

COUNTY OF MORRISON

**AN ORDINANCE REGULATING CANNABIS BUSINESS REGISTRATION AND
CANNABIS EVENTS**

Section 1	Administration
Section 2	Registration of Cannabis Business
Section 3	Requirements for a Cannabis Business (Time, Place, Manner)
Section 4	Temporary Cannabis Events
Section 5	Lower Potency Hemp Edibles
Section 6	Violations, Penalties, and Administrative Hearings
Section 7	Severability
Section 8	Applicability of Other Laws, Ordinances and Regulations
Section 9	Effective Date

The County Board of Commissioners of Morrison County hereby ordains:

Section 1 Administration

1.1 Findings and Purpose

Morrison County makes the following legislative findings:

The purpose of this ordinance is to implement the provisions of Minnesota Statutes, chapter 342, which authorizes Morrison County to protect the public health, safety, welfare of Morrison County residents by regulating cannabis businesses within the legal boundaries of Morrison County.

Morrison County finds and concludes that the proposed provisions are appropriate and lawful land use regulations for Morrison County, that the proposed amendments will promote the community's interest in reasonable stability in zoning for now and in the future, and that the proposed provisions are in the public interest and for the public good.

1.2 Authority & Jurisdiction

A county can adopt an ordinance that applies to unincorporated areas and cities that have delegated authority to impose local zoning controls.

Morrison County has the authority to adopt this ordinance pursuant to:

- I. Minn. Stat. 342.13(c) or successor statute;; regarding the authority of a local unit of government to adopt reasonable restrictions of the time, place, and

manner of the operation of a cannabis business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses.

- II. Minn. Stat. 342.22 or successor statute; regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- III. Minn. Stat. 152.0263, Subd. 5 or successor statute; regarding the use of cannabis in public places.
- IV. Minn. Stat. 462.357 or successor statute; regarding the authority of a local authority to adopt zoning ordinances.
- V. Minn. Stat. 342.09 Subd.1(a)(7) or successor statute; and State Legislation Article 4,Sec. 19 Minn. Stat. 152.0263, Subd. 5, or successor statute; 145A.05, subd. 1, or successor statute; and Minn. Stat. 144.417, subd. 4, or successor statute.

Unless otherwise provided by law, this Ordinance shall apply to all areas in Morrison County, Minnesota except areas within the incorporated limits of any city, however organized townships and cities entering into an agreement authorizing the County of Morrison to administer and enforce this Ordinance within their jurisdiction. See Minnesota Statute section 342.22, subd. 1.

1.3 Definitions

- 1. Unless otherwise noted in this section, words and phrases contained in Minn. Stat. 342.01 and the rules promulgated pursuant to any of these acts, shall have the same meanings in this ordinance.
- 2. Cannabis Cultivation: A cannabis business licensed to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant, harvest cannabis flower from mature plant, package and label immature plants and seedlings and cannabis flower for sale to other cannabis businesses, transport cannabis flower to a cannabis manufacturer located on the same premises, and perform other actions approved by the office.
- 3. Cannabis Retail Businesses: A retail location and the retail location(s) of a mezzobusinesses with a retail operations endorsement, microbusinesses with a retail operations endorsement, medical combination businesses operating a retail location, (and/excluding) lower-potency hemp edible retailers.
- 4. Cannabis Retailer: Any person, partnership, firm, corporation, or association, foreign or domestic, selling cannabis product to a consumer and not for the purpose of resale in any form.
- 5. Daycare: A location licensed with the Minnesota Department of Human Services to provide the care of a child in a residence outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.
- 6. Lower-potency Hemp Edible: As defined under Minn. Stat. 342.01 subd. 50.
- 7. Office of Cannabis Management: Minnesota Office of Cannabis Management, referred to as "OCM" in this ordinance.

