections 353G.01, subdivision 7; and 353G.13, are repealed.

Sec. 11. **EFFECTIVE DATE.**

Sections 1 to 10 are effective January 1, 2024.

ARTICLE 11  
RELIEF ASSOCIATION REQUIREMENTS AFTER JOINING  
THE PERA STATEWIDE VOLUNTEER FIREFIGHTER PLAN

Section 1. Minnesota Statutes 2022, section 353G.06, subdivision 2, is amended to read:

Subd. 2. **Other relief association changes.** In addition to the transfer and disestablishment of the special fund under subdivision 1, notwithstanding any provisions of chapter 424A or 424B to the contrary, upon the effective date of the change in ~~volunteer firefighter retirement~~ coverage, if the relief association membership elects to retain the relief association as a ~~fraternal nonprofit~~ fraternal nonprofit organization after the ~~benefit~~ benefit coverage election, the following changes must be implemented with respect to the ~~applicable volunteer firefighter~~ applicable volunteer firefighter relief association:

~~(1) the relief association board of trustees membership is reduced to five, comprised of the fire chief of the fire department and four trustees elected by and from the relief association membership;~~

~~(2) the relief association may only maintain a general fund, which continues to be governed by section 424A.06;~~

~~(3) (1) the relief association is not authorized to receive the proceeds of any state aid or to receive any municipal funds; and~~

(4) (2) the relief association may not pay any service pension or benefit that was not authorized as a general fund disbursement under the articles of incorporation or bylaws of the relief association in effect immediately prior to the plan coverage election process.

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

Sec. 2. Minnesota Statutes 2022, section 353G.06, subdivision 3, is amended to read:

Subd. 3. **Successor in interest.** Upon the disestablishment of the special fund of the ~~volunteer firefighter~~ relief association under this section, the ~~statewide volunteer firefighter retirement~~ plan is the successor in interest of the special fund of the ~~volunteer firefighter~~ relief association for all claims against the special fund other than a claim against the special fund, the ~~volunteer firefighter~~ relief association, the municipality, the fire department, or any person connected with the ~~volunteer firefighter~~ relief association in a fiduciary capacity under chapter 356A or common law that was based on any act or acts which were not performed in good faith and which constituted a breach of a fiduciary obligation. As the successor in interest of the special fund of the ~~volunteer firefighter~~ relief association, the ~~statewide volunteer firefighter retirement~~ plan may assert any applicable defense in any judicial proceeding which the board of trustees of the ~~volunteer firefighter~~ relief association or the municipality would have been entitled to assert.

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

## ARTICLE 12 THRESHOLD FOR REQUIRING RELIEF ASSOCIATIONS TO FILE AUDITED FINANCIAL STATEMENTS

Section 1. Minnesota Statutes 2022, section 424A.014, subdivision 1, is amended to read:

Subdivision 1. **Financial report and audit.** (a) An annual financial report and audited financial statements in accordance with paragraphs (c) to (e) must be submitted by the board of trustees of the Bloomington Fire Department Relief Association and the board of trustees of each ~~volunteer~~ firefighters relief association with special fund assets of at least ~~\$500,000~~ \$750,000 or special fund liabilities of at least ~~\$500,000~~ \$750,000, according to any previous year's financial report.

(b) The board of trustees of a ~~volunteer~~ firefighters relief association with special fund assets of less than ~~\$500,000~~ \$750,000 and special fund liabilities of less than ~~\$500,000~~ \$750,000, according to each previous year's financial report, may submit an annual financial report and audited financial statements in accordance with paragraphs (c) to (e).

(c) The financial report must cover the relief association's special fund and general fund and be in the style and form prescribed by the state auditor. The financial report must be countersigned by:

(1) the municipal clerk or clerk-treasurer of the municipality in which the relief association is located if the relief association is directly associated with a municipal fire department;

(2) the municipal clerk or clerk-treasurer of the largest municipality in population that contracts with the independent nonprofit firefighting corporation if the volunteer firefighter relief association is a subsidiary of an independent nonprofit firefighting corporation, and by the secretary of the independent nonprofit firefighting corporation; or



(3) the chief financial official of the county in which the volunteer firefighter relief association is located or primarily located if the relief association is associated with a fire department that is not located in or associated with an organized municipality.

(d) The financial report must be retained in the office of the Bloomington Fire Department Relief Association or the volunteer firefighter relief association for public inspection and must be filed with the governing body of the government subdivision in which the associated fire department is located after the close of the fiscal year. One copy of the financial report must be furnished to the state auditor on or before June 30 after the close of the fiscal year.

(e) Audited financial statements that present the true financial condition of the relief association's special fund and general fund must be attested to by a certified public accountant or by the state auditor and must be filed with the state auditor on or before June 30 after the close of the fiscal year. Audits must be conducted in compliance with generally accepted auditing standards and section 6.65 governing audit procedures. The state auditor may accept audited financial statements in lieu of the financial report required in paragraph (a).

Sec. 2. **EFFECTIVE DATE; APPLICATION.**

This article is effective on December 31, 2023, and applies to audited financial statements for calendar year 2023 and thereafter. A relief association with special fund assets of less than \$750,000 and special fund liabilities of less than \$750,000 on December 31, 2023, is not required to submit audited financial statements under Minnesota Statutes, section 424A.014, subdivision 1, unless and until the association's special fund assets or special fund liabilities exceed \$750,000, even if audited financial statements were required on the date immediately prior to the effective date.

