



S.F. No. 4401 – Cannabis Omnibus Bill (1st Engrossment)

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Senate File 4401 establishes the Office of Cannabis Management policy provisions related to licensing, endorsements, and medical cannabis and adult-use streamlining.

Article 1: Office of Cannabis Management Policy and Technical Provisions

Section 1 (SF 4403; amends section 342.02, subdivision 2) makes technical changes.

Section 2 (SF 4401; amends section 342.04) amends the existing requirement for an annual market analysis and annual report.

Section 3 (SF 4519; amends section 342.13) amends existing local control authority related to issuing interim ordinances, submitting evidence of noncompliance, and the retail registration process.

Section 4 (SF 4403; amends section 342.14, subdivision 3) provides that an applicant's status as a qualified applicant expires after six months. The office is required to deny an application submitted by an applicant whose status has expired.

Section 5 (SF 4519; amends section 342.14, subdivision 6) clarifies that OCM may deny final license authorization if an applicants' location would violate local zoning ordinances, the State Fire Code, or the State Building Code.

Section 6 (SF 4403; amends section 342.16) strikes the "National Labor Relations Board" from the requirement to report any willful labor violations.

Section 7 (SF 4402; amends section 342.20, subdivision 1) states that data reported using the statewide monitoring system is considered not public data.

Section 8 (SF 4402; amends section 342.20, subdivision 2) states that the status of an applicant’s application, except for an applicant’s status as a social equity applicant is public data.

Section 9 (SF 4402; amends section 342.20, subdivision 3) clarifies that certain data related to a license holder’s application is nonpublic data.

Section 10 (SF 4519; amends section 342.22, subdivision 4) requires local governments with retail registration authority that perform compliance checks to submit certain data related to the compliance checks to OCM.

Section 11 (SF 4403; amends section 342.23, subdivision 5) strikes language and then reinserts the language on lines 16.16 to 16.19.

This section exempts transactions that are entered into in good faith by a cannabis business or hemp business for the sale of goods at fair market value.

Section 12 (SF 4403; amends section 342.27, subdivision 2) removes “hemp-derived consumer products” that are meant to be eaten from the ten milligram and 200 milligram limitation.

Section 13 (SF 4403; amends section 342.37, subdivision 1) allows cannabis testing facilities to perform other actions approved by the office.

Section 14 (SF 4403; amends section 342.39, subdivision 1) allows cannabis event organizers to perform other actions approved by the office.

Section 15 (SF 4403; Repealer) repeals section 151.72.

Article 2: Cannabis Licensing and Endorsements

Section 1 (SF 4540; amends section 342.07, subdivision 3) provides that an edible cannabinoid product handler endorsement is available to the following license holders:

- (1) Cannabis microbusinesses;
- (2) Cannabis mezzobusinesses;
- (3) Cannabis manufactures;
- (4) Lower-potency hemp edible manufacturers; and
- (5) Cannabis microbusinesses.

Provides lower-potency hemp edible manufacturer limitations.

Section 2 (SF 4540; amends section 342.15, subdivision 2) strikes language that is reinsert into a different section.

Section 3 (SF 4540; amends section 342.15, subdivision 5) reinserts previously stricken language regarding when the office must not issue a cannabis business license.

Section 4 (SF 4540; amends section 342.19, subdivision 6) provides that the office may assess a civil penalty to an unlicensed business that has product on the inspected commercial premises.

Section 5 [SF 4540; 342.245; Endorsements] requires the office to provide endorsement application forms to applicants. The office must deny an endorsement application if the license holder has previously had an endorsement canceled within the last 5 years, the license holder owes outstanding fines, or the license holder does not meet requirements.

Section 6 (SF 4540; amends section 342.25, subdivision 1) requires a cannabis business to obtain a cannabis cultivation endorsement in order to cultivate cannabis.

Section 7 (SF 4540; amends section 342.25, subdivision 2) makes a technical change.

Section 8 (SF 4540; amends section 342.25, subdivision 3) makes a technical change.

Section 9 (SF 4540; amends section 342.25, subdivision 4) makes a technical change.

Section 10 (SF 4540; amends section 342.25, subdivision 5) makes a technical change.

Section 11 (SF 4540; amends section 342.25, subdivision 6) makes a technical change.

Section 12 (SF 4540; amends section 342.25, subdivision 7) makes a technical change.

Section 13 (SF 4540; amends section 342.26, subdivision 1) provides that any cannabis business seeking to manufacture cannabis products must have the applicable endorsement.