8. Place of Public Accommodation: A business, accommodation, refreshment, entertainment, recreation, or transportation facility of any kind, whether licensed or not, whose goods, services, facilities, privileges, advantages or accommodations are extended, offered, sold, or otherwise made available to the public.
9. Preliminary License Approval: OCM pre-approval for a cannabis business license for applicants who qualify under Minn. Stat. 342.17.
10. Public Place: A public park or trail, public street or sidewalk; any enclosed, indoor area used by the general public, including, but not limited to, restaurants; bars; any other food or liquor establishment; hospitals; nursing homes; auditoriums; arenas; gyms; meeting rooms; common areas of rental apartment buildings, and other places of public accommodation.
11. Residential Treatment Facility: As defined under Minn. Stat. 245.462 subd. 23.
12. Retail Registration: An approved registration issued by Morrison County to a state-licensed cannabis retail business.
13. School: A public school as defined under Minn. Stat. 120A.05 or a nonpublic school that must meet the reporting requirements under Minn. Stat. 120A.24.
14. State License: An approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.
15. Adult-use cannabis flower. "Adult-use cannabis flower" means cannabis flower that is approved for sale by the office or is substantially similar to a product approved by the office. Adult-use cannabis flower does not include medical cannabis flower, hemp plant parts, or hemp-derived consumer products.
16. Adult-use cannabis products. "Adult-use cannabis products" means a cannabis product that is approved for sale by the office or is substantially similar to a product approved by the office. Adult-use cannabis product includes edible cannabis products but does not include medical cannabinoid products or lower-potency hemp edibles.
17. Cannabis flower. "Cannabis flower" means the harvested flower, bud, leaves, and stems of a cannabis plant. Cannabis flower includes adult-use cannabis flower and medical cannabis flower. Cannabis flower does not include cannabis seed, hemp plant parts, or hemp-derived consumer products.
18. Cannabis product. "Cannabis product" means any of the following:
 - I. cannabis concentrate;
 - II. a product infused with cannabinoids, including but not limited to tetrahydrocannabinol, extracted or derived from cannabis plants or cannabis flower; or
 - III. any other product that contains cannabis concentrate.
19. Hemp derived consumer products.
 - i. "Hemp derived consumer products" means a product intended for human or animal consumption, does not contain cannabis flower or cannabis concentrate, and:
 - a. contains or consists of hemp plant parts; or
 - b. contains hemp concentrate or artificially derived cannabinoids in combination with other ingredients.
 - ii. Hemp-derived consumer products does not include artificially derived

cannabinoids, lower-potency hemp edibles, hemp-derived topical products, hemp fiber products, or hemp grain.

20. Lower-potency hemp edible. A "lower-potency hemp edible" means any product that:

- is intended to be eaten or consumed as a beverage by humans;
- contains hemp concentrate or an artificially derived cannabinoid; in combination with food ingredients;
- is not a drug;
- consists of servings that contain no more than five milligrams of delta-9 tetrahydrocannabinol, 25 milligrams of cannabidiol, 25 milligrams of cannabigerol, or any combination of those cannabinoids that does not exceed the identified amounts;
- does not contain more than a combined total of 0.5 milligrams of all other cannabinoids per serving;
- does not contain an artificially derived cannabinoid other than delta-9tetrahydrocannabinol;
- does not contain a cannabinoid derived from cannabis plants or cannabis flower; and
- is a type of product approved for sale by the office or is substantially similar to a product approved by the office, including but not limited to products that resemble nonalcoholic beverages, candy, and baked goods.

21. Public place. A "public place", means a public park or trail, public recreation area, public street or sidewalk, any publicly owned property, any enclosed area used by the general public, including but not limited to, theaters; restaurants, bars, food establishments and their decks; places licensed to sell intoxicating liquor, wine, or malt beverages; retail businesses; gyms; common areas in buildings; public shopping areas; auditoriums; arenas; or other places of public accommodation.

22. Place of public accommodation. "Place of public accommodation" means a business, refreshment, entertainment, recreation, or transportation facility of any kind, whose goods, services, facilities, privileges, advantages, or accommodations are extended, offered, sold, or otherwise made available to the public."

23. Exceptions to public place or place of public accommodation. "A public place" or "a place of public accommodation" does not include the following:

- a private residence, including the individual's curtilage or yard.
- a private property, not generally accessible by the public, unless the individual is explicitly prohibited from consuming cannabis flower, cannabis products, lower-potencyhemp edibles, or hemp-derived consumer products on the property by the owner of the property; or
- on the premises of an establishment or event licensed to permit on-site consumption.