ARTICLE 13

HAMEL AND LORETTO RELIEF ASSOCIATIONS

Section 1. **STATEWIDE VOLUNTEER FIREFIGHTER PLAN COVERAGE FOR HAMEL AND LORETTO FIREFIGHTERS; MERGER OF ASSETS AND LIABILITIES.**

Subdivision 1. **Mid-year effective date for coverage by the statewide volunteer firefighter plan.** (a) If the requirements of paragraph (b) and all other requirements for coverage by the statewide volunteer firefighter plan under Minnesota Statutes, section 353G.05, are satisfied by the governing boards of the independent nonprofit firefighting corporation and the affiliated relief associations, the effective date of coverage is as provided in paragraph (c) or (d), as applicable, notwithstanding Minnesota Statutes, section 353G.05, subdivision 5, paragraph (c).

(b) The Hamel Volunteer Fire Department Relief Association and the Loretto Firefighters Relief Association must submit to the state auditor detailed investment or financial statements in a format satisfactory to the state auditor that confirm transfer of all special fund assets to the State Board of Investment.

(c) Coverage of the volunteer firefighters employed by the independent nonprofit firefighting corporation that operates the fire department that serves the community of Hamel is effective on the later of the date of approval by the governing board of the independent nonprofit firefighting corporation or the date of approval by the Board of Trustees of the Hamel Volunteer Fire Department Relief Association.

(d) Coverage of the volunteer firefighters employed by the independent nonprofit firefighting corporation that operates the fire department that serves the city of Loretto is effective on the later of the date of approval by the governing board of the independent nonprofit firefighting corporation or the date of approval by the Board of Trustees of the Loretto Firefighters Relief Association.

**Subd. 2. Merger of retirement accounts in the statewide volunteer firefighter plan for the Hamel and Loretto firefighters.** (a) The executive director of the public employees retirement association must merge the assets and liabilities of the lump-sum retirement plan account for the fire department that serves the community of Hamel with the assets and liabilities of the lump-sum retirement plan account for the fire department that serves the city of Loretto upon receipt of the following:

(1) resolutions approved by the governing board of the independent nonprofit firefighting corporation associated with the fire department that serves the community of Hamel approving the merger and directing the executive director to merge the lump-sum plan accounts and take any other action determined necessary by the executive director to effectuate the merger; and

(2) resolutions approved by the governing board of the independent nonprofit firefighting corporation associated with the fire department that serves the city of Loretto approving the merger and directing the executive director to merge the lump-sum plan accounts and take any other action determined necessary by the executive director to effectuate the merger.

(b) The executive director is authorized to take whatever actions deemed necessary to effectuate the merger, notwithstanding any state laws to the contrary.

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

Delete the title and insert:

"A bill for an act relating to retirement; making administrative changes to the statutes governing the retirement plans administered by the Minnesota State Retirement System, the Public Employees Retirement Association, and the Teachers Retirement Association; amending eligibility to permit appointed local government officials to participate in the public employees defined contribution plan; permitting the transfer of service credit from the general public employees retirement plan to the public employees police and fire retirement plan for two employees of the Metropolitan Airports Commission; permitting eligible retired teachers in the St. Paul Teachers Retirement Fund Association to change the teacher's retirement annuity to an annuity that will pay a survivor annuity to a same-sex spouse; authorizing certain members of the higher education individual retirement account plan to elect Teachers Retirement Association coverage and receive retroactive service credit; extending the payment period for the purchase of service credit for periods of military service; increasing the cap on the employer contribution to certain trades' multiemployer pension plans; Public Employees Retirement Association statewide volunteer firefighter plan; modifying service counted in determining vesting in a retirement benefit, amending requirements applicable to a relief association after the affiliated fire department joins the statewide plan, and authorizing the Hamel and Loretto volunteer firefighter relief associations to join the statewide plan mid-year and merge; increasing the dollar threshold for requiring audited financial reports for volunteer firefighter relief associations; amending Minnesota Statutes 2022, sections 352B.08, subdivision 1; 353.01, subdivisions 2a, 2b, 15; 353.0162; 353.031, subdivision 10; 353.32, subdivision 1c; 353D.01, subdivision 2, by adding a subdivision; 353D.02, subdivision 1; 353D.03, subdivision 1; 353E.001, by adding subdivisions; 353E.07, subdivisions 3, 4, 5; 353G.01, subdivisions 8, 15, by adding subdivisions; 353G.06, subdivisions 2, 3; 353G.09, subdivisions 1, 2, by adding a subdivision; 353G.14; 354.06, subdivision 2; 354.53, subdivision 3; 354A.093, subdivision 4; 356.24, subdivision 1; 356.551, subdivision 2; 424A.014, subdivision 1; 490.1211; proposing coding for new law in Minnesota Statutes, chapter 354A; repealing Minnesota Statutes 2022, sections 353.01, subdivision 15a; 353G.01, subdivision 7; 353G.13; 490.124, subdivision 10."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 665, 1189, 1233, 1522, 1587, 1667, 1922, 2204, 2555, 2687, 2712 and 2950 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Pfarr introduced:

H. F. No. 3114, A bill for an act relating to state lands; amending a conveyance of certain state land in Le Sueur County; amending Laws 2013, chapter 127, section 63.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance and Policy.

