



MINNESOTA

OFFICE OF

CANNABIS MANAGEMENT

# Hemp Businesses in Minnesota

A guide for lower-potency hemp  
edible license applicants

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# Glossary

**Endorsement:** An approval issued by OCM to conduct specified business activities, after receiving a hemp business license.

**Hemp business license:** A license for lower-potency hemp edible manufacturing, lower-potency hemp edible retailing, or lower-potency hemp edible wholesaling.

**Hemp-derived cannabinoid product:** A product containing cannabinoids extracted from hemp intended for human or animal consumption, or for external use. This term was utilized in previous statutory regulations prior to Minnesota Statutes, chapter 342, and is no longer a defined product category. Instead, hemp-derived products are defined as either lower-potency hemp edibles or hemp-derived consumer products.

**Hemp-derived consumer product:** A product containing cannabinoids extracted from hemp intended for human or animal consumption. This does not include lower-potency hemp edibles.

**Lower-potency hemp edible (LPHE):** An ingestible product containing cannabinoids extracted from hemp, with up to five milligrams of THC per edible or 10mg of THC per beverage, and may include up to 100 milligrams of cannabidiol, cannabigerol, cannabinol, or cannabichromene per serving per Minnesota Statutes, chapter 342. LPHEs only include the following product categories: edible products, beverage products, and hemp-derived tinctures.

**LPHE-M:** Lower-potency hemp edible manufacturer license type that permits the license holder to purchase hemp concentrate, hemp plant parts, and hemp propagules; Manufacture lower-potency hemp edibles, hemp concentrate, and artificially derived cannabinoids; and sell lower-potency hemp edibles, hemp concentrate, and artificially derived cannabinoids to licensed businesses consistent with the requirements of Minnesota Statutes, chapter 342 and Minnesota Rules, chapter 9810.

**LPHE-R:** Lower-potency hemp edible retailer license type that permits the license holder to sell lower-potency hemp edibles to consumers who are 21 years of age or older and transport and deliver lower-potency hemp edibles consistent with the requirements of Minnesota Statutes, chapter 342 and Minnesota Rules, chapter 9810.

**LPHE-W:** Lower-potency hemp edible wholesaler license type that permits the license holder to purchase lower-potency hemp edibles from licensed businesses and sell them to other licensed businesses; import and export lower-potency hemp edibles; transport lower-potency hemp edibles; and export products containing cannabinoids that do not qualify as lower-potency hemp edibles consistent with the requirements of Minnesota Statutes, chapter 342 and Minnesota Rules, chapter 9810.

**OCM:** Minnesota Office of Cannabis Management.

## Legal References

The requirements for hemp businesses that are described in this guide are promulgated by [Minnesota Statutes, chapter 342](#). Statute also provides OCM with enforcement authority for hemp business licenses. In accordance with chapter 342, OCM has also issued rules that further regulate the activity of hemp businesses ([Minnesota Rules, chapter 9810](#)). Until LPHE license applications are made available in fall 2025, registered hemp businesses must continue to operate in accordance with [Minnesota Statutes, section 151.72](#). Registrants may begin proactively operating under chapter 342 now. Once applications open and a business is licensed, they are required to begin operating under chapter 342.

Hemp businesses licensed under chapter 342 must maintain compliance with chapter 342 and Minnesota Rules, part 9810, and are subject to inspection by OCM and partner agencies to verify compliance.

- [Minnesota Statutes, chapter 342](#)
- [Minnesota Rules, chapter 9810](#)

*Note: This document was developed after amendments were made during the 2025 legislative session in chapter 31. It is not a substitute for a thorough review of Minnesota Statutes, chapter 342 and Minnesota Rules, chapter 9810.*

# Supply Chain Overview

1. **Hemp plants** are cultivated and processed by an industrial hemp grower licensed by the Minnesota Department of Agriculture under [Minnesota Statutes, chapter 18K](#).
2. **Hemp plant parts** and **hemp concentrate** are sold to cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, cannabis wholesaler, or LPHE-M license holders.
3. **Hemp plant parts** are manufactured into hemp concentrate or artificially derived cannabinoids by an industrial hemp processor licensed under Minnesota Statutes, chapter 18K, an LPHE-M license holder with the proper endorsements, **OR** a licensed cannabis microbusiness, cannabis mezzobusiness, or cannabis manufacturer.
4. **Hemp concentrates** or **artificially derived cannabinoids** are manufactured into LPHEs by an LPHE-M license holder with the proper endorsements, **OR** a licensed cannabis microbusiness with the proper endorsements, cannabis mezzobusiness with the proper endorsements, or cannabis manufacturer.
5. **LPHEs** are sold to an LPHE-R license holder, LPHE-W license holder, **OR** a licensed cannabis retailer by an LPHE-M, LPHE-W, cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, medical combination, or cannabis wholesaler license holder. LPHEs imported from out of state must go through an LPHE-W with a lower-potency hemp edible importer endorsement or a cannabis wholesaler license holder with a hemp-derived product importer endorsement
6. **LPHEs** are sold to consumers by an LPHE-R license holder with the proper endorsements **OR** by a licensed cannabis retailer, cannabis microbusiness with retail endorsement, cannabis mezzobusiness with retail endorsement, or medical cannabis combination business.
  - LPHEs may be consumed on-site at the LPHE-R if the license holder holds an on-site consumption endorsement. An LPHE-R that does not possess a license issued under [chapter 340A](#) is required to maintain liability insurance meeting the requirements of section 340A.09 or provide documentation that the license holder has liability insurance of an equal level of coverage for on-site consumption activity.
  - An LPHE-R with an on-site consumption endorsement may sell and permit consumption of LPHE beverages for consumption at an off-site event if:
    - i. The event is authorized by the local unit of government.
    - ii. The event organizer holds an on-sale license issued under chapter 340A.
    - iii. The event does not exceed four days in length.

