

1.1 moves to amend H.F. No. 100, the ninth engrossment, as follows:

1.2 Page 135, line 11, after the period, insert "Of the amount transferred from the general
1.3 fund to the account, the office may use up to three percent for administrative expenses."

1.4 Page 135, delete lines 19 to 29 and insert:

1.5 "(1) at least 75 percent of the money is for grants for substance use disorder and mental
1.6 health recovery and prevention programs. Funds must be used for recovery and prevention
1.7 activities and supplies that assist individuals and families to initiate, stabilize, and maintain
1.8 long-term recovery from substance use disorders and co-occurring mental health conditions.
1.9 Recovery and prevention activities may include: prevention education, school-linked
1.10 behavioral health, school-based peer programs, peer supports, self-care and wellness,
1.11 culturally-specific healing, community public awareness, mutual aid networks, telephone
1.12 recovery checkups, mental health warm lines, harm reduction, recovery community
1.13 organization development, first episode psychosis programs, and recovery housing; and

1.14 (2) up to 25 percent of the money is for substance use disorder treatment programs, as
1.15 defined in chapter 245G and may be used to implement, strengthen, or expand supportive
1.16 services and activities that are not covered by Medical Assistance under chapter 256B,
1.17 MinnesotaCare under chapter 256L, or the behavioral health fund under chapter 254B.
1.18 Services and activities may include: adoption or expansion of evidence-based practices,
1.19 competency-based training, continuing education, culturally-specific and
1.20 culturally-responsive services, sober recreational activities, developing referral relationships,
1.21 family preservation and healing, and start-up or capacity funding for programs that specialize
1.22 in adolescent, culturally-specific, culturally-responsive, disability-specific, co-occurring
1.23 disorder, or family treatment services."

1.24 Page 135, line 31, after "health" insert ", the Governor's Advisory Council on Opioids,
1.25 Substance Use, and Addiction"

2.1 Page 144, line 23, after "grower" insert "as defined in chapter 342"

2.2 Page 147, after line 24, insert:

2.3 "(b) "Bundled transaction" means the retail sale of two or more products when the
2.4 products are otherwise distinct and identifiable, and the products are sold for one nonitemized
2.5 price."

2.6 Reletter the paragraphs in sequence

2.7 Page 148, line 31, delete "product" and insert "item"

2.8 Page 149, delete subdivisions 2 and 3 and insert:

2.9 "Subd. 2. **Gross receipts tax imposed.** (a) A tax equal to a rate established by
2.10 subdivisions 2 and 3 of gross receipts from retail sales in Minnesota of taxable cannabis
2.11 products is imposed on any taxable cannabis product retailer that sells these products to
2.12 customers:

2.13 (1) for sales and purchases made on July 1, 2023, through June 30, 2027, the rate is
2.14 equal to eight percent; and

2.15 (2) for sales and purchases made after June 30, 2027, the rate is equal to the amount
2.16 established under subdivision 3.

2.17 (b) A taxable cannabis product retailer may but is not required to collect the tax imposed
2.18 by this section from the purchaser as long as the tax is separately stated on the receipt,
2.19 invoice, bill of sale, or similar document given to the purchaser.

2.20 (c) If a product subject to the tax imposed under this section is included in a bundled
2.21 transaction, the entire sales price of the bundled transaction is subject to the tax imposed
2.22 under this section.

2.23 (d) The tax imposed under this section is in addition to any other tax imposed on the
2.24 sale or use of taxable cannabis products.

2.25 Subd. 3. **Tax rate adjustment.** (a) Beginning in March 2027, in each odd-numbered
2.26 year, the commissioner of management and budget shall use the February forecast of general
2.27 fund revenues and expenditures reflecting the most recently completed fiscal year to
2.28 determine that the conditions in paragraph (b) are met.

2.29 (b) Revenues raised by the tax imposed under this section combined with the tax imposed
2.30 under chapter 297A on taxable cannabis products exceed the projected expenditures related
2.31 to the ongoing regulation of cannabis for the upcoming biennium, including:

- 3.1 (1) the appropriations to the Office of Cannabis Management;
- 3.2 (2) the appropriations to the Department of Agriculture;
- 3.3 (3) the appropriations to the Cannabis Expungement Board;
- 3.4 (4) the appropriations to the Department of Commerce;
- 3.5 (5) the appropriations to the Department of Education;
- 3.6 (6) the appropriations to the Department of Employment and Economic Development;
- 3.7 (7) the appropriations to the Department of Health;
- 3.8 (8) the appropriations to the Department of Human Services;
- 3.9 (9) the appropriations to the Department of Labor and Industry;
- 3.10 (10) the appropriations to the Pollution Control Agency;
- 3.11 (11) the appropriations to the Department of Public Safety;
- 3.12 (12) the appropriations to the Department of Revenue;
- 3.13 (13) the transfers to the dual training account in the special revenue fund; and
- 3.14 (14) the transfers to the substance use treatment, recovery, and prevention grant account.
- 3.15 (c) The commissioner of management and budget shall report its determination to the
- 3.16 commissioner no later than March 15 in the same odd-numbered year.
- 3.17 (d) The commissioner shall adjust the tax rate so that the revenues described in paragraph
- 3.18 (a) will equal or most closely exceed the expenditures in paragraph (b). The new rate must
- 3.19 be rounded to the nearest one-quarter of one percent. The commissioner must post the new
- 3.20 rate on the department website by April 1 of the same odd-numbered year. The new rate
- 3.21 applies to sales and purchases made after June 30 of the same odd-numbered year."
- 3.22 Page 151, line 8, delete "subdivision 3, paragraph (c)" and insert "subdivision 4, paragraph
- 3.23 (a)"
- 3.24 Page 151, delete lines 12 to 14 and insert:
- 3.25 "(b) The tax imposed under this section does not apply to sales of medical items purchased
- 3.26 by or for a patient enrolled in the registry program, including medical cannabis flower,
- 3.27 medical cannabinoid products, or medical cannabis paraphernalia."
- 3.28 Page 151, after line 16, insert:

4.1 "Subd. ... **Local taxes prohibited.** A political subdivision of this state is prohibited from
4.2 imposing a local sales tax solely on the sale of taxable cannabis products."

4.3 Renumber the subdivisions in sequence

4.4 Page 151, line 19, delete "3" and insert "4"

4.5 Page 156, line 18, delete "a"

4.6 Page 156, line 19, delete "(q)" and insert "(r)"

4.7 Page 157, line 1, delete "(q)" and insert "(r)"

4.8 Page 158, line 14, delete "(q)" and insert "(r)"

4.9 Page 161, line 9, delete "(q)" and insert "(r)"

4.10 Page 161, delete section 13 and insert:

4.11 "Sec. 13. Minnesota Statutes 2022, section 297A.70, subdivision 4, is amended to read:

4.12 Subd. 4. **Sales to nonprofit groups.** (a) All sales, except those listed in paragraph (b),
4.13 to the following "nonprofit organizations" are exempt:

4.14 (1) a corporation, society, association, foundation, or institution organized and operated
4.15 exclusively for charitable, religious, or educational purposes if the item purchased is used
4.16 in the performance of charitable, religious, or educational functions;

4.17 (2) any senior citizen group or association of groups that:

4.18 (i) in general limits membership to persons who are either age 55 or older, or persons
4.19 with a physical disability;

4.20 (ii) is organized and operated exclusively for pleasure, recreation, and other nonprofit
4.21 purposes, not including housing, no part of the net earnings of which inures to the benefit
4.22 of any private shareholders; and

4.23 (iii) is an exempt organization under section 501(c) of the Internal Revenue Code; and

4.24 (3) an organization that qualifies for an exemption for memberships under subdivision
4.25 12 if the item is purchased and used in the performance of the organization's mission.

4.26 For purposes of this subdivision, charitable purpose includes the maintenance of a cemetery
4.27 owned by a religious organization.

4.28 (b) This exemption does not apply to the following sales:

5.1 (1) building, construction, or reconstruction materials purchased by a contractor or a
 5.2 subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed
 5.3 maximum price covering both labor and materials for use in the construction, alteration, or
 5.4 repair of a building or facility;

5.5 (2) construction materials purchased by tax-exempt entities or their contractors to be
 5.6 used in constructing buildings or facilities that will not be used principally by the tax-exempt
 5.7 entities;

5.8 (3) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),
 5.9 ~~and~~ prepared food, candy, soft drinks, taxable cannabis products as defined under section
 5.10 295.81, subdivision 1, paragraph (r), and alcoholic beverages as defined in section 297A.67,
 5.11 subdivision 2, except wine purchased by an established religious organization for sacramental
 5.12 purposes or as allowed under subdivision 9a; and

5.13 (4) leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except as
 5.14 provided in paragraph (c).

5.15 (c) This exemption applies to the leasing of a motor vehicle as defined in section 297B.01,
 5.16 subdivision 11, only if the vehicle is:

5.17 (1) a truck, as defined in section 168.002, a bus, as defined in section 168.002, or a
 5.18 passenger automobile, as defined in section 168.002, if the automobile is designed and used
 5.19 for carrying more than nine persons including the driver; and

5.20 (2) intended to be used primarily to transport tangible personal property or individuals,
 5.21 other than employees, to whom the organization provides service in performing its charitable,
 5.22 religious, or educational purpose.

5.23 (d) A limited liability company also qualifies for exemption under this subdivision if
 5.24 (1) it consists of a sole member that would qualify for the exemption, and (2) the items
 5.25 purchased qualify for the exemption.

5.26 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
 5.27 30, 2023."

5.28 Page 164, line 2, delete "(q)" and insert "(r)"

5.29 Page 164, line 25, delete "(r)" and insert "(s)"

5.30 Page 164, line 27, delete "(q)" and insert "(r)"

5.31 Page 165 delete section 16

5.32 Page 165, line 11, delete "(q)" and insert "(r)"

6.1 Page 224, after line 23, insert:

6.2 "Sec. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
6.3 read:

6.4 Subd. 5d. **Indian lands.** "Indian lands" means all lands within the limits of any Indian
6.5 reservation within the boundaries of Minnesota and any lands within the boundaries of
6.6 Minnesota title to which are either held in trust by the United States or over which an Indian
6.7 Tribe exercises governmental power.

6.8 Sec. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
6.9 read:

6.10 Subd. 15. **Tribal medical cannabis board.** "Tribal medical cannabis board" means an
6.11 agency established by each federally recognized Tribal government and duly authorized by
6.12 that Tribe's governing body to perform regulatory oversight and monitor compliance with
6.13 a Tribal medical cannabis program and applicable regulations.