Hudella introduced:

H. F. No. 3115, A bill for an act relating to capital investment; appropriating money for water treatment plants in the city of Hastings; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Knudsen introduced:

H. F. No. 3116, A bill for an act relating to economic development; requiring a report; appropriating money for the unrealized business grant program.

The bill was read for the first time and referred to the Committee on Economic Development Finance and Policy.

Koegel introduced:

H. F. No. 3117, A bill for an act relating to transportation; appropriating money for trunk highway pavement smoothness improvements.

The bill was read for the first time and referred to the Committee on Transportation Finance and Policy.

Koegel introduced:

H. F. No. 3118, A bill for an act relating to transportation; appropriating money for trunk highway pavement design improvements on the National Highway System.

The bill was read for the first time and referred to the Committee on Transportation Finance and Policy.

Dauids introduced:

H. F. No. 3119, A bill for an act relating to taxation; individual income; providing an exemption for income earned by certain nonresident employees; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Taxes.

Urdahl; Hudella; Xiong; Anderson, P. H., and Bakeberg introduced:

H. F. No. 3120, A bill for an act relating to education; requiring notification for nonrenewal of coaching contracts; amending Minnesota Statutes 2022, section 122A.33, subdivision 2.

The bill was read for the first time and referred to the Committee on Education Policy.

Noor introduced:

H. F. No. 3121, A bill for an act relating to human services; appropriating money to Greater Minneapolis Council of Churches for homelessness support services.

The bill was read for the first time and referred to the Committee on Children and Families Finance and Policy.

O'Driscoll and Wolgamott introduced:

H. F. No. 3122, A bill for an act relating to capital investment; appropriating money for capital improvements along a section of County State-Aid Highway 1 in Benton County; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

O'Driscoll and Wolgamott introduced:

H. F. No. 3123, A bill for an act relating to capital investment; appropriating money for Phase 1 of capital improvements along a section of County State-Aid Highway 1 in Benton County; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Lillie introduced:

H. F. No. 3124, A bill for an act relating to arts and cultural heritage; appropriating money for grants to facilitate youth involvement in tuj lub and sepak takraw sports.

The bill was read for the first time and referred to the Committee on Legacy Finance.

Kresha introduced:

H. F. No. 3125, A bill for an act relating to education; prohibiting admission fees at public school events; proposing coding for new law in Minnesota Statutes, chapter 123B.

The bill was read for the first time and referred to the Committee on Education Policy.

Kresha introduced:

H. F. No. 3126, A bill for an act relating to education; establishing a fund to promote healthy environments for learning and teaching; appropriating money.

The bill was read for the first time and referred to the Committee on Education Policy.

Hassan introduced:

H. F. No. 3127, A bill for an act relating to capital investment; appropriating money to Ka Joog for a workforce training center.

The bill was read for the first time and referred to the Committee on Capital Investment.

Johnson introduced:

H. F. No. 3128, A bill for an act relating to public safety; prohibiting courts from sentencing a person without regard to the mandatory minimum sentence applicable to certain designated crimes; amending Minnesota Statutes 2022, section 609.11, subdivision 8, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Public Safety Finance and Policy.

Anderson, P. H.; Petersburg; Franson; Davids and Urdahl introduced:

H. F. No. 3129, A bill for an act relating to transportation; appropriating money for reconstruction of marked Interstate Highway 94 between the cities of St. Joseph and Sauk Centre.

The bill was read for the first time and referred to the Committee on Transportation Finance and Policy.

Noor introduced:

H. F. No. 3130, A bill for an act relating to higher education; requiring a report on Minnesota State Colleges and Universities course placement practices; appropriating money.

The bill was read for the first time and referred to the Committee on Higher Education Finance and Policy.

Jacob, Pelowski, Pursell, Altendorf and Davids introduced:

H. F. No. 3131, A bill for an act relating to natural resources; appropriating money to clean and reestablish earthen dams in certain counties.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance and Policy.

Bahner and Klevorn introduced:

H. F. No. 3132, A bill for an act relating to capital investment; appropriating money for acquisition and renovation of a facility to provide assistance to South Asians in the city of Brooklyn Center.

The bill was read for the first time and referred to the Committee on Capital Investment.

Igo, Bliss, Davis, Joy, Hudson, Zeleznikar, Backer, Perryman, Urdahl, Dotseth, Harder, Burkel, Daniels, Nadeau, Bennett, Knudsen and Skraba introduced:

H. F. No. 3133, A bill for an act relating to natural resources; appropriating money for firearms education.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance and Policy.

Igo, Bliss, Davis, Joy, Hudson, Zeleznikar, Backer, Perryman, Urdahl, Dotseth, Harder, Daniels, Nadeau, Bennett, Knudsen and Skraba introduced:

H. F. No. 3134, A bill for an act relating to public safety; appropriating money for law enforcement mental health treatment grants.

The bill was read for the first time and referred to the Committee on Public Safety Finance and Policy.

Igo, Bliss, Joy, Hudson, Davis, Zeleznikar, Backer, Perryman, Urdahl, Dotseth, Harder, Daniels, Nadeau, Bennett, Knudsen and Skraba introduced:

H. F. No. 3135, A bill for an act relating to behavioral health; appropriating money for behavioral health crisis facility grants.