24. Smoking: "Smoking" means inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, pipe, or any other lighted or heated product containing

cannabis flower, cannabis products, artificially derived cannabinoids, or hemp-derived consumer products. Smoking includes carrying or using an activated electronic delivery device for human consumption through inhalation of aerosol or vapor from the product

25. Temporary cannabis event: Any event or gathering where cannabis products, lower-potency hemp edibles, hemp derived consumer products, adult-use cannabis products, or adult-use cannabis flower, are displayed and/or sold on a temporary basis as described in Minnesota Statutes 342.39 and 342.40.

Section 2 Registration of Cannabis Businesses

2.1 Consent to registering of Cannabis Businesses

No individual or entity may operate a state-licensed cannabis retail business within Morrison County without first registering with Morrison County Health and Human Services.

Any state-licensed cannabis retail business that sells to a customer or patient without valid retail registration shall incur a civil penalty of (up to \$2,000) for each violation.

Notwithstanding the foregoing provisions, the state shall not issue a license to any cannabis business to operate in Indian country, as defined in United States Code, title 18, section 1151, of a Minnesota Tribal government without the consent of the Tribal government.

2.2 Compliance Checks Prior to Retail Registration

Prior to issuance of a cannabis retail business registration, Morrison County shall conduct a preliminary compliance check to ensure compliance with local ordinances. Pursuant to Minn. Stat. 342, within 30 days of receiving a copy of a state license application from OCM, Morrison County shall certify on a form provided by OCM whether a proposed cannabis retail business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

2.3 Registration & Application Procedure

Morrison County shall not charge an application fee.

A registration fee, as established in Morrison County's fee schedule, shall be charged to applicants depending on the type of retail business license applied for.

An initial retail registration fee shall not exceed the dollar amount listed in the Morrison County Fee Schedule or half the amount of an initial state license fee under Minn. Stat. 342.11, whichever is less. The initial registration fee shall include the initial retail registration fee and the first annual renewal fee.

Any renewal retail registration fee imposed by Morrison County shall be charged at the time of the second renewal and each subsequent renewal thereafter.

A renewal retail registration fee shall not exceed Morrison County Fee Schedule or half the amount of a renewal state license fee under Minn. Stat. 342.11, whichever is less.

A medical combination business operating an adult-use retail location may only be charged a single registration fee, not to exceed the lesser of a single retail registration fee, defined under this section, of the adult-use retail business.

2.3.1 Application Submittal

Morrison County shall issue a retail registration to a state-licensed cannabis retail business that adheres to the requirements of Minn. Stat. 342.22.

(A) An applicant for a retail registration shall fill out an application form, as provided by the Morrison County. Said form shall include, but is not limited to:

- I. Full name of the property owner and applicant;
- II. Date of Birth of the Property owner and applicant;
- III. Address, email address, and telephone number of the applicant;
- IV. The address and parcel ID for the property which the retail registration is sought;
- V. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minn. Stat. 342.13.

(B) The applicant shall include with the form:

- I. the registration fee as required in [Section 2.3.1];
- II. a copy of a valid state license or written notice of OCM license preapproval;

(C) Once an application is considered complete, Morrison County shall inform the applicant as such, process the registration fees, and forward the application to the Morrison County Board of Commissioners for approval or denial.

(D) The registration fee shall be non-refundable once processed.

Health and Human Services, must be paid in full prior to the issuance of a new license or the renewal of an existing license.

2.3.2 Application Approval

(A) A state-licensed cannabis retail business application shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under Section 2.8.

(B) A state-licensed cannabis retail business application shall not be approved or renewed if the applicant is unable to meet the requirements of this ordinance.

(C) A state-licensed cannabis retail business application that meets the requirements of this ordinance and is current on all property taxes, assessments,

fines and fees; at the location where the retail establishment is located shall be approved.

Taxes Fines and Fees: All taxes on the property which is the subject of the registrant shall be paid in full to the amount then due and owing prior to the issuance of a registration. All unpaid fines and fees assessed to the license holder, by the Health Department, Office of Cannabis Management, Morrison County, other Regulating Office must be paid in full prior to the issuance of a new registration or the renewal of an existing registration.

2.4 Annual Compliance Checks

Every License holder under Minnesota is required to follow and comply with inspection requirements imposed by state law or regulations. In addition, every cannabis license applicant and License holder shall allow any peace officer, health officer, or properly designated officer or employee of Morrison County at all reasonable hours to enter into and upon the business premises to inspect the premises for the purpose of determining compliance with the provisions of State law and this Ordinance.