6.14 Sec. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
6.15 read:

6.16 Subd. 16. **Tribal medical cannabis program.** "Tribal medical cannabis program" means
6.17 a program established by a federally recognized Tribal government within the boundaries
6.18 of Minnesota regarding the commercial production, processing, sale or distribution, and
6.19 possession of medical cannabis and medical cannabis products.

6.20 Sec. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
6.21 read:

6.22 Subd. 17. **Tribal medical cannabis program manufacturer.** "Tribal medical cannabis
6.23 program manufacturer" means an entity designated by a Tribal medical cannabis board
6.24 within the boundaries of Minnesota or a federally recognized Tribal government within the
6.25 boundaries of Minnesota to engage in production, processing, and sale or distribution of
6.26 medical cannabis and medical cannabis products under that Tribe's Tribal medical cannabis
6.27 program.

7.1 Sec. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
7.2 read:

7.3 Subd. 18. **Tribal medical cannabis program patient.** "Tribal medical cannabis program
7.4 patient" means a person who possesses a valid registration verification card or equivalent
7.5 document that is issued under the laws or regulations of a Tribal nation within the boundaries
7.6 of Minnesota and that verifies that the person is enrolled in or authorized to participate in
7.7 that Tribal nation's Tribal medical cannabis program.

7.8 Sec. Minnesota Statutes 2022, section 152.29, subdivision 4, is amended to read:

7.9 Subd. 4. **Report.** (a) Each manufacturer shall report to the commissioner on a monthly
7.10 basis the following information on each individual patient for the month prior to the report:

7.11 (1) the amount and dosages of medical cannabis distributed;

7.12 (2) the chemical composition of the medical cannabis; and

7.13 (3) the tracking number assigned to any medical cannabis distributed.

7.14 (b) For transactions involving Tribal medical cannabis program patients, each
7.15 manufacturer shall report to the commissioner on a weekly basis the following information
7.16 on each individual Tribal medical cannabis program patient for the week prior to the report:

7.17 (1) the name of the Tribal medical cannabis program in which the Tribal medical cannabis
7.18 program patient is enrolled;

7.19 (2) the amount and dosages of medical cannabis distributed;

7.20 (3) the chemical composition of the medical cannabis distributed; and

7.21 (4) the tracking number assigned to the medical cannabis distributed.

7.22 Sec. Minnesota Statutes 2022, section 152.29, is amended by adding a subdivision to
7.23 read:

7.24 Subd. 5. **Distribution to Tribal medical cannabis program patient.** (a) A manufacturer
7.25 may distribute medical cannabis in accordance with subdivisions 1 to 4 to a Tribal medical
7.26 cannabis program patient.

7.27 (b) Prior to distribution, the Tribal medical cannabis program patient must provide to
7.28 the manufacturer:

7.29 (1) a valid medical cannabis registration verification card or equivalent document issued
7.30 by a Tribal medical cannabis program that indicates that the Tribal medical cannabis program

8.1 patient is authorized to use medical cannabis on Indian lands over which the Tribe has
8.2 jurisdiction; and

8.3 (2) a valid photographic identification card issued by the Tribal medical cannabis
8.4 program, a valid driver's license, or a valid state identification card.

8.5 (c) A manufacturer shall distribute medical cannabis to a Tribal medical cannabis program
8.6 patient only in a form allowed under section 152.22, subdivision 6.

8.7 Sec. **[152.291] TRIBAL MEDICAL CANNABIS PROGRAM MANUFACTURER**
8.8 **TRANSPORTATION.**

8.9 (a) A Tribal medical cannabis program manufacturer may transport medical cannabis
8.10 to testing laboratories in the state and to other Indian lands.

8.11 (b) A Tribal medical cannabis program manufacturer must staff a motor vehicle used to
8.12 transport medical cannabis with at least two employees of the manufacturer. Each employee
8.13 in the transport vehicle must carry identification specifying that the employee is an employee
8.14 of the manufacturer, and one employee in the transport vehicle must carry a detailed
8.15 transportation manifest that includes the place and time of departure, the address of the
8.16 destination, and a description and count of the medical cannabis being transported.

8.17 Sec. Minnesota Statutes 2022, section 152.30, is amended to read:

8.18 **152.30 PATIENT DUTIES.**

8.19 (a) A patient shall apply to the commissioner for enrollment in the registry program by
8.20 submitting an application as required in section 152.27 and an annual registration fee as
8.21 determined under section 152.35.

8.22 (b) As a condition of continued enrollment, patients shall agree to:

8.23 (1) continue to receive regularly scheduled treatment for their qualifying medical
8.24 condition from their health care practitioner; and

8.25 (2) report changes in their qualifying medical condition to their health care practitioner.

8.26 (c) A patient shall only receive medical cannabis from a registered manufacturer or
8.27 Tribal medical cannabis program but is not required to receive medical cannabis products
8.28 from only a registered manufacturer or Tribal medical cannabis program.

9.1 Sec. Minnesota Statutes 2022, section 152.32, is amended to read:

9.2 **152.32 PROTECTIONS FOR REGISTRY PROGRAM OR TRIBAL MEDICAL**
9.3 **CANNABIS PROGRAM PARTICIPATION.**

9.4 Subdivision 1. **Presumption.** (a) There is a presumption that a patient enrolled in the
9.5 registry program under sections 152.22 to 152.37 or a Tribal medical cannabis program
9.6 patient is engaged in the authorized use of medical cannabis.