The bill was read for the first time and referred to the Committee on Human Services Finance.

Igo, Bliss, Hudson, Davis, Zeleznikar, Backer, Perryman, Urdahl, Dotseth, Harder, Burkel, Daniels, Nadeau, Bennett, Knudsen and Skraba introduced:

H. F. No. 3136, A bill for an act relating to public safety; appropriating money for grants to county attorneys to reduce violent crime and criminal case backlogs; requiring a report.

The bill was read for the first time and referred to the Committee on Public Safety Finance and Policy.

Zeleznikar, Lislegard and Skraba introduced:

H. F. No. 3137, A bill for an act relating to veterans; appropriating money for the city of Rice Lake veterans memorial.

The bill was read for the first time and referred to the Committee on Veterans and Military Affairs Finance and Policy.

Hollins introduced:

H. F. No. 3138, A bill for an act relating to capital investment; appropriating money for an anaerobic digester facility in Washington County.

The bill was read for the first time and referred to the Committee on Capital Investment.

Gomez introduced:

H. F. No. 3139, A bill for an act relating to taxation; individual income; corporate franchise; requiring an addition for certain income deducted federally; amending Minnesota Statutes 2022, sections 290.0131, by adding a subdivision; 290.0133, by adding a subdivision; 290.21, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Gomez introduced:

H. F. No. 3140, A bill for an act relating to taxation; individual income; modifying the itemized and standard deduction phaseout rate; amending Minnesota Statutes 2022, sections 290.0122, subdivision 2; 290.0123, subdivision 5.

The bill was read for the first time and referred to the Committee on Taxes.

Gomez introduced:

H. F. No. 3141, A bill for an act relating to public safety; repealing restrictions placed on the authority of law enforcement civilian review boards to discipline peace officers; repealing Minnesota Statutes 2022, section 626.89, subdivision 17.

The bill was read for the first time and referred to the Committee on Public Safety Finance and Policy.

Gomez introduced:

H. F. No. 3142, A bill for an act relating to public safety; permitting local unit of government to establish civilian oversight council for oversight of law enforcement; amending Minnesota Statutes 2022, section 626.89, subdivisions 2, 17.

The bill was read for the first time and referred to the Committee on Public Safety Finance and Policy.

Zelevnikar introduced:

H. F. No. 3143, A bill for an act relating to local taxes; authorizing the city of Proctor to impose a local sales and use tax.

The bill was read for the first time and referred to the Committee on Taxes.

Zelevnikar introduced:

H. F. No. 3144, A bill for an act relating to employment; allowing a minor age 16 or 17 to operate certain patient lifts in certain long-term care settings; amending Minnesota Statutes 2022, section 181A.04, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor and Industry Finance and Policy.

Petersburg introduced:

H. F. No. 3145, A bill for an act relating to transportation; modifying motor vehicle dealer access to replacement license plates; clarifying the operation of used motor vehicles by motor vehicle dealers and their employees; amending Minnesota Statutes 2022, sections 168.27, subdivision 16, by adding a subdivision; 168A.02, subdivision 2; 168A.03, subdivision 2; 168A.11, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation Finance and Policy.

Huot introduced:

H. F. No. 3146, A bill for an act relating to health; modifying reporting requirements by the commissioner of health using data from the trauma registry; appropriating money to consolidate data on the transfer and care of trauma patients; amending Minnesota Statutes 2022, section 144.6071, subdivision 7.

The bill was read for the first time and referred to the Committee on Health Finance and Policy.

Richardson introduced:

H. F. No. 3147, A bill for an act relating to economic development; requiring the commissioner of employment and economic development to study student loan forgiveness programs; requiring a report; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development Finance and Policy.

Bakeberg, Bennett and Myers introduced:

H. F. No. 3148, A bill for an act relating to education; creating a legislative study group on student attendance and truancy; requiring a report.

The bill was read for the first time and referred to the Committee on Education Policy.

Bakeberg, Mueller, Bennett, Altendorf and Myers introduced:

H. F. No. 3149, A bill for an act relating to education; providing for education innovation; modifying innovation zone provisions; modifying P-TECH approval process; codifying a new chapter of statutes; amending Minnesota Statutes 2022, sections 124D.085; 124D.093, subdivisions 3, 4; Laws 2017, First Special Session chapter 5, article 2, section 52; repealing Laws 2017, First Special Session chapter 5, article 2, section 52, subdivision 3.

The bill was read for the first time and referred to the Committee on Education Policy.

Bakeberg, Bennett, Mueller, Altendorf and Myers introduced:

H. F. No. 3150, A bill for an act relating to education; modifying student bullying policy requirements; amending Minnesota Statutes 2022, section 121A.031, subdivision 1.

The bill was read for the first time and referred to the Committee on Education Policy.



**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1440, A bill for an act relating to housing; appropriating money for the family homeless prevention and assistance program; requiring a report.

THOMAS S. BOTTERN, Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 244, A bill for an act relating to uniform laws; adopting the Uniform Electronic Wills Act; making technical, clarifying, and conforming changes; amending Minnesota Statutes 2022, sections 524.1-201; 524.2-504; 524.2-506; 524.2-507; proposing coding for new law in Minnesota Statutes, chapter 524.