Morrison County shall conduct at minimum one unannounced age verification compliance check at least once per calendar year. Age verification compliance checks shall involve persons at least 17 years of age but under the age of 21 who, with the prior written consent of a parent or guardian if the person is under the age of 18, attempt to purchase adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a law enforcement officer or an employee of the local unit of government.

Any failures under this section must be reported to the Office of Cannabis Management.

2.5 Location Change

A state-licensed cannabis retail business shall be required to submit a new application for registration under Section 2.3.1 if it seeks to move to a new location still within the legal boundaries of Morrison County.

2.6 Renewal of Registration

Morrison County shall renew an annual registration of a state-licensed cannabis retail business at the same time OCM renews the cannabis retail business' license.

A state-licensed cannabis retail business shall apply to renew registration on a form established by Morrison County Health and Human Services.

Before making retail sales to customers or patients, a cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, medical cannabis combination business, or lower-potency hemp edible retailer must register with the city, town, or county as required by State law. See Minnesota Statute 342.22 subd. 1.

A cannabis retail registration issued under this ordinance shall not be transferred.

2.7 Renewal Fees

Morrison County may charge a renewal fee for the registration starting at the second renewal, as established in Morrison County Health and Human Service's fee schedule.

2.7.1 Renewal Application

The application for renewal of a retail registration shall include, but is not limited to:

- Items required under Section 2.3.1 of this Ordinance.
- Signed Renewal Form

2.8 Limiting of Registrations

The County hereby limits the number of licensed cannabis retailers, cannabis mezzobusinesses with a retail operations endorsement and cannabis microbusinesses with a retail operations endorsement to one registration for every 12,500 residents. If the County has one active registration for every 12,500 residents, a city , town, or County is not obligated to register a business. See Minnesota Statute section 342.13 (i).

When the maximum number of registrations has been issued, the county may place persons seeking registration on a waiting list and allow them to apply on a first-come, first-served basis. Those working with OCM and Morrison County will be given a period of 90 days to correct any outstanding issues prior to a renewal. As registrations are not renewed and/or are revoked Morrison County will work from the top of the list down.

A new applicant who has purchased a business location with a valid county registration held by a different owner will be entitled to first priority, provided the new applicant meets all other application requirements in accordance with this ordinance.

Section 3 Requirements for Cannabis Businesses

3.1 Minimum Buffer Requirements

- I. Morrison County shall prohibit the operation of a cannabis business within 1,000 feet of a school.
- II. Morrison County shall prohibit the operation of a cannabis business within 500 feet of a day care.
- III. Morrison County shall prohibit the operation of a cannabis business within 500 feet of a residential treatment facility.
- IV. Morrison County shall prohibit the operation of a cannabis business within 500 feet of an attraction within a public park that is regularly used by minors, including a playground or athletic field.
- V. Morrison County shall prohibit the operation of a cannabis retail business within 1000 feet of another cannabis retail business.

Pursuant to Minn. Stat. 462.367 subd. 14, nothing in Section 3.1 shall prohibit an active cannabis business or a cannabis business seeking registration from continuing operation at the same site if a (school/daycare/residential treatment facility/attraction within a public park that is regularly used by minors) moves within the minimum buffer zone.

3.2 Zoning and Land Use

Cannabis businesses licensed or endorsed for cultivation, cannabis manufacturer, low-potency hemp edible manufacturers, wholesalers, cannabis retail, transportation, delivery, are permitted and subject to zoning districts set forth in Morrison County Land Use Control Ordinance, or City Zoning Ordinance.

3.3 Hours of Operation

Cannabis businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products between the hours of 10 a.m. and 10 p.m., seven days a week.

Section 4. Temporary Cannabis Events

4.1 License or Permit Required for Temporary Cannabis Events

4.1.1 A license is required to be issued and approved by Morrison County prior to holding a Temporary Cannabis Event.

4.1.2 A registration fee, as established in Morrison County's fee schedule, shall be charged to applicants for Temporary Cannabis Events.

4.2 Application Submittal & Review

Morrison County shall require an application for Temporary Cannabis Events.

