



Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

Date: July 14, 2022

Subject: Hemp-derived THC edibles

On July 1, 2022 a new Minnesota law took effect that allows people 21 and over to purchase and consume food and beverages with no more than 5mg of hemp-derived THC per serving and no more than 50mg per package.

I have included information from the League of Minnesota Cities with this memorandum.

Accounting Clerk/Special Projects Coordinator Haley Morrison has reached out to our tobacco licensees to determine if they are selling the new hemp-derived THC edibles. Two establishments, Spring Lake Tobacco Plus, Inc and Dick's Vape Shop, indicated that they are selling edibles. One additional establishment has indicated that they are exploring selling edibles. None of the gas stations in the City which have a tobacco license are selling edibles.

Here is a link to [HF 4065](#), which legalized hemp derived THC edibles. The applicable language begins on line 352.4 and continues through 357.6.

The City has authority to be more restrictive than state law, but not less restrictive. Some cities have implemented a moratorium on the sale of edibles to allow time to study the issue. Other cities are working on a licensing ordinance. City staff is recommending implementing a licensing ordinance.

A possible licensing ordinance is included with this memorandum. The proposed licensing ordinance included with the packet, limits the sale of edible cannabinoid products to exclusive tobacco stores. If the City Council wishes to expand eligible businesses, we can do so at the present time or at a future time through an ordinance amendment. The outline of this ordinance is similar to what the City of Blaine is working on.

Staff doesn't believe it can draft a future proof ordinance that would be able to address the future legalization of recreational marijuana due to a significant number of unknowns. However, this ordinance will work well based on the law that was approved by the Legislature.

If you have any questions, please don't hesitate to contact me. We look forward to the discussion.