THOMAS S. BOTTERN, Secretary of the Senate

**CONCURRENCE AND REPASSAGE**

Feist moved that the House concur in the Senate amendments to H. F. No. 244 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 244, A bill for an act relating to uniform laws; adopting the Uniform Electronic Wills Act; making technical, clarifying, and conforming changes; amending Minnesota Statutes 2022, sections 524.1-201; 524.2-504; 524.2-506; 524.2-507; proposing coding for new law in Minnesota Statutes, chapter 524.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Bennett	Curran	Feist	Greenman	Hill
Agbaje	Berg	Daniels	Finke	Grossell	Hollins
Altendorf	Bierman	Dautt	Fischer	Hansen, R.	Hornstein
Anderson, P. E.	Bliss	Davids	Fogelman	Hanson, J.	Howard
Anderson, P. H.	Brand	Davis	Franson	Harder	Hudella
Backer	Burkel	Demuth	Frazier	Hassan	Hudson
Bahner	Carroll	Dotseth	Frederick	Heintzeman	Huot
Bakeberg	Cha	Edelson	Freiberg	Hemmingsen-Jaeger	Hussein
Baker	Clardy	Elkins	Gillman	Her	Igo
Becker-Finn	Coulter	Engen	Gomez	Hicks	Jacob

Johnson	Lee, F.	Nadeau	Olson, L.	Richardson	Vang
Jordan	Lee, K.	Nash	Pelowski	Robbins	West
Joy	Liebling	Nelson, M.	Pérez-Vega	Schultz	Wiener
Keeler	Lillie	Nelson, N.	Perryman	Scott	Wiens
Klevorn	Lislegard	Neu Brindley	Petersburg	Sencer-Mura	Witte
Knudsen	Long	Newton	Pfarr	Skraba	Wolgamott
Koegel	McDonald	Niska	Pinto	Smith	Xiong
Kotzya-Witthuhn	Mekeland	Noor	Pryor	Stephenson	Youakim
Kozlowski	Moller	Norris	Pursell	Swedzinski	Zeleznikar
Koznick	Mueller	Novotny	Quam	Tabke	Spk. Hortman
Kraft	Murphy	O'Driscoll	Rehm	Torkelson	
Kresha	Myers	Olson, B.	Reyer	Urdahl	

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 2265.

THOMAS S. BOTTERN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 2265, A bill for an act relating to human services; establishing procedures for the commissioner of human services related to the transition from the public health emergency; appropriating money; amending Laws 2020, First Special Session chapter 7, section 1, subdivision 1, as amended; Laws 2021, First Special Session chapter 7, article 1, section 36; article 16, section 2, subdivision 25.

The bill was read for the first time.

Noor moved that S. F. No. 2265 and H. F. No. 2286, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

### CALENDAR FOR THE DAY

H. F. No. 375, A bill for an act relating to employment; modifications related to open appointments to multimember agencies; making multimember agency appointments subject to ban the box law; amending Minnesota Statutes 2022, sections 15.0597, subdivisions 1, 4, 5, 6; 351.01, subdivision 2; 364.021; 364.06, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 82 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Acomb	Bahner	Berg	Carroll	Coulter	Elkins
Agbaje	Becker-Finn	Bierman	Cha	Curran	Feist
Backer	Bennett	Brand	Clardy	Edelson	Finke

Fischer	Hicks	Koegel	McDonald	Novotny	Smith
Frazier	Hill	Kotyza-Witthuhn	Moller	Olson, L.	Stephenson
Frederick	Hollins	Kozlowski	Mueller	Pelowski	Tabke
Freiberg	Hornstein	Koznick	Myers	Pérez-Vega	Vang
Gomez	Howard	Kraft	Nadeau	Pinto	Witte
Greenman	Hudson	Lee, F.	Nash	Pryor	Wolgamott
Hansen, R.	Huot	Lee, K.	Nelson, M.	Pursell	Xiong
Hanson, J.	Hussein	Liebling	Nelson, N.	Rehm	Youakim
Hassan	Jordan	Lillie	Newton	Reyer	Spk. Hortman
Hemmingsen-Jaeger	Keeler	Lislegard	Noor	Richardson	
Her	Klevorn	Long	Norris	Sencer-Mura	

Those who voted in the negative were:

Altendorf	Daudt	Grossell	Knudsen	Perryman	Swedzinski
Anderson, P. E.	Davids	Harder	Kresha	Petersburg	Torkelson
Anderson, P. H.	Demuth	Heintzeman	Mekeland	Pfarr	Urdahl
Bakeberg	Dotseth	Hudella	Murphy	Quam	West
Baker	Engen	Igo	Neu Brindley	Robbins	Wiener
Bliss	Fogelman	Jacob	Niska	Schultz	Wiens
Burkel	Franson	Johnson	O'Driscoll	Scott	Zeleznikar
Daniels	Gillman	Joy	Olson, B.	Skraba	

The bill was passed and its title agreed to.

