



May 6, 2023

Dear Chairs Port and Stephenson and Members of the Omnibus Cannabis Conference Committee:

Our organizations, representing cities across the state, appreciate the opportunity to comment on provisions included in HF 100.

Local Land Use and Zoning Authority

We support provisions in the Senate language (Art. 1 R36 lines 37.7-37.11) that articulate the ability of local governments to exercise land use and zoning authorities to adopt reasonable restrictions on the time, place, and manner of the operation of cannabis businesses which includes, but is not limited to, standards for noise, odor, hours of operation, and location.

We further support the Senate's inclusion of a land use compatibility statement as a requirement for cannabis license applicants to ensure local zoning compliance for proposed cannabis businesses. (Art. 1 R39 line 39.19, Art. 1 R45-R46 lines 43.21-43.34)

Licensing

While neither the House nor Senate bill includes the ability for cities to “opt out” of cannabis retail establishments within their jurisdiction, our organizations support the population-based limits on cannabis retailers contained in the Senate bill (Art. 1 R37-R38 lines 38.10-38.24). These limits are especially important for small cities bordering states where adult-use cannabis is not legal.

We support provisions in both bills requiring local registration for cannabis businesses, which will help cities effectively ensure compliance (Art. 1 R52-R54). It is vital that local governments retain the ability to suspend retail registrations for businesses that pose an immediate threat to public health or safety.

Finally, we support the provision in the House bill to create an expedited, 24-hour response time from the Office of Cannabis Management if a local unit government notifies the office that a cannabis business poses an immediate threat to the health or safety of the public (Art. 1 R37 lines 38.27-28.32).

Revenue Sharing

We support language in the Senate bill establishing a local government cannabis aid account that provides cities and counties a portion of the revenue from the gross receipts sales tax on cannabis

products (Art. 2 lines 157.22-157.27 and Art. 2 § 26). We appreciate the revenue sharing provisions in the Senate bill and their recognition of local government costs and impacts that will result from adult-use cannabis legalization in Minnesota.

An adult-use cannabis market cannot be properly regulated or successful without a strong partnership between the state and local units of government. Our organizations urge the conference committee to include the provisions highlighted above in the conference committee report for HF 100.

Thank you for your consideration of this letter.

Sincerely,



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