

CHAPTERS VII & VIII GENERAL REGULATIONS

ORDINANCE 71 CANNABINOID PRODUCTS ..... 71-1  
Section 71.1. Purpose. .... 71-1  
Section 71.2. Findings of City Council..... 71-1  
Section 71.3. Definitions..... 71-1  
Section 71.4. Sales of Cannabinoids. .... 71-2  
Section 71.5. Prohibited Sales. .... 71-3  
Section 71.6. License Required. .... 71-3  
Section 71.7. Basis for Denial of License. .... 71-4  
Section 71.8. Testing Requirements. .... 71-5  
Section 71.9. Labeling Requirements. .... 71-5  
Section 71.10. Additional Requirements for Edible Cannabinoid Products..... 71-5  
Section 71.11. Prohibited Distribution Practices. .... 71-6  
Section 71.12. Adulterated or Misbranded Products. .... 71-6  
Section 71.13. Signage..... 71-6  
Section 71.14. Age Verification..... 71-7  
Section 71.15. Responsibility. .... 71-7  
Section 71.16. Hours of Sales..... 71-7  
Section 71.17. Compliance Checks and Inspections. .... 71-7  
Section 71.18. Civil Penalty, Suspension or Revocation of Licenses. .... 71-7  
Section 71.19. Penalties for Violations..... 71-8

ORDINANCE 71     CANNABINOID PRODUCTS

---

---

**Section 71.1. Purpose.** The purpose of this Ordinance is to establish regulations for the sale of cannabinoid products derived from hemp as provided in Minn. Stat. § 151.72.

**Section 71.2. Findings of City Council.** The City Council makes the following findings regarding the need to regulate, license, and inspect establishments that sell certain cannabinoid products:

- A. The Minnesota Legislature enacted new legislation during the 2022 Legislative Session, amending Chapter 98, Article 13. The amendments included changes to Minn. Stat. § 151.72 that allow for the sale of certain previously prohibited cannabinoid products. The Minnesota Legislature enacted additional new legislation during the 2023 Legislative Session, amending Chapters 63 and 340A to 1.) establish an Office of Cannabis Management and 2.) allow for the sale of cannabinoid products by exclusive liquor stores.
- B. Under the new legislation, the City of Waite Park retains authority to regulate licensing and the sale of these cannabinoid products within its jurisdictional boundaries until such time as the Office of Cannabis Management begins issuing cannabis licenses.
- C. The City Council’s mandate to ensure and protect public health, safety, and general welfare of the residents of Waite Park recommends the enactment of rules, regulations, and standards for the newly legal cannabinoid products.

**Section 71.3. Definitions.**

**Subd. 1.** “Cannabinoid product” means any product containing cannabinoids extracted from hemp, including an edible cannabinoid product that is sold for human or animal consumption, and which is subject to Minn. Stat. § 151.72 (2022), as may be amended.

**Subd. 2.** “Certified hemp” has the meaning ascribed to that term by Minn. Stat. § 151.72, Subd. 1(b) (2022), as may be amended.

**Subd. 3.** “Delivery sale” means any sale of any cannabinoid product(s) conducted by any means other than an in-person, over-the-counter sales transaction in a licensed retail establishment. Delivery sale includes, but is not limited to, sales conducted by: telephone or other voice transmission; mail or other written submission; website, mobile device application software, the internet; and/or door-to-door delivery service. Delivery sale includes delivery by

## CHAPTERS VII & VIII GENERAL REGULATIONS

licensees or third parties by any means other than an in-person, over-the-counter sales transaction, including curbside pick-up.

**Subd. 4.** “Edible cannabinoid product” has the meaning ascribed to that term by Minn. Stat. § 151.72, Subd. 1(c) (2022), as may be amended.

**Subd. 5.** “Hemp” has the meaning ascribed to that term by Minn. Stat. § 151.72, Subd. 1(d) (2022), as may be amended.

**Subd. 6.** “Label” has the meaning ascribed to that term by Minn. Stat. § 151.72, Subd. 1(e) (2022), as may be amended

**Subd. 7.** “Labeling” has the meaning ascribed to that term by Minn. Stat. § 151.72, Subd. 1(f) (2022), as may be amended

**Subd. 8.** “Matrix barcode” has the meaning ascribed to that term by Minn. Stat. § 151.72, Subd. 1(g) (2022), as may be amended

**Subd. 9.** “Moveable place of business” means any form of business that is operated out of a movable structure, including but not limited to: kiosks, tents, canopies, booths, pop-up stands, shipping container, temporary shelters of any kind, trucks, vans, automobiles, trailers, wagons, and/or vehicles of any kind.