H. F. No. 1355, A bill for an act relating to corrections; authorizing e-filing of disposition of detainees; providing language access to limited English proficient individuals under authority of Department of Corrections; amending statutory language regarding substance use disorder assessment process to reflect current standards of care; providing for facility for commitment of adjudicated delinquents based on rehabilitation needs; issuing warrant for convicted defendant not reporting to facility postsentencing; modifying certain provisions regarding release of incarcerated persons; permitting certain public agency and community corrections staff to participate in certain employment benefits; providing for readmission to challenge incarceration program; clarifying that Shakopee correctional facility offers challenge incarceration program; combining Advisory council of Interstate Adult Supervision with Interstate Commission for Juveniles; repealing intensive community supervision program law; providing mechanism for funding probation services resulting from transition of services to Department of Corrections; amending Minnesota Statutes 2022, sections 169A.276, subdivision 1; 241.021, by adding a subdivision; 242.18; 243.1606; 243.58; 244.05, subdivisions 6, 8; 244.0513, subdivisions 2, 4; 244.171, subdivision 4; 244.172, subdivision 1; 244.19, subdivisions 1, 5; 260.515; 299A.41, subdivision 4; 629.292, subdivision 2; repealing Minnesota Statutes 2022, sections 244.14; 244.15.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Backer	Bennett	Burkel	Curran	Demuth
Agbaje	Bahner	Berg	Carroll	Daniels	Dotseth
Altendorf	Bakeberg	Bierman	Cha	Daudt	Edelson
Anderson, P. E.	Baker	Bliss	Clardy	Davids	Elkins
Anderson, P. H.	Becker-Finn	Brand	Coulter	Davis	Engen

Feist	Hemmingsen-Jaeger	Klevorn	Mueller	Pérez-Vega	Stephenson
Finke	Her	Knudsen	Murphy	Perryman	Swedzinski
Fischer	Hicks	Koegel	Myers	Petersburg	Tabke
Fogelman	Hill	Kotzya-Witthuhn	Nadeau	Pfarr	Torkelson
Franson	Hollins	Kozlowski	Nash	Pinto	Urdahl
Frazier	Hornstein	Koznick	Nelson, M.	Pryor	Vang
Frederick	Howard	Kraft	Nelson, N.	Pursell	West
Freiberg	Hudella	Kresha	Neu Brindley	Quam	Wiener
Gillman	Hudson	Lee, F.	Newton	Rehm	Wiens
Gomez	Huot	Lee, K.	Niska	Reyer	Witte
Greenman	Hussein	Liebling	Noor	Richardson	Wolgamott
Grossell	Igo	Lillie	Norris	Robbins	Xiong
Hansen, R.	Jacob	Lislegard	Novotny	Schultz	Youakim
Hanson, J.	Johnson	Long	O'Driscoll	Scott	Zeleznikar
Harder	Jordan	McDonald	Olson, B.	Sencer-Mura	Spk. Hortman
Hassan	Joy	Mekeland	Olson, L.	Skraba	
Heintzeman	Keeler	Moller	Pelowski	Smith	

The bill was passed and its title agreed to.

H. F. No. 1523, A bill for an act relating to corrections; expanding the authority of the Department of Corrections Fugitive Apprehension Unit; amending Minnesota Statutes 2022, section 241.025, subdivisions 1, 2, 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Daudt	Harder	Koegel	Neu Brindley	Schultz
Agbaje	Davids	Hassan	Kotzya-Witthuhn	Newton	Scott
Altendorf	Davis	Heintzeman	Kozlowski	Niska	Sencer-Mura
Anderson, P. E.	Demuth	Hemmingsen-Jaeger	Koznick	Noor	Skraba
Anderson, P. H.	Dotseth	Her	Kraft	Norris	Smith
Backer	Edelson	Hicks	Kresha	Novotny	Stephenson
Bahner	Elkins	Hill	Lee, F.	O'Driscoll	Swedzinski
Bakeberg	Engen	Hollins	Lee, K.	Olson, B.	Tabke
Baker	Feist	Hornstein	Liebling	Olson, L.	Torkelson
Becker-Finn	Finke	Howard	Lillie	Pelowski	Urdahl
Bennett	Fischer	Hudella	Lislegard	Pérez-Vega	Vang
Berg	Fogelman	Hudson	Long	Perryman	West
Bierman	Franson	Huot	McDonald	Petersburg	Wiener
Bliss	Frazier	Hussein	Mekeland	Pfarr	Wiens
Brand	Frederick	Igo	Moller	Pinto	Witte
Burkel	Freiberg	Jacob	Mueller	Pryor	Wolgamott
Carroll	Gillman	Johnson	Murphy	Pursell	Xiong
Cha	Gomez	Jordan	Myers	Quam	Youakim
Clardy	Greenman	Joy	Nadeau	Rehm	Zeleznikar
Coulter	Grossell	Keeler	Nash	Reyer	Spk. Hortman
Curran	Hansen, R.	Klevorn	Nelson, M.	Richardson	
Daniels	Hanson, J.	Knudsen	Nelson, N.	Robbins	

The bill was passed and its title agreed to.