4.2.1 An applicant for a temporary cannabis event shall fill out an application form, as provided by Morrison County, and submit the form at least 60 days prior to the event. Said form shall include, but is not limited to:

- I. Full name of the property owner and applicant.
- II. Address, email address, and telephone number of the applicant and property owner.
- III. The maximum number of persons, not including event staff, which the applicant shall permit to assemble at any time, not to exceed the maximum number which can reasonably assemble at the location of the assembly.
- IV. Copy of the event organizers certificate of commercial general liability insurance.
- V. The maximum number of tickets or wrist bands to be issued, sold or distributed.

The applicant shall include with the form:

- I. the application fee as noted in Morrison County fee schedule
- II. a copy of the OCM cannabis event license application and applicable information, submitted pursuant to Minnesota Statute 342.39 and 342.40
- III. evidence all retail vendors are licensed with the State of Minnesota and registered with a local jurisdiction.

4.2.2 The application shall be submitted to the Morrison County Health and Human Services office.

- I. If the designee determines that a submitted application is incomplete, they shall return the application to the applicant with the notice of deficiencies.
- II. Once an application is considered complete, the designee shall inform the applicant as such, process the application fees, and forward the application to the County Board for approval or denial.
- III. The application fee shall be non-refundable once processed.

4.2.3 The application for a license for a Temporary Cannabis Event shall also meet the following standards:

- I. Any event with projected attendance of 500 people or more shall meet the standards of Morrison County Ordinance *Regulating Assemblages of Large Numbers of People at Shows or Exhibitions of Any Nature*
- II. Temporary cannabis events shall not be held on public lands or waters.
- III. Temporary cannabis events shall only be held between the hours of 10 am and 10 pm.
- IV. Any onsite consumption shall provide a plan that meets the set requirements in accordance with Minnesota Statute 342.40 Subd. 8.
- V. Any retail vendor must be licensed with the State of Minnesota and registered with a local jurisdiction.

4.2.4 A request for a Temporary Cannabis Event that meets the requirements of Section 4 shall be approved.

4.2.5 A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. Morrison County shall notify the applicant of the standards not met and basis for denial.

4.3 Revocation

4.3.1 Any permit granted under this ordinance may be revoked by the County Board at any time prior to the assembly for which a permit has been granted, if:

- I. Any of the conditions necessary for the issuing of or contained in the permit are not complied with; or
- II. Any condition previously met ceases to be complied with; or
- III. Any other provision of this ordinance is violated; or
- IV. Any of the information supplied in the application for permit or accompanying documentation is false or misleading.

4.3.2 If during the course of the show or exhibition for which a permit has been granted hereunder it appears in the judgment of the Morrison County Sheriff that there exists an imminent danger of the outbreak of violence, riot or other calamity, or if there are threats or acts of terrorism, threatening the physical health or safety of those in attendance at the assembly, or residents of the community in which the assembly is held, the Sheriff shall be empowered to take whatever action he/she deems appropriate to protect said persons, including temporarily suspending the permit granted if he/she deems such action necessary. Any such suspension by the Sheriff shall be effective immediately and a hearing thereon shall be held before the County Board at the earliest opportunity. In the event the County Board deems such suspension improper, the permit shall be reinstated or the permit application fee refunded, whichever action the permittee requests.

Section 5 Lower-Potency Hemp Edibles

5.1 Sale of Low-Potency Hemp Edibles

The sale of Low-Potency Edibles is permitted, subject to the conditions within this Ordinance and Section, in addition to the applicable licenses and laws.

Low-Potency Hemp Edibles, do not apply to the registration cap noted in section 2.8.

5.2 Zoning Districts

Low-Potency Edibles businesses are permitted as a (type of use) with in the zoning district districts set forth in Morrison County Land Use Control Ordinance, or City Zoning Ordinance. In addition, applicable setbacks noted:

Minimum Buffer Requirements

- I. Morrison County shall prohibit the operation of a cannabis business within 1,000 feet of a school.
- II. Morrison County shall prohibit the operation of a cannabis business within 500 feet of a day care.
- III. Morrison County shall prohibit the operation of a cannabis business within 500 feet of a residential treatment facility.
- IV. Morrison County shall prohibit the operation of a cannabis business within 500 feet of an attraction within a public park that is regularly used by minors, including a playground or athletic field.

Existing Low Potency Hemp Edible Retailers that are licensed and permitted to sell products containing low potency hemp edibles, and who are in a location that would conflict with the above minimum buffers, shall be exempt from the above buffer requirements if the date of the existing business license or permit to sell low potency hemp edibles is prior to the date of the enactment of this ordinance.