9.7 (b) The presumption may be rebutted by evidence that:

9.8 (1) a patient's conduct related to use of medical cannabis was not for the purpose of
9.9 treating or alleviating the patient's qualifying medical condition or symptoms associated
9.10 with the patient's qualifying medical condition; or

9.11 (2) a Tribal medical cannabis program patient's use of medical cannabis was not for a
9.12 purpose authorized by the Tribal medical cannabis program.

9.13 Subd. 2. **Criminal and civil protections.** (a) Subject to section 152.23, the following
9.14 are not violations under this chapter:

9.15 (1) use or possession of medical cannabis or medical cannabis products by a patient
9.16 enrolled in the registry program; ~~or~~; possession by a registered designated caregiver or the
9.17 parent, legal guardian, or spouse of a patient if the parent, legal guardian, or spouse is listed
9.18 on the registry verification; or use or possession of medical cannabis or medical cannabis
9.19 products by a Tribal medical cannabis program patient;

9.20 (2) possession, dosage determination, or sale of medical cannabis or medical cannabis
9.21 products by a medical cannabis manufacturer, employees of a manufacturer, a Tribal medical
9.22 cannabis program manufacturer, employees of a Tribal medical cannabis program
9.23 manufacturer, a laboratory conducting testing on medical cannabis, or employees of the
9.24 laboratory; and

9.25 (3) possession of medical cannabis or medical cannabis products by any person while
9.26 carrying out the duties required under sections 152.22 to 152.37.

9.27 (b) Medical cannabis obtained and distributed pursuant to sections 152.22 to 152.37 and
9.28 associated property is not subject to forfeiture under sections 609.531 to 609.5316.

9.29 (c) The commissioner, members of a Tribal medical cannabis board, the commissioner's
9.30 or Tribal medical cannabis board's staff, the commissioner's or Tribal medical cannabis
9.31 board's agents or contractors, and any health care practitioner are not subject to any civil or
9.32 disciplinary penalties by the Board of Medical Practice, the Board of Nursing, or by any

10.1 business, occupational, or professional licensing board or entity, solely for ~~the~~ participation
10.2 in the registry program under sections 152.22 to 152.37 or in a Tribal medical cannabis
10.3 program. A pharmacist licensed under chapter 151 is not subject to any civil or disciplinary
10.4 penalties by the Board of Pharmacy when acting in accordance with the provisions of
10.5 sections 152.22 to 152.37. Nothing in this section affects a professional licensing board
10.6 from taking action in response to violations of any other section of law.

10.7 (d) Notwithstanding any law to the contrary, the commissioner, the governor of
10.8 Minnesota, or an employee of any state agency may not be held civilly or criminally liable
10.9 for any injury, loss of property, personal injury, or death caused by any act or omission
10.10 while acting within the scope of office or employment under sections 152.22 to 152.37.

10.11 (e) Federal, state, and local law enforcement authorities are prohibited from accessing
10.12 the patient registry under sections 152.22 to 152.37 except when acting pursuant to a valid
10.13 search warrant.

10.14 (f) Notwithstanding any law to the contrary, neither the commissioner nor a public
10.15 employee may release data or information about an individual contained in any report,
10.16 document, or registry created under sections 152.22 to 152.37 or any information obtained
10.17 about a patient participating in the program, except as provided in sections 152.22 to 152.37.

10.18 (g) No information contained in a report, document, or registry or obtained from a patient
10.19 under sections 152.22 to 152.37 or from a Tribal medical cannabis program patient may be
10.20 admitted as evidence in a criminal proceeding unless independently obtained or in connection
10.21 with a proceeding involving a violation of sections 152.22 to 152.37.

10.22 (h) Notwithstanding section 13.09, any person who violates paragraph (e) or (f) is guilty
10.23 of a gross misdemeanor.

10.24 (i) An attorney may not be subject to disciplinary action by the Minnesota Supreme
10.25 Court, a Tribal court, or the professional responsibility board for providing legal assistance
10.26 to prospective or registered manufacturers or others related to activity that is no longer
10.27 subject to criminal penalties under state law pursuant to sections 152.22 to 152.37, or for
10.28 providing legal assistance to a Tribal medical cannabis program or a Tribal medical cannabis
10.29 program manufacturer.

10.30 (j) ~~Possession of a registry verification or application for enrollment in the program by~~
10.31 ~~a person entitled to possess or apply for enrollment in the registry program does~~ The
10.32 following do not constitute probable cause or reasonable suspicion, nor and shall it not be
10.33 used to support a search of the person or property of the person possessing or applying for

11.1 the registry verification or equivalent, or otherwise subject the person or property of the
11.2 person to inspection by any governmental agency;

11.3 (1) possession of a registry verification or application for enrollment in the registry
11.4 program by a person entitled to possess a registry verification or apply for enrollment in
11.5 the registry program; or

11.6 (2) possession of a verification or equivalent issued by a Tribal medical cannabis program
11.7 or application for enrollment in a Tribal medical cannabis program by a person entitled to
11.8 possess such a verification or application.

11.9 Subd. 3. **Discrimination prohibited.** (a) No school or landlord may refuse to enroll or
11.10 lease to and may not otherwise penalize a person solely for the person's status as a patient
11.11 enrolled in the registry program under sections 152.22 to 152.37 or for the person's status
11.12 as a Tribal medical cannabis program patient, unless failing to do so would violate federal
11.13 law or regulations or cause the school or landlord to lose a monetary or licensing-related
11.14 benefit under federal law or regulations.