# Registration Requirements

Under Minnesota Statutes, section 151.72, hemp businesses were required to register with OCM in order to sell hemp-derived cannabinoid products. The registration also provided an option to convert to licensure under the chapter 342 framework.

OCM closed the registration window on August 31, 2025. This temporary window, which opened on June 2, allowed businesses seeking to sell hemp-derived cannabinoid products (HDCPs), including hemp-derived THC beverages, to register with OCM ahead of the busy summer season.

Now that the registration period has ended, OCM is moving to the next phase of implementation under Minnesota's cannabis regulatory framework.

## Licensing Timelines

OCM will accept applications for hemp business licenses between October 1 and October 31, 2025. All registered businesses who wish to continue selling LPHEs will be required to apply for a license under [Minnesota Statutes, chapter 342](#).

Under [Minnesota Statutes, section 342.18, subdivision 4](#), a hemp business must have been registered prior to the adoption of rules to qualify for conversion to licensure.

Businesses that were not registered with OCM during the registration period will be eligible to apply for a license starting October 1 as well but will not be able to operate until the license has been issued.

Existing hemp registrants will remain governed by Minnesota Statutes, section 151.72 until licenses from OCM are issued. At that point, all LPHE license holders must operate in compliance with Minnesota Statutes, chapter 342. *To support the launch of the adult-use cannabis market and provide continuity for existing hemp-derived businesses and medical cannabis patients, OCM has authorized a [product transition period](#) through December 31, 2025.*



# Licensing, Endorsements, and Certifications

## Licenses available

Minnesota Statutes, chapter 342, designates three types of hemp business licenses ([Minnesota Statutes, section 342.43](#)):

- Lower-potency hemp edible manufacturers (LPHE-M)
- Lower-potency hemp edible retailers (LPHE-R)
- Lower-potency hemp edible wholesalers (LPHE-W)

Each hemp business license is subject to the following application and licensing fees ([Minnesota Statutes, section 342.11](#)):

- LPHE-M
  - Application fee: \$250
  - Licensing fee (initial and renewal): \$1,000
- LPHE-R
  - Application fee: \$250 or, if the lower-potency hemp retailer operates more than one retail location, \$250 per retail location.
  - Licensing fee (initial and renewal): \$250 or, if the lower-potency hemp retailer operates more than one retail location, \$250 per retail location.
  - Retail registration fee: This is a fee set by the local government with a maximum amount of \$125 per location. For more information, please review [Page 11](#) of this guide.
- LPHE-W
  - Application fee: \$250
  - Licensing fee (initial and renewal): \$10,000

Per state law, application and licensing fees are nonrefundable.



## License ownership restrictions

LPHE-M, LPHE-R, and LPHE-W licenses *may* be held simultaneously with the following licenses:

- Additional LPHE-M, LPHE-R, and LPHE-W licenses.
- An industrial hemp license under Minnesota Statutes, chapter 18K.
- Other licenses to prepare or sell food.
- Other licenses to sell tobacco or tobacco-related devices, electronic delivery devices, nicotine and lobelia delivery devices.
- Other licenses to manufacture or sell alcoholic beverages.

Per ([Minnesota Statutes, section 342.43](#)), LPHE-M, LPHE-R, and LPHE-W license holders may *not*:

- Simultaneously hold any type of cannabis business license.
- Offer, give, accept, receive, or borrow money (or anything else of value) or receive credit from another hemp business license holders, except for the lawful sale of LPHE products.
- Offer or receive benefits in exchange for preferential retailer treatment including product's placement on the retailer's shelves, display cases, or website ([Minnesota Statutes, section 342.23, subdivision 5](#)).





## Endorsements and certifications

Important note: Manufacturing and selling hemp-derived consumer products is limited to cannabis business license holders. Hemp business license holders are not authorized to manufacture and sell hemp-derived consumer products.

To legally operate a licensed hemp business, certain business activities require additional endorsements or certifications.