Section 14 (SF 4540; amends section 342.26, subdivision 2) prohibits a cannabis business from manufacture a cannabis product powered by a battery that is not easily removable.

Section 15 (SF 4540; amends section 342.26, subdivision 3) amends provisions related to cannabis extraction and concentration endorsements, hemp extraction and concentration endorsements, and artificially derived cannabinoids endorsements.

Section 16 (SF 4540; amends section 342.26, subdivision 4) amends provisions related to edible cannabinoid product handler endorsements.

Section 17 (SF 4540; amends section 342.26, subdivision 5) requires a lower-potency hemp edible manufacturer to comply with section 342.45 and applicable rules.

Section 18 (SF 4540; amends section 342.27, subdivision 1) requires a cannabis business to obtain a cannabis retail operations endorsement.

Section 19 (SF 4540; amends section 342.27) requires a cannabis business seeking to package cannabis flower at a point of retail sale to apply for a cannabis flower packaging endorsement.

Section 20 (SF 4540; amends section 342.28, subdivision 6) makes a conforming change.

Section 21 (SF 4540; amends section 342.28, subdivision 7) requires a cannabis microbusiness to obtain a cannabis extraction and concentration endorsement, a hemp extraction and concentration endorsement, or an artificially derived cannabinoids endorsement.

Section 22 (SF 4540; amends section 342.28, subdivision 8) requires a cannabis microbusiness seeking to manufacture edible cannabis products or lower-potency hemp edibles to obtain an edible cannabinoid product handler endorsement.

Section 23 (SF 4540; amends section 342.28, subdivision 9) allows a cannabis microbusiness with a cannabis retail operations endorsement to obtain a cannabis flower packaging endorsement.

Section 24 (SF 4540; amends section 342.28, subdivision 11) makes conforming changes.

Section 25 (SF 4540; amends section 342.29, subdivision 5) makes technical and conforming changes.

Section 26 (SF 4540; amends section 342.29, subdivision 6) requires a cannabis mezzobusiness to obtain a cannabis extraction and concentration endorsement, a hemp extraction and concentration endorsement, or an artificially derived cannabinoids endorsement.

Section 27 (SF 4540; amends section 342.29, subdivision 7) requires a cannabis mezzobusiness seeking to manufacture edible cannabis products or lower-potency hemp edibles to obtain an edible cannabinoid product handler endorsement.

Section 28 (SF 4540; amends section 342.29, subdivision 8) allows a cannabis mezzobusiness with a cannabis retail operations endorsement to obtain a cannabis flower packaging endorsement.

Section 29 (SF 4540; amends section 342.29, subdivision 8a) makes technical changes.

Section 30 (SF 4540; amends section 342.29, subdivision 10) makes technical and conforming changes.

Section 31 (SF 4540; amends section 342.30, subdivision 1) requires a cannabis cultivator to obtain a cannabis cultivation endorsement.

Section 32 (SF 4540; amends section 342.30, subdivision 3) makes a conforming change.

Section 33 (SF 4540; amends section 342.31, subdivision 3) makes technical and conforming changes related to the application for certain endorsements.

Section 34 (SF 4540; amends 342.31, subdivision 5) requires cannabis manufacturers to obtain the appropriate endorsements before conducting activities under the applicable endorsements.

Section 35 (SF 4540; amends section 342.32, subdivision 1) requires a cannabis retailer to obtain a cannabis retail operations endorsement.

Section 36 (SF 4540; amends section 342.32, subdivision 3) makes a technical change.

Section 37 (SF 4429; amends section 342.43, subdivision 2) allows a person who holds a lower-potency hemp edible manufacturer, wholesaler, retailer, or any combination of lower-potency hemp edible licenses to also hold a cannabis business license.

Section 38 (SF 4540; amends section 342.44, subdivision 1) allows the office to determine whether a civil or regulatory violation disqualifies an individual or business from receiving a hemp business license.

Section 39 (SF 4429; amends section 342.44, subdivision 2) amends who the office may issue a hemp license to.

Section 40 (SF 4540; amends section 342.45, subdivision 3) requires a lower-potency hemp edible manufacturer to obtain a lower-potency hemp extraction and concentration endorsement or a lower-potency hemp creation of artificially derived cannabinoid endorsement.

Section 41 (SF 4540; amends section 342.62, subdivision 2) requires all cannabis flower sold to customers or patients to be prepackaged.

Section 42 (SF 4429; amends section 342.63, subdivision 2) amends the labeling requirements for cannabis flower and hemp-derived consumer products.