11.15 (b) For the purposes of medical care, including organ transplants, a registry program
11.16 enrollee's use of medical cannabis under sections 152.22 to 152.37, or a Tribal medical
11.17 cannabis program patient's use of medical cannabis as authorized by the Tribal medical
11.18 cannabis program, is considered the equivalent of the authorized use of any other medication
11.19 used at the discretion of a physician, advanced practice registered nurse, or physician assistant
11.20 and does not constitute the use of an illicit substance or otherwise disqualify a patient from
11.21 needed medical care.

11.22 (c) Unless a failure to do so would violate federal law or regulations or cause an employer
11.23 to lose a monetary or licensing-related benefit under federal law or regulations, an employer
11.24 may not discriminate against a person in hiring, termination, or any term or condition of
11.25 employment, or otherwise penalize a person, if the discrimination is based upon ~~either~~ any
11.26 of the following:

11.27 (1) the person's status as a patient enrolled in the registry program under sections 152.22
11.28 to 152.37; ~~or~~

11.29 (2) the person's status as a Tribal medical cannabis program patient; or

11.30 ~~(2)~~ (3) a patient's positive drug test for cannabis components or metabolites, unless the
11.31 patient used, possessed, or was impaired by medical cannabis on the premises of the place
11.32 of employment or during the hours of employment.

12.1 (d) An employee who is required to undergo employer drug testing pursuant to section
 12.2 181.953 may present verification of enrollment in the patient registry or of enrollment in a
 12.3 Tribal medical cannabis program as part of the employee's explanation under section 181.953,
 12.4 subdivision 6.

12.5 (e) A person shall not be denied custody of a minor child or visitation rights or parenting
 12.6 time with a minor child solely based on the person's status as a patient enrolled in the registry
 12.7 program under sections 152.22 to 152.37, or on the person's status as a Tribal medical
 12.8 cannabis program patient. There shall be no presumption of neglect or child endangerment
 12.9 for conduct allowed under sections 152.22 to 152.37 or under a Tribal medical cannabis
 12.10 program, unless the person's behavior is such that it creates an unreasonable danger to the
 12.11 safety of the minor as established by clear and convincing evidence.

12.12 Sec. Minnesota Statutes 2022, section 152.33, subdivision 1, is amended to read:

12.13 Subdivision 1. **Intentional diversion; criminal penalty.** In addition to any other
 12.14 applicable penalty in law, a manufacturer or an agent of a manufacturer who intentionally
 12.15 transfers medical cannabis to a person other than another registered manufacturer, a patient,
 12.16 a Tribal medical cannabis program patient, a registered designated caregiver or, if listed on
 12.17 the registry verification, a parent, legal guardian, or spouse of a patient is guilty of a felony
 12.18 punishable by imprisonment for not more than two years or by payment of a fine of not
 12.19 more than \$3,000, or both. A person convicted under this subdivision may not continue to
 12.20 be affiliated with the manufacturer and is disqualified from further participation under
 12.21 sections 152.22 to 152.37."

12.22 Page 285, delete article 9 and insert:

12.23 "ARTICLE 9

12.24 IMPLEMENTATION; APPROPRIATIONS; TRANSFER

12.25 Section 1. **OFFICE OF CANNABIS MANAGEMENT; IMPLEMENTATION.**

12.26 (a) \$3,000,000 in fiscal year 2023 is appropriated from the general fund to the
 12.27 commissioner of agriculture for the planning, research, analysis, and other efforts needed
 12.28 to establish the Office of Cannabis Management and transition programs, authorities, and
 12.29 responsibilities contained in Minnesota Statutes, chapter 342, to that office. This is a onetime
 12.30 appropriation and is available until June 30, 2025.

12.31 (b) Upon the effective date of this act, the commissioner of agriculture may exercise all
 12.32 authorities and responsibilities granted to the Office of Cannabis Management under

13.1 Minnesota Statutes, chapter 342, that are necessary to establish the Office of Cannabis
13.2 Management and transition programs, authorities, and responsibilities to that office.

13.3 (c) On or after January 1, 2024, and at such time the Office of Cannabis Management
13.4 is able to fulfill the powers and duties enumerated in Minnesota Statutes, section 342.02,
13.5 subdivision 2, the commissioner of agriculture may transfer all or some Minnesota Statutes,
13.6 chapter 342, programs, authorities, and responsibilities to the Office of Cannabis
13.7 Management. Upon such transfer, existing contracts, obligations, and funds managed by
13.8 the commissioner of agriculture that are necessary to administer the transferred programs,
13.9 authorities, or responsibilities shall be transferred to the Office of Cannabis Management.

13.10 (d) To the extent necessary to establish the Office of Cannabis Management and fulfill
13.11 the powers and duties enumerated in Minnesota Statutes, section 342.02, the commissioner
13.12 of agriculture and the Office of Cannabis Management are exempt from the requirements
13.13 of Minnesota Statutes, section 16A.15, subdivision 3, and chapter 16C, and any other state
13.14 procurement laws, rules, and procedures. This exemption expires on July 1, 2025.

13.15 **Sec. 2. APPROPRIATIONS; TRANSFER.**

13.16 Subdivision 1. **Office of Cannabis Management.** (a) \$20,814,000 in fiscal year 2024
13.17 and \$17,260,000 in fiscal year 2025 are appropriated from the general fund to the Office
13.18 of Cannabis Management for purposes of this act. The base for this appropriation is
13.19 \$31,787,000 in fiscal year 2026 and \$42,344,00 in fiscal year 2027.

