

March 18, 2025

Re: HF 1634 – Municipal cannabis store licensing

## Chair Her, Chair O'Driscoll, and members of the House Commerce Committee:

The League of Minnesota Cities appreciates the opportunity to comment on HF 1634 on behalf of our 841 member cities. We thank the author, Representative Stephenson, for his ongoing work on this issue. The League supports this legislation and encourages the committee to adopt this proposal this session.

The League appreciates the 2023 law providing cities the unique opportunity to operate a municipal cannabis store. Many cities have successful municipal liquor stores and value the ability to sell edible cannabinoid products at these stores. While reviewing the requirements for licensure some cities identified that they would no longer be able to sell edible cannabinoid products at a municipal liquor store if they open a municipal cannabis store. HF 1634 allows a city to hold a lower-potency hemp edible retailer license and a municipal cannabis store license.

While not all cities may be interested in establishing their own municipal cannabis and liquor stores, the removal of this barrier will provide greater opportunity for cities entering this market.

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Thank you for your time and attention to this important issue.

Sincerely,

Beth Johnston

Intergovernmental Relations Representative

League of Minnesota Cities