Section 43 (SF 4429; amends section 342.63, subdivision 3) excludes lower-potency hemp edibles from the labeling requirements for cannabinoid products.

This section also amends the labeling requirements for cannabinoid products.

Section 44 (SF 4429; amends section 342.63, subdivision 4) makes a technical change.

Section 45 (SF 4429; amends section 342.63, subdivision 5) establishes labeling requirements for hemp-derived products that contain THC.

Section 46 (SF 4429; amends section 342.63) establishes labeling requirements for lower-potency hemp edible products.

Section 47 (SF 4540; amends section 342.66, subdivision 3) clarifies what cannabinoids are approved by the office and how much THC and hemp concentrate an approved product may contain.

Article 3: Adult-Use and Medical Cannabis Streamlining

Section 1 (SF 4541; amends section 342.01, subdivision 14) makes a conforming change.

Section 2 (SF 4541; amends section 342.01, subdivision 48) makes a conforming change.

Section 3 (SF 4541; amends section 342.01, subdivision 52) amends the definition of “medical cannabinoid product.”

Section 4 (SF 4541; amends section 342.01, subdivision 54) amends the definition of “medical cannabis flower.”

Section 5 (SF 4541; amends section 342.09, subdivision 3) makes a conforming change.

Section 6 (SF 4541; amends section 342.10) makes a conforming change.

Section 7 (SF 4541; amends section 342.11) makes a conforming change.

Section 8 (SF 4541; amends section 342.12) amends provisions related to reclassifying licenses as mezzobusinesses or macrobusinesses.

Section 9 (SF 4541; amends section 342.13) makes conforming changes.

Section 10 (SF 4541; amends section 342.175) makes a technical change.

Section 11 (SF 4541; amends section 342.18, subdivision 2) makes a conforming change.

Section 12 (SF 4541; amends section 342.22, subdivision 1) makes a conforming change.

Section 13 (SF 4541; amends section 342.22, subdivision 3) makes a conforming change.

Section 14 (SF 4541; amends section 342.22, subdivision 5) makes a conforming change.

Section 15 (SF 4541; amends section 342.27, subdivision 12) prohibits a cannabis license from selling medical cannabinoid products to a person who is not registered in the patient registry or is not a caregiver.

Section 16 (SF 4541; amends section 342.35, subdivision 1) makes a conforming change.

Section 17 (SF 4541; amends section 342.37, subdivision 1) makes a conforming change.

Section 18 (SF 4541; amends section 342.40, subdivision 7) makes a conforming change.

Section 19 (SF 4541; amends section 342.41, subdivision 1) makes a conforming change.

Section 20 (SF 4541; amends section 342.51) allows the office to issue medical cannabis endorsements.

Section 21 (SF 4541; amends section 342.51) establishes the requirements for a cannabis business with a medical cannabis cultivation endorsement, including indoor and outdoor canopy limits.

Section 22 (SF 4541; amends section 342.51) establishes requirements for a medical cannabis manufacturer endorsement.

Section 23 (SF 4541; amends section 342.51) establishes requirements for a medical cannabis retail endorsement.

Section 24 (SF 4541; amends section 342.51) establishes an external transporter endorsement and medical cannabis delivery endorsement.

Section 25 (SF 4541; amends section 342.51, subdivision 2) removes the prohibition against delivering medical cannabis to patients unless the person also holds a cannabis delivery service license.

Section 26 (SF 4541; amends section 342.515) removes language related to medical cannabis combination business licenses and replaces it with language related to cannabis macrobusinesses.

The changes allow cannabis macrobusinesses with specific license endorsements to perform authorized actions.

This section also establishes canopy limitations for indoor facilities and outdoor locations.

Section 27 (SF 4541; amends section 342.61, subdivision 4) makes conforming changes.

Section 28 (SF 4541; amends section 342.61, subdivision 5) makes conforming changes.

Section 29 (SF 4541; amends section 342.63, subdivision 2) makes conforming changes.

Section 30 (SF 4541; amends section 342.63, subdivision 3) makes conforming changes.

Section 31 (SF 4541; amends section 342.63, subdivision 4) makes conforming changes.

Section 32 (SF 4541; amends section 342.63, subdivision 6) makes conforming changes.

Section 33 (SF 4541; amends section 342.80) makes conforming changes.

Section 34 [Revisor Instruction] instructs the revisor to renumber section 342.515 as section 342.295.

Section 35 [Repealer] repeals section 342.51, subdivision 1.



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