5.3 Additional Standards

5.3.1 Sales

The sale of Low-Potency Edibles is permitted in a Municipal Liquor Store, Liquor Store, and/or Bar as long as the premise has the the applicable licenses.

5.3.2 Age Requirements

The sale of Low-Potency Edibles is permitted in places that admit persons 21 years of age or older.

Other retail locations may sell low-potency hemp products, if they hold a valid Tobacco License. Any person selling low-potency hemp products must be age 21 or older.

5.3.3 Beverages

The sale of Low-Potency Hemp Beverages is permitted in places that meet requirements of this Section.

5.3.4 Storage of Product

- a) Low-Potency Edibles shall be sold behind a counter and stored in a locked case.
- b) No lower-potency hemp edible beverage may be sold outside of its original packaging; and,
- c) No lower-potency hemp edible product may be sold that does not indicate a single serving by scoring or use of another indicator that appears on the product. If it is not possible to indicate a single serving by scoring or use of another indicator that appears on the product, the lower-potency hemp edible may not be packaged in a manner that includes more than a single serving in each container.

Section 6 Violations, Penalties, and Enforcement

6.1 Criminal Penalties for Violations.

Any person who violates any of the provisions of this ordinance, or who fails or refuses to comply with the provisions of this ordinance shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine not to exceed \$1,000 or by imprisonment for up to 90 days, or both.

6.2 Civil Remedies.

In the event of a violation or threatened violation of this Ordinance, Morrison County, in

addition to other remedies, may initiate civil court actions or civil administrative proceedings to prevent, restrain, correct, or abate such violations or threatened violations. It shall be the duty of the County Attorney to review evidence of such violations, or threatened violations, and take such action as may be warranted and necessary.

6.3 Civil Penalties and Procedure

6.3.1 Notice of Violation.

A person violating this ordinance may be issued, either personally or by mail, an administrative citation from Morrison County that sets forth the alleged violation and that informs the alleged violator of their right to a hearing on the matter and how and where a hearing may be requested, including a contact address and phone number. Service by mail will be deemed complete upon the date the administrative citation is deposited in the us mail and mailed to the address provided by the licensee in their license/registration application.

6.3.2 Hearings.

- a) Upon issuance of a citation, a person accused of violating this ordinance may request in writing a hearing on the matter. Hearing requests must be made within 10 business days of the issuance of the citation and delivered to the County Administrator or other designated county officer. Failure to properly request a hearing within 10 business days of the issuance of the citation will terminate the person's right to a hearing.
- b) The County Administrator or other designated county officer will set the time and place for the hearing. Written notice of the hearing time and place will be mailed or delivered to the accused violator at least 10 business days prior to the hearing.

6.3.3 Hearing officer.

The Morrison County Board will designate a hearing officer. The hearing officer will be an impartial employee of the county or an impartial person retained by the county to conduct the hearing.

6.3.4 Decision.

A decision will be issued by the hearing officer within 10 business days of the hearing. If the hearing officer determines that a violation of this ordinance did occur, that decision, along with the hearing officer's reasons for finding a violation and the penalty to be imposed in accordance with the penalties set forth in section 6.4 of this ordinance, will be recorded in writing, a copy of which will be provided to the county and the accused violator by in-person delivery or mail as soon as practicable. If the hearing officer finds that no violation occurred or finds grounds for not imposing any penalty, those findings will be recorded and a copy will be provided to the county and the acquitted accused violator by in-person delivery or mail as soon as practicable. The decision of the hearing officer is final, subject to an appeal as described in Section 6.3.6 of this ordinance.

6.3.5 Costs.

If the citation is upheld by the hearing officer, the county's actual expenses in holding the hearing up to a maximum as defined in the Morrison Counties Fee Schedule must be paid by the person requesting the hearing.

6.3.6 Appeals.

Appeals of any decision made by the hearing officer must be filed in Morrison County district court within 10 business days of the date of the decision.

6.3.7 Continued violation.

Each violation, and every day in which a violation occurs or continues, will constitute a separate offense.

