

Summary of Requirements for Minnesota Brewers in HF100/SF73,

Article 7: Temporary Regulation of Certain Products

(This is a summary of the changes that were enacted on 5/31/2023. This information is compiled by Bob Galligan, Director of Government and Industry Relations for the MN Craft Brewers Guild, who has worked on the language of the bill throughout session. This guidance has not been reviewed by a lawyer, and we recommend having your legal counsel also approve this guidance.)

These laws were effective 5/31/2023, the day after the signature of the Governor. However, the Department of Health (that will be overseeing the market) has stated that **all products need to be brought into compliance by July 1, 2023**.

- 1. Liquor Stores will be allowed to buy and sell THC beverages.
 - a. These beverages do not need to be stored behind the counter.
- 2. Enforcement and regulation of the market will move from the Board of Pharmacy to the Department of Health's Medical Cannabis Office.
 - a. Every producer and retailer of these products will have to register with that Office by October 1, 2023. We are working with the Office to learn what that process will look like. After that date, it will be illegal to produce and sell these products.
- 3. THC beverages MAY be sold for on-site consumption, provided that:
 - a. The retailer holds an on-sale license under 340A.
 - b. Products be served in their original packaging.
 - c. Products may not be sold to customers that the retailer "knows or should reasonably know" are intoxicated.
 - d. THC is not mixed into alcoholic drinks
 - e. Products remain on the premise of the license holder.
- 4. Testing:
 - a. Producers must test a representative sample from each BATCH to an accredited laboratory.
 - b. The standards of the tests and laboratories must be set by the Department of Health by July 1, 2023.
 - c. All test results must be made available to the Department of Health upon request.



- d. Testing requirements:
 - i. The product contains the amount of THC that is stated on the label.
 - ii. The product does not contain mold, residual solvents, other catalysts, pesticides, fertilizers or heavy metals.
 - iii. The product does not contain more than .3% tetrahydrocannabinol.
 - iv. Any introduction of fertilizers, pesticides, etc that the producer is aware of (either intentional or accidental) must be disclosed to the lab and (upon request) the Department of Health.
 - v. A COA of testing done on the hemp from which the THC was extracted does not count as a test for final product.
- 5. Labeling:
 - a. The name, location, address, phone number, and website of the manufacturer and testing lab of the beverage
 - b. The batch number
 - c. The amount of THC in the beverage
 - d. This information can be on the outer package or provided by a QR code leading to a website with the information.
 - e. A statement that "the product does not claim to diagnose, treat, cure, or prevent any disease and has not been evaluated or approved by the United States Food and Drug Administration (FDA) unless the product has been so approved."
- 6. Additional requirements
 - a. Label cannot bear the likeness of a cartoon, animal or fruit that appeals to children.
 - b. Label cannot be modeled after a product primarily consumed by children
 - c. Cannot be a product commercially available with a cannabinoid added.
 - d. Cannot be similar to a meat or poultry product (some products on market are beef jerky, etc)
 - e. Cannot contain an ingredient (besides the cannabinoid) not approved by the FDA
 - f. Cannot be packaged in a way resembling a commercially available food product.
 - g. Cannot be packaged in a way that could mislead the consumer that the package contains anything other than a THC product.
 - h. Must contain information of the serving size, the cannabinoid profile per serving AND in total.
 - i. Must contain a list of ingredients, including any food allergens.
 - j. The statement "Keep this product out of the reach of children."



- 7. General Requirements:
 - a. A Beverage can only contain 10mg of THC at most.
 - b. Cannot contain a synthetic cannabinoid (HHC, THC-P, etc.) Only Delta 8 or 9.
 - c. Beverages do NOT have to be stored behind the counter.
 - d. Products can only be sold to persons 21+ whose identification has been shown. A registered retailer may seize the ID if they have reasonable grounds that the ID has been altered or falsified.
 - e. Inspections may be performed by an agent of the Department of Health OR the Department of Agriculture
- 8. Criminal Penalties: Anyone performing any of the following is guilty of a gross misdemeanor and may be sentenced to one year in prison, \$3000, or both.
 - a. Alters or falsifies testing results
 - b. Intentionally alters or falsifies information on the label
 - c. Intentionally makes false statements to the department of health
 - d. Sells a beverage above 10mg
 - e. Knowingly sells a product that does not comply with labeling or testing
- 9. Enforcement: If an agent finds or has probable cause that a product is not in compliance, the agent or Department shall:
 - a. Affix a marking that the product is not, or is suspected of being in violation, and embargo the product.
 - b. Within 30 days, petition the district court for an order of condemnation.
 - c. If the court finds the product in violation, it will be destroyed at the expense of the claimant. The court costs and other proper expenses will also be at the expense of the claimant.
 - d. If the product may be brought into compliance by proper labeling, processing, or by filing proper documents, the product may be returned after costs, fees, and expenses have been paid.



Important Dates:

-October 1, 2023: All manufacturers and Retailers MUST register with the Department of Health.

-March 1, 2025: Statute 151.72 is repealed meaning definition of products is changed from an "edible cannabinoid product" to a "Low Potency Hemp Edible" thereby changing regulation to laws established in HF100/SF73, Article 1. Further guidance and lobbying initiatives will be forthcoming as the date approaches. Regulations regarding the repeal of Statute 151.72 may occur sooner than March 1, 2025 should the Department of Health be able to transfer enforcement to a operational Office of Cannabis Management.