**Subd. 10.** “Nonintoxicating cannabinoid” has the meaning ascribed to that term by Minn. Stat. § 151.72, Subd. 1(h) (2022), as may be amended

**Subd. 11.** "Operator" means the person in legal possession and control of a location - by reason of ownership, lease, contract or agreement - for the sale of cannabinoid products at retail.

**Subd. 12.** “Retail establishment” means a fixed place of business open to the general public. For purposes of this Ordinance, the term “retail establishment” does not include any: residential home; convenience store; gasoline service stations; bar or restaurant.

**Subd. 13.** “Sale” means any transfer of goods for money, trade, barter or other consideration.

**Subd. 14.** “Self-service vending” means the sale of cannabinoid products without the need of assistance of an employee of a retail establishment licensed pursuant to this Ordinance.

**Subd. 15.** “Vending machine” means any mechanical, electrical or electronic, or other type of device that dispenses cannabinoid products upon the insertion of money, tokens, or other form of payment into or onto the device by any patron of a retail establishment seeking to purchase cannabinoid products.

**Section 71.4. Sales of Cannabinoids.** In accordance with Minn. Stat. § 151.72, Subd.3, and Minn. Stat. 340A.412, subd. 14, as may be amended:

## CHAPTERS VII & VIII GENERAL REGULATIONS

**Subd. 1.** A product containing nonintoxicating cannabinoids, including an edible cannabinoid product, may be sold for human or animal consumption only if all of the requirements of this Ordinance are met, and such product does not contain more tetrahydrocannabinol than permitted under state law.

**Subd. 2.** No other substance extracted or otherwise derived from hemp may be sold for human consumption if the substance is intended:

- A. For external or internal use in the diagnosis, cure, mitigation, treatment, or prevention of disease in humans or animals; or
- B. To affect the structure or any function of the bodies of humans or other animals.

**Subd. 3.** No product containing any cannabinoid or tetrahydrocannabinol extracted or otherwise derived from hemp may be sold to any individual who is under the age of 21.

**Subd. 4.** Products that meet the requirements of this section are not controlled substances under Minn. Stat. § 152.02.

**Section 71.5. Prohibited Sales.** It will be unlawful for any person to sell or otherwise distribute any cannabinoid products within the City:

- A. unless the sale is transacted by a person who holds, or is employed by a person who holds, a current retail cannabinoid product license or sale is transacted by an exclusive liquor store;
- B. unless the sale is transacted in-person, at a retail establishment;
- C. if the sale involves any vending machine or self-service vending
- D. if the sale involves a delivery sale; and
- E. if the sale violates any law, order, ordinance, regulation, or statute.

### **Section 71.6. License Required.**

**Subd. 1.** A license issued by the City is required to sell or otherwise distribute cannabinoid products within the City. Any person desiring a retail cannabinoid products license will make and file with the City an application, in writing, executed in duplicate. The application shall be in a form determined by the City. Such application will give the name and residential address of the applicant and identify the retail establishment from which the applicant proposes to sell retail cannabinoid products, and will provide such other information as the City may require from time to time. The application will be accompanied by the required fee.

## CHAPTERS VII & VIII GENERAL REGULATIONS

**Subd. 2.** The application shall be transmitted to the Chief of Police, in accordance with instructions as determined by the City. The Chief of Police will oversee investigation of all facts and information bearing upon the question of the applicant's fitness to receive the license. Upon completing the investigation, the Chief of Police will report findings to the City, together with recommendations as to the issuance or denial of a license to the applicant.

**Subd. 3.** The report and recommendations of the Chief of Police shall be considered and acted upon by the City Council, who may approve or deny the application. If the City Council approves an application, the City shall execute and deliver a license to the applicant on a form approved by the City Attorney. The duration of such license shall be one year, measured from the date of issuance, or such other time frame as specified, but not to exceed one year.

**Subd. 4.** Pursuant to Minn. Stat. 340A.412, subd. 14, the requirement for a license issued by the City shall be deemed satisfied if a business is an "exclusive liquor store" as that term is defined by Minn. Stat. 340A.101, subd. 10 and the exclusive liquor store has an active license to sell alcoholic beverages, and meets all requirements under Minnesota law to sell alcoholic beverages.