**CONSENT CALENDAR**

H. F. No. 1327, A bill for an act relating to mass transit; clarifying Metropolitan Council authority to establish fare programs and passes; amending Minnesota Statutes 2022, section 473.408, by adding a subdivision; repealing Minnesota Statutes 2022, section 473.408, subdivisions 6, 7, 8, 9.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 79 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Acomb	Elkins	Hicks	Kraft	Norris	Stephenson
Agbaje	Feist	Hill	Lee, F.	Olson, L.	Tabke
Bahner	Finke	Hollins	Lee, K.	Pelowski	Torkelson
Becker-Finn	Fischer	Hornstein	Liebling	Pérez-Vega	Urdahl
Berg	Frazier	Howard	Lillie	Petersburg	Vang
Bierman	Frederick	Hudson	Lislegard	Pinto	Wolgamott
Brand	Freiberg	Huot	Long	Pryor	Xiong
Carroll	Gomez	Hussein	Mekeland	Pursell	Youakim
Cha	Greenman	Jordan	Moller	Rehm	Spk. Hortman
Clardy	Hansen, R.	Keeler	Myers	Reyer	
Coulter	Hanson, J.	Klevorn	Nadeau	Richardson	
Curran	Hassan	Koegel	Nelson, M.	Sencer-Mura	
Davids	Hemmingsen-Jaeger	Kotzya-Witthuhn	Newton	Skraba	
Edelson	Her	Kozlowski	Noor	Smith	

Those who voted in the negative were:

Altendorf	Daniels	Grossell	Koznick	Novotny	Swedzinski
Anderson, P. E.	Daudt	Harder	Kresha	O'Driscoll	West
Anderson, P. H.	Davis	Heintzeman	McDonald	Olson, B.	Wiener
Backer	Demuth	Hudella	Mueller	Perryman	Wiens
Bakeberg	Dotseth	Igo	Murphy	Pfarr	Witte
Baker	Engen	Jacob	Nash	Quam	Zeleznikar
Bennett	Fogelman	Johnson	Nelson, N.	Robbins	
Bliss	Franson	Joy	Neu Brindley	Schultz	
Burkel	Gillman	Knudsen	Niska	Scott	

The bill was passed and its title agreed to.

H. F. No. 581, A bill for an act relating to motor vehicles; making a technical change to requirements governing motor vehicle titles and disclosure; amending Minnesota Statutes 2022, section 325F.6641, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Anderson, P. E.	Bahner	Becker-Finn	Bierman	Burkel
Agbaje	Anderson, P. H.	Bakeberg	Bennett	Bliss	Carroll
Altendorf	Backer	Baker	Berg	Brand	Cha

Clardy	Freiberg	Huot	Lillie	O'Driscoll	Skraba
Coulter	Gillman	Hussein	Lislegard	Olson, B.	Smith
Curran	Gomez	Igo	Long	Olson, L.	Stephenson
Daniels	Greenman	Jacob	McDonald	Pelowski	Swedzinski
Daudt	Grossell	Johnson	Mekeland	Pérez-Vega	Tabke
Davids	Hansen, R.	Jordan	Moller	Perryman	Torkelson
Davis	Hanson, J.	Joy	Mueller	Petersburg	Urdahl
Demuth	Harder	Keeler	Murphy	Pfarr	Vang
Dotseth	Hassan	Klevorn	Myers	Pinto	West
Edelson	Heintzeman	Knudsen	Nadeau	Pryor	Wiener
Elkins	Hemmingsen-Jaeger	Koegel	Nash	Pursell	Wiens
Engen	Her	Kotyza-Witthuhn	Nelson, M.	Quam	Witte
Feist	Hicks	Kozlowski	Nelson, N.	Rehm	Wolgamott
Finke	Hill	Koznick	Neu Brindley	Reyer	Xiong
Fischer	Hollins	Kraft	Newton	Richardson	Youakim
Fogelman	Hornstein	Kresha	Niska	Robbins	Zeleznikar
Franson	Howard	Lee, F.	Noor	Schultz	Spk. Hortman
Frazier	Hudella	Lee, K.	Norris	Scott	
Frederick	Hudson	Liebling	Novotny	Sencer-Mura	

The bill was passed and its title agreed to.

### MOTIONS AND RESOLUTIONS

Lislegard moved that the name of Hudella be added as an author on H. F. No. 10. The motion prevailed.

Greenman moved that the name of Hornstein be added as an author on H. F. No. 36. The motion prevailed.

Richardson moved that the name of Pursell be added as an author on H. F. No. 58. The motion prevailed.

Hansen, R., moved that the name of Hornstein be added as an author on H. F. No. 70. The motion prevailed.

Jordan moved that the name of Gomez be added as an author on H. F. No. 77. The motion prevailed.

Bahner moved that the name of Hill be added as an author on H. F. No. 209. The motion prevailed.

Demuth moved that the name of Igo be added as an author on H. F. No. 356. The motion prevailed.

Noor moved that the name of Xiong be added as an author on H. F. No. 466. The motion prevailed.

Hanson, J., moved that the names of Bierman and Pursell be added as authors on H. F. No. 613. The motion prevailed.

Kresha moved that the name of Daniels be added as an author on H. F. No. 682. The motion prevailed.

Agbaje moved that the name of Sencer-Mura be added as an author on H. F. No. 685. The motion prevailed.

Koegel moved that the names of Myers and Rehm be added as authors on H. F. No. 949. The motion prevailed.

Hollins moved that the name of Fischer be added as an author on H. F. No. 1064. The motion prevailed.

Huot moved that the name of Engen be added as an author on H. F. No. 1127. The motion prevailed.

Hansen, R., moved that the name of Rehm be added as an author on H. F. No. 1150. The motion prevailed.

Youakim moved that the name of Pursell be added as an author on H. F. No. 1175. The motion prevailed.

