



HELLMUTH
&
JOHNSON

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February 28, 2022

Rep. Michael Nelson
Minnesota State Government Finance &
Elections Committee
100 Rev. Dr. Martin Luther King, Jr. Blvd.
St. Paul, MN 55155

c/o Amanda Rudolph
476 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul Minnesota 55155
Amanda.rudolph@house.mn

Re: House Bill HF2996 – Hemp Derivatives

Dear Rep. Nelson,

I write in support of House Bill HF2996, a bill authorizing certain food additives derived from industrial hemp, as an attorney who represents hemp businesses, ranging from growers to retailers. This is a significant issue having broad effects on Minnesota's hemp industry.

Allowing hemp derivatives to be treated as a food additive is an important step to ensure Minnesota continues to have a vibrant hemp industry. The popularity of gummies, food products, and drinks containing these additives reflects how the public values these derivatives in edible form. These products are so engrained and popular they will be extremely difficult to exclude from Minnesota's stream of commerce. The better approach would be to recognize these are legal additives so manufacturers and retailers can be regulated for public safety.

Minnesota hemp businesses simply ask for an even playing field when it comes to selling their products. While the current statutes and regulation of hemp derivatives supposedly apply regardless of where the business is located, the current regulations are not viewed as being evenly or equitably enforced. Current regulations have been enforced sporadically against local small businesses while larger and out-of-state businesses continue to sell such products.

The Minnesota Department of Agriculture ("MDA") may claim it "follows the product" rather than target Minnesota businesses, but that is not what its actions reveal. Has the MDA ever conducted any enforcement actions against out-of-state businesses selling such product in Minnesota? Has it ever sent a cease-and-desist letter to out-of-state businesses selling these

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February 28, 2022

Page 2

products directly to Minnesotans? What is the MDA's position about its legal authority to take action against an outstate company? Failing to equally enforce current regulations between Minnesota and out-of-state businesses does not protect the consumer and puts Minnesota farmers and hemp businesses at a significant disadvantage.

As such, out-of-state businesses will continue to sell food and drinks with hemp derivatives regardless of regulations within Minnesota. Failure to bring Minnesota's laws and regulations in line with other states will only facilitate uneven business advantages in favor of out-of-state businesses at the detriment to Minnesota's hemp industry, resulting in a loss of Minnesota jobs, businesses, farms, and tax revenue. Allowing hemp derivatives to be used as food additives will rightfully allow the state to maintain safe practices and continue consumer safety while also encouraging this hemp industry newly created by the state.

Again, I thank Representative Vang and this Committee for your time and energy on such an important issue for Minnesota's hemp industry. I am available should the Committee have any questions or need my services.

Very truly yours,

HELLMUTH & JOHNSON

A handwritten signature in black ink, appearing to read 'CRM', with a long horizontal flourish extending to the right.

Carol R. M. Moss
Attorney at Law

CRM/amk