

Councilor introduced the following Ordinance and moved for its adoption:

ORDINANCE NO. 26-

AN ORDINANCE REGULATING THE RETAIL SALE AND REGISTRATION OF LOWER-POTENCY HEMP EDIBLE PRODUCTS WITHIN THE CITY OF GRAND RAPIDS, MINNESOTA

14-200 PURPOSE AND AUTHORITY

The City Council finds that public health, safety, and welfare are best served by regulating the retail sale of lower-potency hemp edibles (LPHE). This ordinance establishes a local registration framework and enforces operating restrictions pursuant to Minnesota Statutes Section 342.22 and Section 342.13.

14-201 DEFINITIONS

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- a) Lower-Potency Hemp Edible (LPHE): A product intended to be eaten or consumed as a beverage, containing cannabinoids extracted from hemp, and meeting the potency thresholds established under Minnesota Statutes Section 342.01.
- b) Office of Cannabis Management (OCM): The state agency responsible for licensing cannabis and hemp businesses.
- c) Retail Registration: The local approval issued by the City allowing an OCM-licensed business to operate within city limits.

14-202 LOCAL REGISTRATION REQUIRED

- a) Concurrent Authorization: No person or business shall sell, offer for sale, or display LPHE products without a valid state license from the Office of Cannabis Management (OCM) and an active, paid local retail registration issued by the City.
- b) Application and Fees: Application must be filed via the City Clerk on forms provided by the City. The annual registration fee is set at \$100.00 (subject to state limits under [Minn. Stat. § 342.22](#)).
- c) Site Specific: A separate registration is required for each physical retail location.

14-203 OPERATING REGULATIONS AND PROHIBITIONS

A registered LPHE retailer must comply with the following standards:

- a) Age Verification: No sales may be made to individuals under 21 years of age. Retailers must verify age via valid government-issued photographic identification.
- b) Hours of Sale: Retail sales of LPHE products are restricted to the hours between 8:00 AM and 10:00 PM Monday through Saturday, and 11:00 AM to 6:00 PM on Sundays.
- c) Display and Product Storage: All LPHE products (except for beverages) must be stored behind a checkout counter where the public is restricted, or inside a locked display case.
- d) Vending and Self-Service: Products may not be sold via automated vending machines or self-service displays. All transactions require employee assistance.

- e) Samples: Distribution of free promotional samples is strictly prohibited unless specifically permitted under an OCM on-site consumption license on the designated premises.
- f) Movable Places of Business: Sales from mobile kiosks, trailers, or motorized vehicles are prohibited. All transactions must occur inside a permanent building structure.
- g) Sobriety Checks: No sales shall be executed to any person who is visibly intoxicated.

SECTION 5: ZONING AND DISTANCE RESTRICTIONS

- a) Permitted Zones: Retail sales of LPHE products are allowed in Central Business District, General Business, or Shoreland General Business zoning districts as defined in the City of Grand Rapids Zoning ordinance.

SECTION 6: COMPLIANCE AND ENFORCEMENT

- a) Compliance Checks: The City or designated law enforcement shall conduct at least one unannounced compliance check annually, which may include the use of underage persons to test age verification practices.
- b) Civil Penalties: Operating without a local registration, or violating any clause of this ordinance, will result in an administrative civil penalty of up to \$2,000 per violation.
- c) Suspension and Revocation: Multiple violations or the revocation of the state OCM license will result in the immediate suspension or permanent revocation of registration.

This Ordinance shall become effective after its passage and publication.

ADOPTED AND PASSED BY THE City Council of the City of Grand Rapids on the day of 2026.

Tasha Connelly, Mayor

Attest:

Kimberly Gibeau, City Clerk

Councilor seconded the foregoing ordinance and the following voted in favor thereof: .
Opposed: None, whereby the ordinance was declared duly passed and adopted.