Hemmingsen-Jaeger moved that the name of Neu Brindley be added as an author on H. F. No. 1262. The motion prevailed.

Xiong moved that the name of Frazier be added as an author on H. F. No. 1371. The motion prevailed.

Hill moved that the name of Backer be added as an author on H. F. No. 1427. The motion prevailed.

Dauids moved that the name of Urdahl be added as an author on H. F. No. 1568. The motion prevailed.

Jordan moved that the name of Hornstein be added as an author on H. F. No. 1690. The motion prevailed.

Jordan moved that the name of Hornstein be added as an author on H. F. No. 1691. The motion prevailed.

Feist moved that the name of Brand be added as an author on H. F. No. 1700. The motion prevailed.

Freiberg moved that the names of Pinto, Liebling, Newton and Rehm be added as authors on H. F. No. 1801. The motion prevailed.

Hollins moved that the name of Rehm be added as an author on H. F. No. 1900. The motion prevailed.

Rehm moved that the name of Backer be added as an author on H. F. No. 1917. The motion prevailed.

Brand moved that his name be stricken as an author on H. F. No. 2076. The motion prevailed.

Hornstein moved that the name of Nash be added as an author on H. F. No. 2092. The motion prevailed.

Kozlowski moved that the name of Zeleznikar be added as an author on H. F. No. 2112. The motion prevailed.

Berg moved that the name of Fischer be added as an author on H. F. No. 2114. The motion prevailed.

Howard moved that the names of Brand and Frazier be added as authors on H. F. No. 2199. The motion prevailed.

Wolgamott moved that the name of Frazier be added as an author on H. F. No. 2222. The motion prevailed.

Hassan moved that her name be stricken as an author on H. F. No. 2233. The motion prevailed.

Hanson, J., moved that the name of Xiong be added as an author on H. F. No. 2233. The motion prevailed.

Baker moved that the name of Frazier be added as an author on H. F. No. 2248. The motion prevailed.

Curran moved that the name of Smith be added as an author on H. F. No. 2290. The motion prevailed.

Cha moved that the name of Backer be added as an author on H. F. No. 2386. The motion prevailed.

Fischer moved that the name of Rehm be added as an author on H. F. No. 2389. The motion prevailed.

Reyer moved that the name of Frazier be added as an author on H. F. No. 2407. The motion prevailed.

Jordan moved that the name of Pursell be added as an author on H. F. No. 2408. The motion prevailed.

Klevorn moved that the names of Hussein and Pérez-Vega be added as authors on H. F. No. 2427. The motion prevailed.

Curran moved that the name of Hudson be stricken as an author on H. F. No. 2443. The motion prevailed.

Huot moved that the name of Stephenson be added as an author on H. F. No. 2465. The motion prevailed.

Agbaje moved that the name of Gomez be added as an author on H. F. No. 2477. The motion prevailed.

Norris moved that the name of Pursell be added as an author on H. F. No. 2492. The motion prevailed.

Hanson, J., moved that the name of Hussein be added as an author on H. F. No. 2513. The motion prevailed.

Sencer-Mura moved that the name of Gomez be added as an author on H. F. No. 2594. The motion prevailed.

Hussein moved that the name of Pursell be added as an author on H. F. No. 2632. The motion prevailed.

Lillie moved that the name of Pursell be added as an author on H. F. No. 2844. The motion prevailed.

Vang moved that the name of Pursell be added as an author on H. F. No. 2861. The motion prevailed.

Sencer-Mura moved that the name of Lee, F., be added as an author on H. F. No. 2881. The motion prevailed.

Kozlowski moved that the name of Pursell be added as an author on H. F. No. 2925. The motion prevailed.

Lee, K., moved that the names of Fischer and Hollins be added as authors on H. F. No. 2977. The motion prevailed.

Lee, K., moved that the names of Fischer and Hollins be added as authors on H. F. No. 2978. The motion prevailed.

Hansen, R., moved that the name of Vang be added as an author on H. F. No. 3064. The motion prevailed.

Bierman moved that the name of Pursell be added as an author on H. F. No. 3065. The motion prevailed.

Sencer-Mura moved that the name of Pinto be added as an author on H. F. No. 3076. The motion prevailed.

Heintzeman moved that the name of Schultz be added as an author on H. F. No. 3084. The motion prevailed.

Hussein moved that the name of Pursell be added as an author on H. F. No. 3087. The motion prevailed.

Gomez moved that the name of Pursell be added as an author on H. F. No. 3091. The motion prevailed.

Hicks moved that the name of Pursell be added as an author on H. F. No. 3099. The motion prevailed.

Her moved that the names of Freiberg and Frazier be added as authors on H. F. No. 3100. The motion prevailed.



Norris moved that the name of Curran be added as an author on H. F. No. 3106. The motion prevailed.

Hussein moved that the name of Curran be added as an author on H. F. No. 3107. The motion prevailed.

Hornstein moved that the name of Kraft be added as an author on H. F. No. 3113. The motion prevailed.

#### ADJOURNMENT

Long moved that when the House adjourns today it adjourn until 10:10 a.m., Tuesday, March 28, 2023. The motion prevailed.

Long moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:10 a.m., Tuesday, March 28, 2023.

PATRICK D. MURPHY, Chief Clerk, House of Representatives