### **Section 71.7. Basis for Denial of License.**

**Subd. 1.** Grounds for denying the issuance or renewal of a license include, but are not limited to, the following:

- A. The applicant is under 21 years of age.
- B. The applicant has been convicted within the past five years of any violation of federal, state, or local law, ordinance, provision, or other regulation relating to cannabinoid products.
- C. The applicant has had a license to sell cannabinoid products, tobacco products, or alcohol products: 1.) revoked at any time; or 2.) suspended within one year of the date of application.
- D. The applicant fails to fully disclose all information sought in the licensing application, or provides false or misleading information.
- E. The applicant is prohibited by federal, state, or other local law, ordinance, or other regulation from holding a license to sell cannabinoid products, tobacco products or alcohol products.
- F. The physical location from which the applicant seeks a license to sell cannabinoid products is not a retail establishment contemplated by this Ordinance.

**Subd. 2.** Transient businesses prohibited. No license will be granted for any form of transient business. A transient business means:

## CHAPTERS VII & VIII GENERAL REGULATIONS

- A. Any movable place of business;
- B. Any business conducted from a permanent structure for a period of less than six (6) consecutive months in each year;

**Subd. 3.** Mistakenly issued license. If a license is mistakenly issued or renewed to a person, the City will revoke the license upon the discovery that the person was ineligible for the license under this Ordinance. The City will provide the license holder with notice of the revocation, along with information on the right to appeal.

**Section 71.8. Testing Requirements.** All testing must comply with the requirements set forth in Minn. Stat. § 151.72, Subd. 4, as may be amended.

**Section 71.9. Labeling Requirements.** All labeling must comply with the requirements set forth in Minn. Stat. § 151.72, Subd. 5, as may be amended.

**Section 71.10. Additional Requirements for Edible Cannabinoid Products.** In accordance with Minn. Stat. § 151.72, Subd. 5a, as may be amended:

**Subd. 1.** An edible cannabinoid product must not:

- A. Bear the likeness or contain cartoon-like characteristics of a real or fictional person, animal, or fruit that appeals to children;
- B. Be modeled after a brand of products primarily consumed by or marketed to children;
- C. Be made by applying an extracted or concentrated hemp-derived cannabinoid to a commercially available candy or snack food item;
- D. Contain an ingredient, other than a hemp-derived cannabinoid, which is not approved by the United States Food and Drug Administration for use in food;
- E. Be packaged in a way that resembles the trademarked, characteristic, or product-specialized packaging of any commercially available food product; or
- F. Be packaged in a container that includes a statement, artwork, or design that could reasonably mislead any person to believe that the package contains anything other than an edible cannabinoid product.

**Subd. 2.** An edible cannabinoid product must be prepackaged in packaging or a container that is child-resistant, tamper-evident, and opaque or placed in packaging or a container that is child-resistant, tamper-evident, and opaque at the final point of sale to a customer. The requirement that packaging be child-resistant does not apply to an edible cannabinoid product that is intended to be consumed as a beverage and which contains no more tetrahydrocannabinol than permitted under state law.

## CHAPTERS VII & VIII GENERAL REGULATIONS

**Subd. 3.** If an edible cannabinoid product is intended for more than a single use or contains multiple servings, each serving must be indicated by scoring, wrapping, or other indicators designating the individual serving size.

**Subd. 4.** A label containing at least the following information must be affixed to the packaging or container of all edible cannabinoid products sold to consumers:

- A. The serving size;
- B. The cannabinoid profile per serving and in total;
- C. A list of ingredients, including identification of any major food allergens declared by name; and
- D. The following statement: “Keep this product out of reach of children.”

**Subd. 5.** An edible cannabinoid product must not contain more tetrahydrocannabinol in a single serving than allowed by state law. Edible cannabinoid products must not contain more tetrahydrocannabinol per package than allowed by state law.

### **Section 71.11. Prohibited Distribution Practices.**

**Subd. 1. Samples Prohibited.** No person shall distribute samples of any cannabinoid product free of charge or at a nominal cost. No person shall distribute cannabinoid products as a free donation.

**Subd. 2. Coupon and Price Promotion Prohibited.** No person shall accept or redeem any coupon, price promotion, or other instrument or mechanism - whether in paper, digital, electronic, mobile, or any other form - that provides any cannabinoid products to a consumer at no cost or at a price that is less than the non-discounted, standard price listed by a retailer on the item or on any related shelving, posting, advertising, or display at the location where the item is sold or offered for sale, including all applicable taxes.