13.20 (b) Of the base established in paragraph (a), \$12,000,000 in fiscal year 2026 and
13.21 \$20,000,000 in fiscal year 2027 are for cannabis industry community renewal grants. Of
13.22 these amounts, up to three percent may be used for administrative expenses.

13.23 (c) Of the base established in paragraph (a), \$1,000,000 in fiscal year 2026 and \$1,000,000
13.24 in fiscal year 2027 are for grants issued pursuant to Minnesota Statutes, section 342.73, to
13.25 eligible organizations to help farmers navigate the regulatory structure of the legal cannabis
13.26 industry and to nonprofit corporations to fund loans to farmers for expansion into the legal
13.27 cannabis industry. Of these amounts, up to three percent may be used for administrative
13.28 expenses.

13.29 Subd. 2. **Substance use treatment, recovery, and prevention grant account;**
13.30 **transfer.** Money for substance use treatment, recovery, and prevention is transferred from
13.31 the general fund to the substance use treatment, recovery, and prevention grant account
13.32 established under Minnesota Statutes, section 342.72. The transfer is \$4,000,000 in fiscal

14.1 years 2024 and 2025. The base for this transfer is \$12,000,000 in fiscal year 2026 and
14.2 \$16,000,000 in fiscal year 2027.

14.3 Subd. 3. **Office of Cannabis Management; extension and research grants.** (a) \$100,000
14.4 in fiscal year 2024 and \$100,000 in fiscal year 2025 are appropriated from the general fund
14.5 to the Office of Cannabis Management for grants to the University of Minnesota for cannabis
14.6 genetics and agronomy research. The base for this appropriation is \$750,000 in fiscal year
14.7 2026 and beyond.

14.8 (b) Projects involving cannabis genetics and agronomy research that are not currently
14.9 receiving financial support from the University of Minnesota are eligible for grants under
14.10 this section. Grant money must be used for the creation and maintenance of a University of
14.11 Minnesota Extension position and a postdoctoral position.

14.12 (c) In awarding grants, the Office of Cannabis Management must give priority to
14.13 applications by researchers who would be eligible to be social equity applicants as defined
14.14 in Minnesota Statutes, section 342.16.

14.15 Subd. 4. **Department of Agriculture.** \$411,000 in fiscal year 2024 and \$411,000 in
14.16 fiscal year 2025 are appropriated from the general fund to the commissioner of agriculture
14.17 to provide consultation services and assist the Office of Cannabis Management with licensing,
14.18 inspection, enforcement, laboratory services, surveillance of retail sales, outreach, and grants
14.19 to farmers, and to perform other duties as required by this act. The base for this appropriation
14.20 is \$338,000 in fiscal year 2026 and beyond.

14.21 Subd. 5. **Attorney General.** \$358,000 in fiscal year 2024 and \$358,000 in fiscal year
14.22 2025 are appropriated from the general fund to the attorney general for costs associated
14.23 with the Cannabis Expungement Board, including but not limited to reviewing records,
14.24 conducting interviews, drafting subpoenas, moving the court for orders to compel, and
14.25 drafting memoranda. The base in fiscal year 2029 and thereafter is \$0.

14.26 Subd. 6. **Cannabis Expungement Board.** \$4,880,000 in fiscal year 2024 and \$4,687,000
14.27 in fiscal year 2025 are appropriated from the general fund to the Cannabis Expungement
14.28 Board for staffing and other expenses related to reviewing criminal convictions and issuing
14.29 decisions related to expungement and resentencing. The base for this appropriation is
14.30 \$4,687,000 in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter
14.31 is \$0.

14.32 Subd. 7. **Department of Commerce.** \$527,000 in fiscal year 2024 and \$1,093,000 in
14.33 fiscal year 2025 are appropriated from the general fund to the commissioner of commerce

15.1 for the purposes of this act. The base for this appropriation is \$1,341,000 in fiscal year 2026
15.2 and \$1,520,000 in fiscal year 2027.

15.3 Subd. 8. **Department of Corrections.** An appropriation to the commissioner of
15.4 corrections for correctional institutions is reduced by \$165,000 in fiscal year 2024 and
15.5 \$368,000 in fiscal year 2025. The base for this appropriation is reduced by \$460,000 in
15.6 fiscal year 2026 and \$503,000 in fiscal year 2027.

15.7 Subd. 9. **Department of Education.** \$180,000 in fiscal year 2024 and \$120,000 in fiscal
15.8 year 2025 are appropriated from the general fund to the commissioner of education for the
15.9 purposes of this act.

15.10 Subd. 10. **Department of Employment and Economic Development.** (a) \$10,400,000
15.11 in fiscal year 2024 and \$6,700,000 in fiscal year 2025 are appropriated from the general
15.12 fund to the commissioner of employment and economic development for the CanStartup,
15.13 CanNavigate, and CanTrain programs. Any unencumbered balances remaining in the first
15.14 year do not cancel but are available for the second year.

15.15 (b) Of the amount appropriated under paragraph (a), \$4,000,000 in fiscal year 2024 and
15.16 \$2,619,000 in fiscal year 2025 are for the CanStartup program.

15.17 (c) Of the amount appropriated under paragraph (a), \$2,000,000 in fiscal year 2024 and
15.18 \$1,884,000 in fiscal year 2025 are for the CanNavigate program.

