



House Commerce Finance and Policy – OCM Budget Presentation

February 11, 2025

Eric Taubel | Interim Director

- Office overview
- Budget recommendations
 - Operating adjustment
 - Community reinvestment grant program extension
 - Testing facility licensing variance
 - Clarified access for social equity status

- Established in August 2023, OCM is charged with implementing Chapter 342 to:
 - launch the new adult-use cannabis industry in Minnesota,
 - manage the medical cannabis program,
 - enforce the hemp derived cannabinoid industry, and
 - stand up a new regulatory office.

Cannabis Advisory Council

Angela Dawson – Sandstone, Minn.
Expert in farming or representing the interests of farmers

Jeremy Drucker – St. Paul, Minn.
Patient advocate with experience in the mental health system or substance use disorder treatment system

Donna Ennis – Superior, Minn.
Licensed mental health professional

Dr. Denise Johnson – Apple Valley, Minn.
Expert in social welfare or social justice

Dr. Melanie Johnson – Zumbro Falls, Minn.
Expert in pediatric medicine

Bryant Jones – Apple Valley, Minn.
Expert in cannabis cultivation

Eric King – Minneapolis, Minn.
Expert in economic development strategies for under-resourced communities

Jamal Knight – Minneapolis, Minn.
Expert in minority business development

Samantha Lee – Minneapolis, Minn.
Expert in laboratory sciences and toxicology

Kate Makinen – Grand Rapids, Minn.
Licensed mental health professional

Kyle Marinkovich – Burnsville, Minn.
Expert in cannabis product manufacturing

Rachel Moran – Minneapolis, Minn.
Expert in criminal justice reform to mitigate the disproportionate impact of drug prosecutions on communities of color
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Carol Moss – Edina, Minn.
Expert in women-owned businesses

Dr. Ann Philbrick – St. Paul, Minn.
Expert in clinical pharmacy

Dr. Sara Polley – Minneapolis, Minn.
Expert in prevention, treatment, and recovery related to substance use disorders

Pia Prenevost – Coon Rapids, Minn.
Patient advocate who is a parent or caregiver of a patient in the Medical Cannabis Program

Nic Puechner – Minneapolis, Minn.
Expert representing the interests of employers

Maren Schroeder – Stewartville, Minn.
Patient advocate who is a patient enrolled in the Medical Cannabis Program

Michael Sly – Minneapolis, Minn.
Expert in providing legal services to cannabis businesses

Diana Tastad-Damer – South St. Paul, Minn.
Expert representing the interests of cannabis workers

Dana Thompson – Minneapolis, Minn.
Expert in minority business ownership

Josh Wilken-Simon – Eden Prairie, Minn.
Expert in cannabis retailing

Jaren Zech – Edina, Minn.
Expert in municipal law enforcement with advanced training in impairment detection and evaluation

Dr. Dylan Zylla – Minneapolis, Minn.
Expert in adult medicine

Nicole Archbold
Department of Public Safety

Nico Bauer
Department of Human Rights

Lisa Brunner
White Earth Band

Martha Burton
Department of Revenue

Damon Chaplin
Public Health Association of MN

Miss Selena Childs
Prairie Island Indian Community

Gabe Cornish
Minnesota State Patrol

Kari Gloppen
Department of Health

Michael Hanson
Office of Traffic Safety

Anna Hotz
Minnesota Pollution Control Agency

Peder Kjeseth
Department of Agriculture

Catherine Knutson
Bureau of Criminal Apprehension

Austin Needham
Red Lake Nation

Laurel Podulke-Smith
Association of Minnesota Counties

Nathan Ratner
Department of Employment and Economic Development

Tyler Prescott
Lower Sioux Community

Jen Sather
Department of Human Services

Roger Smith
Fond du Lac Band

Dan Solomon
Department of Labor and Industry

Sophie Watso
Shakopee Mdewakanton Sioux Community

Virgil Wind
Mille Lacs Band of Ojibwe

Jill Wolf
League of Minnesota Cities

- **Office milestones:**
 - New permanent office space, and staffing build out – 9 to 90+ employees
 - Launched resources through new website, newsletters, guidebooks, FAQs, webinars and engagement events
 - Enforcement presence across the state with more than 2,600 inspections in 2024 and increasing rates of compliance
 - Surpassed 50,000 patients in the state’s medical cannabis program
 - Posted a notice of intent to adopt draft of adult-use rules on January 13, 2025
 - Finalized licensing software system and launched new cannabis business licensing application window: February 18 – March 14, 2025
 - Established framework for grant programs designed to bolster community reinvestment (CanRenew) and support training and loans for farmers (CanGrow)

Legislative Budget Recommendations

OCM continues to build the foundation for an effective, safe, equitable, and sustained cannabis market and has identified a series of targeted budget proposals to support continuity for implementation and a timely market launch.

Operating Adjustment to Support Regulatory Duties

- The governor recommends adjusting the office operating budget to support current services.
- For the Office of Cannabis Management, this funding will help cover expected growth in employee compensation and insurance, rents, IT services, and other operating costs.
- FY26 \$278,000 and \$564,000 each year thereafter

Building Continuity for Community Reinvestment Grant

- Proposes extending the availability of the CanRenew community restoration grant program's first year of funds as program is established, accountability metrics are designed and RFP is released and contracts put into place.
- This request is budget neutral.

Testing Facility Licensing Variance

- Proposes changes to the process for issuing a cannabis testing facility license to alleviate the significant barrier to entry for facilities that are otherwise equipped to conduct testing effectively and safely.
- Supports market launch, maintains standards.
- The request has programming costs for the licensing system that the agency will absorb.

Amend Social Equity Criteria

- Proposes changes to definitions for the qualifying criteria for individuals to be verified under social equity status to also include justice impacted individuals who have stays of adjudications or adjudications of delinquency
- Current law includes seven criteria:
 - Has a cannabis sale or possession conviction
 - Had a parent, guardian, child, spouse or dependent who has a cannabis conviction
 - Was a dependent of an individual convicted
 - Military veteran
 - Military veteran or National Guard member who lost honorable status due to possession or sale of cannabis
 - Has been a resident for five years of qualifying areas: enforcement rate, poverty rate, family income, SNAP, SVI
 - Small farmer
- The request has programming costs for the licensing system that the agency will absorb.

Thank You!