**Subd. 3. Self-Service Prohibited.** All cannabinoid products must be stored behind the sales counter, in a locked case, in a storage unit, or in an area not freely accessible to the general public, such that patrons of the establishment cannot self-serve. Sales and/or dispensing of cannabinoid products through use of a vending machine are prohibited.

**Section 71.12. Adulterated or Misbranded Products.** A cannabinoid product shall be considered adulterated or misbranded under the provisions set forth in Minn. Stat. §151.72, Subd. 6, as may be amended.

**Section 71.13. Signage.** At each location where cannabinoid products are sold, the licensee shall display a sign in plain view to provide public notice that selling any of these products to any person under the age of 21 is illegal and subject to penalties. The notice shall be

## CHAPTERS VII & VIII GENERAL REGULATIONS

placed in a conspicuous location in the licensed establishment and shall be readily visible to any person who is purchasing or attempting to purchase these products.

**Section 71.14. Age Verification.** At each location where edible cannabinoid products are sold, the licensee shall verify, by means of government-issued photographic identification containing the bearer's date of birth, that the purchaser or person attempting to make the purchase is at least 21 years of age.

**Section 71.15. Responsibility.** All licensees are responsible for the actions of their employees regarding the sale, offer to sell, and furnishing of cannabinoid products on the licensed premises. The sale, offer to sell, or furnishing of any cannabinoid product by an employee shall be considered an act of the licensee.

**Section 71.16. Hours of Sales.** No sales of cannabinoid products will be allowed at the licensed premises after 10:00 p.m. and before 8:00 a.m. daily.

**Section 71.17. Compliance Checks and Inspections.** All licensed premises must be open to inspections by law enforcement or other authorized city officials, during regular business hours, for compliance with this Ordinance and such other Ordinances, rules, regulations, and laws relevant to the sale of cannabinoid products.

### **Section 71.18. Civil Penalty, License Suspension, and Revocation of Licenses.**

**Subd. 1.** The City Council will follow the provisions of this section of the Ordinance on the suspension, revocation or imposition of a civil penalty against any license granted under this Ordinance.

**Subd. 2.** Notice of Violation. Waite Park Police will provide, in writing, to the licensee either personally or by mail, notice of any alleged violation of the provisions of this Ordinance or Minnesota Statutes Chapter 151, committed in the operation of the licensee's business, and provide notice to the City Attorney's Office. If the City Attorney's Office determines from the facts and circumstances reported, together with any other facts and circumstances known to it, that the violation may warrant a civil penalty, suspension or revocation of the license held by the licensee, it will notify the licensee, and set a time and place for a hearing sufficiently in advance to provide ten days written notice of the time, place and purpose of such hearing to the licensee.

**Subd. 3.** Hearing on Alleged Violations. The hearing will be held before an independent hearing officer. At the time of the hearing, the licensee may appear and present any evidence which is material to the investigation. The hearing officer will make findings of fact as to whether a violation of the provisions of this Ordinance or Minnesota Statutes Chapter 151 have been committed in the operation of the licensee's business and whether the violation was willful in nature. The hearing officer will also make a recommendation as to what penalty, if any, will be applied. The City Council will adopt the hearing officer's findings of fact that the licensee has violated any of the provisions of this Ordinance or State law, and may impose a civil fine, suspend or revoke the license in accordance with the schedule of penalties in this Ordinance.

CHAPTERS VII & VIII GENERAL REGULATIONS

**Section 71.19. Penalties for Violations.**

**Subd. 1.** Schedule of Penalties. Upon a violation by a licensee holding a cannabinoid products license of any provision of this Ordinance or any provision of state law regulating the sale of cannabinoid products, or failing to comply with other statutory requirements of Minn. Stat. § 151.72, the City Council may impose a civil fine, suspend or revoke the license in accordance with the following schedule:

First violation	fine up to \$300.00
Second violation within 36 months	fine up to \$600.00 and a 30-day license suspension
Third violation within 36 months	fine up to \$1,000.00 and a license revocation
Violation during period of suspension	license revocation

**Subd. 2.** Any civil fine assessed against a licensee pursuant to this section must be paid in full within 30 days from receipt of written notification of the City Council’s imposition of the civil fine. Failure to pay the fine within that time period will result in a ten-day license suspension. Licensees whose licenses have been revoked may not be issued a new license.

**Subd. 3.** Mandatory Revocation. The Council will revoke the license or licenses of any licensee under this Ordinance if the licensee willfully violates any provisions of this Ordinance or Minnesota Statutes Chapter 151.

Amended February 5, 2024