15.19 (d) Of the amount appropriated under paragraph (a), \$4,400,000 in fiscal year 2024 and
15.20 \$2,197,000 in fiscal year 2025 are for the CanTrain program.

15.21 (e) Of these amounts, up to four percent may be used for administrative expenses.

15.22 Subd. 11. **Department of Health.** (a) \$9,680,000 in fiscal year 2024 and \$18,186,000
15.23 in fiscal year 2025 are appropriated from the general fund to the commissioner of health
15.24 for the purposes of this act.

15.25 (b) Of the amount appropriated under paragraph (a), \$1,674,000 in fiscal year 2024 and
15.26 \$1,674,000 in fiscal year 2025 are for education for women who are pregnant, breastfeeding,
15.27 or who may become pregnant. Of this amount, \$1,000,000 each year is for media campaign
15.28 contracts. The base for this appropriation is \$3,174,000 in fiscal year 2026 and thereafter.
15.29 Of the amounts appropriated in fiscal year 2026 and thereafter, \$2,500,000 is for media
15.30 campaign contracts.

15.31 (c) Of the amount appropriated under paragraph (a), \$330,000 in fiscal year 2024 and
15.32 \$277,000 in fiscal year 2025 are for data collection and reports. The base for this
15.33 appropriation is \$227,000 in fiscal year 2026 and \$277,000 in fiscal year 2027.

16.1 (d) Of the amount appropriated under paragraph (a), \$719,000 in fiscal year 2024 and
16.2 \$771,000 in fiscal year 2025 are for testing required by this act. The base for this
16.3 appropriation is \$690,000 in fiscal year 2026 and thereafter.

16.4 (e) Of the amount appropriated under paragraph (a), \$2,998,000 in fiscal year 2024 and
16.5 \$2,998,000 in fiscal year 2025 are for education for youth. Of this amount, \$1,000,000 each
16.6 year is for statewide youth awareness campaign contracts. The base for this appropriation
16.7 is \$4,498,000 in fiscal year 2026 and thereafter. Of the amounts in fiscal year 2026 and
16.8 thereafter, \$2,500,000 is for media campaign contracts.

16.9 (f) Of the amount appropriated under paragraph (a), \$9,000,000 in fiscal year 2025 is
16.10 for grants to local health departments for: (1) creation and dissemination of educational
16.11 materials on cannabis flower, cannabis products, lower-potency hemp edibles, and
16.12 hemp-derived consumer products; and (2) community education, technical assistance, and
16.13 outreach on prevention and safe use regarding cannabis flower, cannabis products,
16.14 lower-potency hemp edibles, and hemp-derived consumer products. The commissioner shall
16.15 distribute these grants according to a contract with the Local Public Health Association of
16.16 Minnesota. Of the appropriations in this paragraph, the commissioner may withhold up to
16.17 ten percent for grant administration and technical assistance to local health departments.

16.18 (g) Of the amount appropriated under paragraph (a), \$1,000,000 in fiscal year 2025 is
16.19 for grants to Tribal health departments for: (1) creation and dissemination of educational
16.20 materials on cannabis flower, cannabis products, lower-potency hemp edibles, and
16.21 hemp-derived consumer products; and (2) community education, technical assistance, and
16.22 outreach on prevention and safe use regarding cannabis flower, cannabis products,
16.23 lower-potency hemp edibles, and hemp-derived consumer products. Of the appropriations
16.24 in this paragraph, the commissioner may withhold up to ten percent for grant administration
16.25 and technical assistance to Tribal health departments.

16.26 Subd. 12. **Department of Health; Minnesota Poison Control System.** \$910,000 in
16.27 fiscal year 2024 and \$810,000 in fiscal year 2025 are appropriated from the general fund
16.28 to the commissioner of health to support the Poison Control System and award or supplement
16.29 grants pursuant to Minnesota Statutes, section 145.93.

16.30 Subd. 13. **Department of Human Services.** (a) \$1,566,000 in fiscal year 2024 and
16.31 \$1,420,000 in fiscal year 2025 are appropriated from the general fund to the commissioner
16.32 of human services for the purposes of this act. The base for this appropriation is \$1,420,000
16.33 in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is \$225,000.

17.1 (b) Of the amount appropriated under paragraph (a), \$1,043,000 in fiscal year 2024 and
17.2 \$1,195,000 in fiscal year 2025 are for the Background Studies Legal Division. The base for
17.3 this appropriation is \$1,195,000 in fiscal years 2026, 2027, and 2028. The base in fiscal
17.4 year 2029 and thereafter is \$0.

17.5 (c) Of the amount appropriated under paragraph (a), \$322,000 in fiscal year 2024 is for
17.6 technology system changes. This is a onetime appropriation.

17.7 (d) Of the amount appropriated under paragraph (a), \$201,000 in fiscal year 2024 and
17.8 \$225,000 in fiscal year 2025 are for costs associated with the Substance Use Disorder
17.9 Advisory Council.

17.10 Subd. 14. **Department of Labor and Industry.** \$116,000 in fiscal year 2024 and
17.11 \$123,000 in fiscal year 2025 are appropriated from the general fund to the commissioner
17.12 of labor and industry to identify occupational competency standards and provide technical
17.13 assistance for developing dual-training programs under Minnesota Statutes, section 175.45,
17.14 for the legal cannabis industry.

