



Sunday, May 14, 2023

The Honorable Zach Stephenson

Via email: Rep.Zack.Stephenson@house.mn.gov

The Honorable Lindsey Port

Via email: Sen.Lindsey.Port@senate.mn

Cc: HF 100 Conference Committee Members

Dear Senator Port, Representative Stephenson, and members of the Conference Committee:

Without full transparency and public participation in conversations with the bill over the past two weeks by the Conference Committee, it has been extremely challenging for stakeholders to properly comment on, and identify, provisions that need to be fixed to make this bill work for all Minnesotans.

On behalf of Plift, we submit this written testimony urging the members of the Cannabis Conference Committee to correct four specific issues in the Article 1 - Regulation of adult-use cannabis which were only just released after 5PM on Sunday May 14, 2023.

First, please add “or hemp-derived” after “artificially derived” at 5.26 in the A133 Amendment. Any Minnesota business which sells edible cannabinoid products with delta-9 THC extracted from hemp mother liquor would be guilty of a crime punishable by jail time or a significant fine. We purchased our hemp concentrate from a small black-owned farm in rural Minnesota and would be forced to find an alternative supplier if this provision is left unchanged.

Second, we urge you to level the playing field for Minnesota’s small businesses by adding a canopy cap for the medical cannabis businesses by striking 108.17 in Senate Section 52, which states “A medical cannabis cultivator may exceed the limit of 60,000 square feet of plant canopy if it was legally cultivating medical cannabis with a greater plant canopy as of April 1, 2023” or entirely removing canopy caps for all licensees entirely.

This section runs counter to Article 8 Section 6 of the Minnesota Constitution which prohibits anything that will “restrict the freedom of markets” or 352D.52 which states “establishment, maintenance, or use of, or any attempt to establish, maintain, or use monopoly power over any part of trade or commerce by any person or persons for the purpose of affecting competition or controlling, fixing, or maintaining prices is unlawful.” Also please consider reinserting lines 24, 27, and 28 into House Section 16 which state applicants must “(4) reside in the state” and “(6) if the applicant or license holder is a business entity, at least 75 percent of the business must be owned by Minnesota residents.” No market benefits when large, out-state businesses come in and take over the market.

Third, we plead with you to prevent conflicts of interest and corruption from spoiling Minnesota’s nascent cannabis industry by reinserting “(c) While employed by the office and within two years after terminating employment, an employee may not have a direct or an indirect financial interest in a

cannabis business licensed under this chapter or a recipient of a grant under this chapter.” at 19.16 in Senate Section 2 and “(b) While serving on the Cannabis Advisory Council and within two years after terminating service, a council member shall not serve as a lobbyist, as defined under section 10A.01, subdivision 21.” at 21.26 in Senate Section 3.

Fourth, please delete Article 1, Section 9, Subdivision 5: Importation of hemp-derived products. This will affect countless businesses across Minnesota who rely on the flexible supply chain afforded to federally legal hemp businesses.

We look forward to reviewing the fully amended version of HF100 over the coming days and appreciate the work that went into getting HF100 and SF73 to this point. Our great hope at this point in the process is that the Conference Committee will continue to consider further changes suggested by stakeholders, and the public.

Thank you for your consideration,

Glenn McElfresh

Co-founder, Plift

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