6.4 Civil Penalties.

Pursuant to Minnesota Statutes section 342.22 subd. 5(e), and in accordance with this Ordinance, a penalty of up to a \$2000 fine, license suspension for a minimum of 30 days may be imposed, or some combination thereof. Upon a finding that a violation of this Ordinance or of State law has occurred, and absent findings of aggravating, mitigating or extenuating circumstances, and in the absence of an approved employee training program, the following penalties shall apply plus costs of the hearing, unless mandatory penalty for sale without registration is required.

- I. For a first violation within a 36 month time period, a penalty as noted in Morrison Counties Fee Schedule.
- II. For a second violation within a 36 month time period, a penalty as noted in Morrison Counties Fee Schedule.
- III. For a third violation within a 36 month time period, a penalty as noted in Morrison Counties Fee Schedule, and a 30 day license suspension and referral to the OCM.
- IV. For a fourth violation within a 36 month time period, the registration will be revoked.

Upon a finding of mitigating or extenuating circumstances, such as licensee demonstrating it has an approved training program for its employees for the current licensing year and the training has actually been provided to every employee involved in a violation, a penalty less than that outlined in this section of this Ordinance may be imposed. Upon a finding of aggravating circumstances, penalties in excess of those outlined in this section of this Ordinance may be imposed.

6.5 Fine for No Valid Registration.

No cannabis microbusiness with a retail operations endorsement, cannabis mezzobusiness with retail operation endorsement, cannabis retailer, medical cannabis retailer, medical cannabis combination business, or lower-potency hemp edible retailer may make any sale to a customer or patient without a valid retail registration. A

\$2,000.00 civil penalty shall be imposed against the licensee for each violation of this provision.

6.6 Local Regulations Considered Grounds for License Revocation or Suspension or Civil Monetary Penalty.

In addition, violations of the following Ordinance provisions are also considered grounds for revocation or suspension of license or civil monetary penalty:

- I. The licensee knowingly allowed or permitted illegal acts unrelated to the sale or consumption of cannabis, hemp, or products containing cannabis or hemp, on the licensed premises.
- II. The licensee had knowledge of illegal acts unrelated to the sale or consumption of cannabis, hemp, or products containing cannabis or hemp on the licensed premises but failed to report the same to law enforcement authorities.
- III. The licensee had knowledge of illegal acts unrelated to the sale or consumption of cannabis, hemp, or products containing cannabis or hemp on the licensed premises but failed or refused to cooperate fully with investigating law enforcement authorities.
- IV. The activities of the licensee or acts allowed or permitted by the licensee on the licensed premises create a serious danger to public health, safety, or welfare.

6.7 Registration Suspension and Cancellation Notice to Office; Penalties.

- I. If the County determines that a cannabis or hemp business with a retail registration issued by the County is not operating in compliance with the requirements of Minnesota Statutes chapter 342, or this Ordinance, or that the operation of the business poses an immediate threat to the health or safety of the public, the County may suspend the retail registration of the cannabis business or hemp business. The County must immediately notify the OCM of the suspension and shall include a description of the grounds for the suspension.
- II. The OCM shall review the retail registration suspension and may order reinstatement or take any action described in Minnesota Statutes sections 342.19 or 342.21.
- III. The retail registration suspension must be for up to 30 days unless the OCM suspends the license and operating privilege of the cannabis or hemp business for a longer period or revokes the license.
- IV. The County may reinstate the retail registration if the County determines that any violation has been cured. The County must reinstate registration if the OCM orders reinstatement.

Section 7 Severability

The provision of this ordinance shall be severable and should any Court of competent jurisdiction adjudge any provision of this ordinance to be invalid, such judgment shall not affect any other provisions of this ordinance not specifically included in said judgment.

Section 8 Applicability of Other Laws, Ordinances and Regulations

9.1 The provisions of this ordinance are cumulative to all other laws, ordinances and regulations heretofore passed or which may be passed hereafter by the State of Minnesota and the County of Morrison.

9.2 Nothing contained in this ordinance shall be construed to waive or otherwise satisfy the obligations or restrictions imposed by State statute or County ordinance or regulation concerning the sale of Cannabis.

Section 9 Effective Date

This ordinance shall be in full force and effect from and after its passage and publication according to law.

Duly adopted by the Morrison County Board of Commissioners this 20 day of

May 2025.



Mike LeMieur, Chair
Morrison County Board of Commissioners

Attest:

