



**WORK SESSION  
RICHFIELD MUNICIPAL CENTER, BARTHOLOMEW ROOM  
SEPTEMBER 13, 2022  
6:00 PM**

Call to order

1. Presentation and discussion of recommendations regarding Minnesota's new cannabinoid law.

Adjournment

**Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9739.**

**STAFF REPORT NO. 21****WORK SESSION****9/13/2022**

REPORT PREPARED BY: Jennifer Anderson, Support Services Manager

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police  
9/7/2022

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
9/7/2022**ITEM FOR WORK SESSION:****Presentation and discussion of recommendations regarding Minnesota's new cannabinoid law.****EXECUTIVE SUMMARY:**

On June 2, 2022, Minnesota Governor Tim Walz signed House File 4065 into law, a bill that addressed the sale and consumption of hemp-derived consumables in Minnesota. The new law allows the sale and consumption of edible cannabinoid products derived from hemp that contain no more than five milligrams of any THC in a single serving, or no more than 50 milligrams of any THC per package.

The law focuses on the retail aspect of these products, specifically the age of buyers and the packaging requirements. What is not addressed is the use or possession of these products by persons of any age, including those who are underage. Although someone under 21 cannot purchase the products, there's nothing in the law that prohibits them from possessing them.

The new law includes minimal regulation and cities are being left to establish local regulations.

**DIRECTION NEEDED:**

**Staff seek discussion, feedback on the recommendations provided and next steps from the City Council.**

**BACKGROUND INFORMATION:****A. HISTORICAL CONTEXT**

As legalization of cannabis and cannabinoid products has become more prevalent in states across the country, the Minnesota legislature has discussed legalization and potential regulatory framework. In 2022, the legislature passed legislation that authorized the sale of certain edibles and beverages infused with tetrahydrocannabinol (THC) extracted from hemp.

The legislation provided limited regulation of these products in Minn. Stat. § 151.72 under the Board of Pharmacy, including restrictions and requirements on packaging, labeling, amount of THC, and sale of these products to those under the age of 21.

Cities were not consulted during the drafting of this legislation but have local concerns that need to be addressed. Though the new law has some regulations on the products, there are significant gaps in state oversight and accountability of the manufacturing and production, testing, and distribution of the products.

Additionally, the law does not provide any restrictions on where the products can be sold and offers no guidance for local governments to regulate the sale of the products. The new law increases enforcement responsibilities for local governments which will result in additional costs for cities. Lacking significant oversight and regulations at the state level, some cities passed licensing and/or zoning regulations over the products. Though the law does not prohibit local regulation, many outstanding questions remain pertaining to law enforcement, employment, and the state-city dynamic of regulating and enforcing the law related to these newly legal products.

There are also outstanding questions for cities as employers. The legal status of the new products creates challenges with existing drug-testing law and abilities. Drug tests can test for THC; however, they cannot differentiate whether a positive test for THC is the result of a legal THC edible product or an illegal cannabinoid. Additionally, unlike alcohol intoxication, there are no current tests to indicate intoxication or impairment levels from THC consumption for employees who may be showing signs of intoxication.

As the legislature addresses future issues related to cannabinoids, it is our hope that cities are included in the discussion and regulatory framework of these products.

**Staff recommendations:**

With the above mentioned concerns in mind, staff recommend a six month to one year moratorium allowing time for additional research to be gathered, to learn from communities who have implemented ordinances allowing the sale of edible cannabinoid products, to learn from other law enforcement agencies who are enforcing new ordinances, and to survey retailers about interest in selling products. After the moratorium, staff could better support licensing edible cannabinoid products and have a licensing and fee structure in place that addresses issues we would have seen in the moratorium phase.

**B. POLICIES (resolutions, ordinances, regulations, statutes, etc):**

The City of Richfield currently addresses medical cannabis in the Zoning code. There are no other ordinances that address cannabinoids in City Code. .

**C. CRITICAL TIMING ISSUES:**

It is unclear how many retailers are currently selling THC infused edibles in Richfield. With so much still unknown about these products and the potential risks they pose, it is important to come to a decision on next steps in a timely fashion in order to address gaps in the new law.

**D. FINANCIAL IMPACT:**

N/A

**E. LEGAL CONSIDERATION:**

The City Attorney will be present to address questions by the Council.

**ALTERNATIVE(S):**

Aside from recommendations made by staff, other options for consideration include:

- 1) Complete prohibition of THC products
- 2) Do nothing.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

Chief Jay Henthorne, Director of Public Safety Jennifer Anderson, Support Services Manager Melissa Poehlman, Community Development Director