17.15 Subd. 15. **Department of Natural Resources.** \$338,000 in fiscal year 2024 is
17.16 appropriated from the general fund to the commissioner of natural resources for the purposes
17.17 of this act. This is a onetime appropriation.

17.18 Subd. 16. **Office of Higher Education.** \$1,000,000 in fiscal year 2024 and \$1,000,000
17.19 in fiscal year 2025 are appropriated from the general fund to the commissioner of higher
17.20 education for transfer to the dual training account in the special revenue fund under Minnesota
17.21 Statutes, section 136A.246, subdivision 10, for grants to employers in the legal cannabis
17.22 industry. The commissioner shall give priority to applications from employers who are, or
17.23 who are training employees who are, eligible to be social equity applicants under Minnesota
17.24 Statutes, section 342.16. After June 30, 2025, any unencumbered balance from this
17.25 appropriation may be used for grants to any eligible employer under Minnesota Statutes,
17.26 section 136A.246.

17.27 Subd. 17. **Pollution Control Agency.** (a) \$140,000 in fiscal year 2024 and \$70,000 in
17.28 fiscal year 2025 are appropriated from the general fund to the commissioner of the Pollution
17.29 Control Agency for the purposes of this act.

17.30 (b) Of the amount appropriated under paragraph (a), \$70,000 in fiscal year 2024 is for
17.31 wastewater staff. This is a onetime appropriation.

17.32 (c) Of the amount appropriated under paragraph (a), \$70,000 in fiscal year 2024 and
17.33 \$70,000 in fiscal year 2025 are for small business assistance staff.

18.1 Subd. 18. Department of Public Safety; Bureau of Criminal Apprehension. (a)
18.2 \$7,945,000 in fiscal year 2024 and \$4,543,000 in fiscal year 2025 are appropriated from
18.3 the general fund to the commissioner of public safety for use by the Bureau of Criminal
18.4 Apprehension. The base for this appropriation is \$3,551,000 in fiscal years 2026, 2027, and
18.5 2028. The base in fiscal year 2029 and thereafter is \$1,495,000.

18.6 (b) Of the amount appropriated under paragraph (a), \$992,000 in fiscal year 2024 and
18.7 \$992,000 in fiscal year 2025 are for expenses related to identifying and providing records
18.8 of convictions for certain offenses involving the possession of cannabis that may be eligible
18.9 for expungement and resentencing. The base for this appropriation is \$992,000 in fiscal
18.10 years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is \$0.

18.11 (c) Of the amount appropriated under paragraph (a), \$1,766,000 in fiscal year 2024 and
18.12 \$1,240,000 in fiscal year 2025 are for forensic science services including additional staff,
18.13 equipment, and supplies.

18.14 (d) Of the amount appropriated under paragraph (a), \$255,000 in fiscal year 2024 and
18.15 \$255,000 in fiscal year 2025 are for investigation of diversion crimes.

18.16 Subd. 19. Department of Public Safety; Office of Traffic Safety. (a) \$1,620,000 in
18.17 fiscal year 2024 and \$1,117,000 in fiscal year 2025 are appropriated from the general fund
18.18 to the commissioner of public safety for use by the Office of Traffic Safety.

18.19 (b) Of the amount appropriated under paragraph (a), \$125,000 in fiscal year 2024 and
18.20 \$125,000 in fiscal year 2025 are for a statewide impaired driving coordinator with a specific
18.21 focus on cannabis and other drug driving issues.

18.22 (c) Of the amount appropriated under paragraph (a), \$1,495,000 in fiscal year 2024 and
18.23 \$992,000 in fiscal year 2025 are to support oral fluid roadside testing.

18.24 Subd. 20. Department of Public Safety; State Patrol. \$6,157,000 in fiscal year 2024
18.25 and \$2,218,000 in fiscal year 2025 are appropriated from the trunk highway fund to the
18.26 commissioner of public safety for use by the Minnesota State Patrol for the purposes of this
18.27 act, including but not limited to replacing drug detection canines, providing accident
18.28 reconstruction services, identifying and investigating incidents and offenses that involve
18.29 driving under the influence, and sealing expunged records.

18.30 Subd. 21. Department of Public Safety; State Patrol. \$10,000,000 in fiscal year 2024
18.31 and \$5,000,000 in fiscal year 2025 are appropriated from the general fund to the Minnesota
18.32 State Patrol for its drug evaluation and classification program for drug recognition evaluator
18.33 training, additional phlebotomists, drug recognition training for peace officers, as defined

19.1 in Minnesota Statutes, section 626.84, subdivision 1, paragraph (c), and required continuing
19.2 education training for drug recognition experts.

19.3 Subd. 22. **Department of Revenue.** \$3,709,000 in fiscal year 2024 and \$3,145,000 in
19.4 fiscal year 2025 are appropriated from the general fund to the commissioner of revenue for
19.5 the purposes of this act. The base for this appropriation is \$3,157,000 in fiscal year 2026
19.6 and beyond.

19.7 Subd. 23. **Supreme court.** \$545,000 in fiscal year 2024 and \$545,000 in fiscal year
19.8 2025 are appropriated from the general fund to the supreme court for reviewing records and
19.9 issuing orders related to the expungement or resentencing of certain cannabis offenses. The
19.10 base for this appropriation is \$0 in fiscal year 2026 and thereafter."

19.11 Renumber the sections in sequence and correct the internal references

19.12 Amend the title accordingly