



Implementing Chapter 342: Updates and Role of Local Governments

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Chapter 342

- Signed into law in 2023, establishing the Office of Cannabis Management and legalizing adult-use cannabis in Minnesota.
- Updated via several statutory changes in 2024, including several agency recommendations to support implementation.

OCM is charged with:

- Developing and implementing the operational and regulatory systems to oversee the adult-use cannabis industry, the medical cannabis program, and the consumer hemp industry.
- Launching an effective, safe, equitable, and sustained cannabis industry.

- New OCM webpage, with a specific landing page for local governments:
 - mn.gov/ocm/local-governments
- Local Government Toolkit – Available on website now
- Model ordinance and Local Government Workbook – Coming soon!
- Webinar for local partners – Coming soon!
- Staff contacts:
 - Sophie.Leininger@state.mn.us

Summary of 2024 Legislative Session

Changes to Chapter 342:

- Strengthens social equity provisions
- Supports market launch with license preapproval process
- Improves application and licensing process
- Accelerates transition of hemp-derived enforcement
- Accelerates transition of Office of Medical Cannabis
- Enhances protections for medical cannabis patients and registry participants
- Protects consumer safety
- Offers technical revisions

Improving the Application and Licensing Process



Clarifies and expedites the licensing process

Clarifies the order of operations for the application process to ease applicant comprehension, better informs local partners, and prevents bottlenecks and delays.



Reduce financial burden for applicants

Eliminates the requirement for premises to be secured at the point of initial application to prevent financial risk and hardship.

Support Market Launch with License Preapproval



Creates a process for OCM to issue preapproval on licenses for social equity applicants

- Opens application process on July 24, 2024.
- Does not allow any retail operations to begin until adoption of rules.
- Does allow limited number of licensees to begin growing prior to adoption of rules, pending local approval.

Accelerate Transition of Office of Medical Cannabis



Transitions hemp-derived enforcement authority and medical program to OCM on July 1, 2024

- Allows for earlier integration of inspection staff, operations, and enforcement.
- Current hemp-derived retailers are required to register with MDH, these registrations will be transferred to OCM on July 1, 2024, and any new registrants will be required to sign up with OCM.
- OCM has developed a local toolkit to support partners during this continued interim before licensing structure and the enforcement of hemp-derived regulations.

- Rulemaking process continues, anticipating rules being complete in early 2025
 - Plan for forecasting rules ahead of adoption
 - Licensing and regulatory structure dependent on rules
 - Complaint process for local partners will be established in rules
- Preapproval process begins in July 2024, anticipating months-long process
- Agency build-out continues

Role of Local Governments

- Local ordinances
 - Zoning, time, place, manner, etc.
- Local approval process
 - Certification of compliance with zoning ordinances
 - Retail registration (determine process)
- Compliance checks
 - Age verification and compliance with local ordinances
- Municipal cannabis stores

Thank You!