



Sensible policies, safer communities.

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Representative Aisha Gomez, Chair  
Taxes Committee  
453 State Office Building  
St. Paul, MN 55155

Re: HF100 Cannabis Omnibus Bill

Chair Gomez and members of the committee,

We write today on behalf of Sensible Change Minnesota, with general support of House File 100. Sensible Change Minnesota is a non-profit that believes our communities are safer when we create sensible drug policies. We are a patient and consumer led and run organization and have spent much of the past several years improving Minnesota's medical cannabis program and advocating for safer drug policy.

Over the past ten years, Sensible Minnesota, and later Sensible Change Minnesota, have worked to ensure medical cannabis patients have access to medical cannabis, and have fought hard for its affordability. One of the ways patients, and those that are not in the registry, have accessed their medicine is through the open market - most specifically the non-intoxicating market, including what is called full spectrum CBD and full spectrum CBG.

Full spectrum CBD is widely available in Minnesota - from hemp shops to chiropractors and everything in between, patients and consumers purchase CBD and CBG products from people they trust. These products are even sold by individuals through multi-level marketing programs.

The way this bill is written, CBD and CBG full spectrum products are banned for sale on the hemp market. This means that consumers and patients who have come to trust the people they purchase these products from, and have found products that work for them, will not have access to products they trust from people they trust.

What happens when a Minnesotan continues to sell their CBD products? They become accidental criminals. At line 164.8: "A person is guilty of sale of cannabis in the second degree and may be sentenced to imprisonment of not more than one year or to a payment of a fine of not more than \$3,000, or both, if the person unlawfully sells (1) more than two ounces of cannabis flower, more than eight grams of cannabis concentrate, or edible cannabinoid products infused with more than 800 milligrams of tetrahydrocannabinol." Beyond that, there are collateral consequences. For example, a chiropractor or health care provider could lose their license to practice.

**We encourage grace periods, extended outreach, and even a media strategy for reaching all stakeholders that provide these products for sale.**

**How is this relevant to the Tax Committee?** Even if the definitions are fixed to allow these full spectrum products, Article 2 places an eight-percent tax on all hemp derived and cannabis products. This is unheard of for these non-intoxicating CBD or CBG based products that meet the definition of “low potency hemp edible” simply because they’re mixed with a food grade carrier oil.

Further, at line 130.13 of HF100, seventh engrossment, the cannabis tax would be applied to any other products “bundled in a single transaction” that might include a single can of a CBD water. **Since these are sold in grocery stores, an entire grocery cart of groceries could be subject to an eight-percent tax, even if the other products are not taxable.**

This is the second to last committee stop for HF100, and it is our understanding that there is not time left to amend the bill in Committee. We ask for the author’s commitment to addressing these issues in a Conference Committee to maintain access and affordability for consumers and patients to these products.

Thank you for your consideration.

*/s/Jessica Hauser*

Jessica Hauser, Director  
On behalf of the organization

*/s/Andrea Devora*

Andrea Devora, Director  
On behalf of the organization