



May 11, 2023

Sen. Lindsey Port
Minnesota Senate Bldg.
95 University Avenue W.
Saint Paul, MN 55155

Rep. Zack Stephenson
449 State Office Building
St. Paul, MN 55155

Re: Conference Committee for House File 100 Second Unofficial Engrossment

Dear Honorable Senator Port and Representative Stephenson:

I write in support of the House File 100 Second Unofficial Engrossment and, as an attorney representing many business owners in the current hemp market, I write briefly to respectfully requesting attention to three points:

1. Adult Use Retail License Holder:

I write to respectfully request clarification that a holder of a cannabis retail license be able to use one of the five allowed retail locations to have a sole hemp-product business location. Currently the draft language of Sec. 29 [342.27], subd. 4(b)¹ states, "No person, cooperative, or business may own or operate any other cannabis business or hemp business." While "hemp business" is defined as a business holding a lower-potency hemp edible manufacturing or lower-potency hemp retailer,"² there is confusion as to whether a holder of a cannabis retail license may designate one of its locations solely to hemp-derived products.

Having a hemp-only location will help provide businessowners expenses that are typically not allowed under 26 U.S. Code § 280E. In addition, a businessowner may have a current successful retail location selling hemp products she may want to continue to operate.

2. Consequence for Businesses Gifting Cannabis.

According to Section 9, subd. (1)(b)(8),³ an individual may not "give for no remuneration cannabis flower or cannabis products as a promotional gift if the giver is in the business of selling goods;" yet the violations outlined in subd. (6) primarily targets for illegally selling or transporting cannabis flower, products or concentrates.

¹Lines 70.14-70.15 of HF 100 Second Unofficial Engrossment.

² Lines 7.15-7.18 of HF 100 Second Unofficial Engrossment.

³ Lines30.19-30.20 of HF 100 Second Unofficial Engrossment.

We have seen in other states businesses attempt to get around selling prohibitions by “gifting” cannabis flower with a purchase of a t-shirt, bottle of water, sticker, or other products and expect we may see similar actions here once personal possession becomes legal and before licensing is available. I write to respectfully ask for stronger language prohibiting such schemes and consequences or doing so be added to the statute..

3. Lower-Potency Hemp Edible.

The current version restricts lower-potency hemp edibles to contain no more than 25 milligrams of cannabidiol (CBD) and 25 milligrams of cannabigerol (CBG) – two non-intoxicating cannabinoids – along with 5 milligrams of delta-9 tetrahydrocannabinol (THC).⁴

I write to respectfully request the limits for CBD and CBG be removed from the definition. Many consumers seek out these non-intoxicating cannabinoids for multitude of personal reasons Having such limitations will make these products less accessible and affordable for the consumer.

I also ask that the term “delta-9 [THC]” be revised to “any [THC]. Consumers may seek edible products containing 5 milligrams of synthetic delta-10 or delta-8 THC and these products would not be available under the current definition.

We all recognize and greatly appreciate the time and energy you, Senate, and House of Representatives, and your staff has put into this very important legislation, and I remain committed to work to ensure we have a legal, safe cannabis industry for all Minnesotans.

Very truly yours,

HELLMUTH & JOHNSON



Carol R. M. Moss
Attorney at Law

05000.0341

⁴ Lines 10.14-10.18.