**Endorsements:** Issued by OCM at no additional cost to the license holder and are required to conduct certain business activities. Eight types of endorsements are available for hemp businesses:

1. **Edible cannabinoid product handler endorsement.** This is required to manufacture, process, sell, handle, or store LPHEs (unless the LPHE is in final packaging). Therefore, this endorsement is required for all LPHE-M license holders. This endorsement also allows LPHEs to be manufactured at the same premises where food is manufactured ([Minnesota Statutes, section 342.07, subdivision 3](#)).
2. **Lower-potency hemp extraction and concentration endorsement.** This is required to manufacture hemp concentrate or artificially derived cannabinoid products. All methods of extraction, concentration, and conversion, and all volatile chemicals intended to be used must be disclosed to OCM prior to receiving this endorsement ([Minnesota Statutes, section 342.45, subdivision 3](#)).
  - a. **Certificates:** For LPHE-M license holders who are performing extraction or concentration of cannabinoids, or conversion of artificially derived cannabinoids, additional **certifications** are also required before beginning operations. Such LPHE-M license holders must obtain third-party certifications from an independent industrial hygienist or a professional engineer for the following ([Minnesota Statutes, section 342.45, subdivision 3\(d\)](#)):
    - All electrical, gas, fire suppression, and exhaust systems.
    - Plans for the safe storage and disposal of hazardous substances, including but not limited to any volatile chemicals.
3. **On-site consumption endorsement.** This is required for an LPHE-R license holder to allow on-site consumption at their establishment. This endorsement is only available to LPHE-R license holders. This endorsement also authorizes the business's participation at an off-site hemp-derived/related event subject to compliance with any applicable local regulations. ([Minnesota Statutes, section 342.46, subdivision 8](#)).

4. **Lower-potency hemp retail operations endorsement.** This is required for an LPHE-R license holder intending to operate a retail establishment to sell LPHE products to customers who are 21 years of age and older. There are no additional application requirements necessary beyond the application requirements for an LPHE-R license.
5. **Delivery endorsement.** This is required for an LPHE-R license holder intending to deliver LPHE products directly to customers aged 21 years and older. The endorsement requires the applicant to submit:
  - a. Proof of insurance for each vehicle or general liability insurance with a limit of at least \$1,000,000 for each occurrence
  - b. A business plan demonstrating policies to avoid sales of LPHE products to individuals who are under 21 years of age
  - c. Evidence the business will comply with applicable requirements. Additionally, an LPHE-R license holder with a delivery endorsement must:
    - Ensure LPHE products are not visible from outside the delivery vehicle.
    - Ensure a vehicle that contains LPHE products is either attended by an employee or secured by turning off the ignition, locking all doors and storage compartments, and removing operating keys or device.
6. **Lower-potency hemp edible importer endorsement.** This is required for a LPHE-W license holder intending to import LPHEs that are manufactured outside of the state with the intent to resell the products. This endorsement is only available to LPHE-W license holders and cannabis wholesaler license holders.
7. **Transporter endorsement.** This is required for a LPHE-W license holder intending to transport LPHE products to other businesses. The endorsement requires the applicant to submit additional application materials ([Minnesota Statutes section 342.45, subd. 5](#)). Transportation of LPHE products is otherwise authorized for LPHE-M and LPHE-R license holders and does not require a specific endorsement for these two licenses.
8. **Lower-potency hemp product exporter endorsement.** This endorsement is available to LPHE-M and LPHE-W license holders and is required if the license holder intends to manufacture or purchase, store, transport, or sell products containing cannabinoids that do not qualify as LPHE products and are intended for sale outside of Minnesota. License holders seeking this endorsement must abide by requirements for manufacturing, storage, and transport as detailed in the exporter section ([see page 22](#)).

# Local Government Considerations

LPHE license holders must maintain compliance with state and local building, fire, and zoning regulations.

In addition to an OCM-issued license and endorsement, LPHE-R license holders must also obtain a **retail registration** from their local government before the business can begin retail sales. Local governments may charge an initial retail registration fee of up to \$125 per location.

Retail registrations may only be issued by the local government after a business receives a license from OCM, pays the local retail registration fee, and, if applicable, passes any preliminary compliance checks conducted by the local government and is found to be in good standing on any applicable property taxes and assessments.

- Local governments may not limit the number of local retail registrations they issue to LPHE-Rs.
- Local governments may not prohibit the possession, transportation, or use of LPHEs in their jurisdictions.
- Local governments are required to conduct annual compliance and age verification checks of LPHE-Rs with a local retail registration.

([Minnesota Statutes, section 342.22](#))

Applicants/license holders should work directly with local governments to obtain a retail registration.

As businesses prepare to apply for a lower-potency hemp edible retailer licenses during the October 1 – October 31 application window, they are encouraged to begin conversations with local governments **now** to ensure there is a process to obtain a local retail registration after OCM issues the hemp business license. **Applicants should reach out to their local government to ensure mutual understanding of what will be required to obtain a local retail registration in addition to the hemp business license from OCM. It is critical for applicants to ensure timing alignment of the issuance of the license and the local retail registration. If these are not issued at the same time, then the retailer may be forced to temporarily halt sales.**

# How to Begin Business Operations

To begin operations as a **lower-potency hemp edible manufacturer (LPHE-M)** license holder:

1. Applicant completes application, including proof of trade name registration, a photo ID of applicant, a signed labor peace agreement (LPA) and Site, Security, and Operations Final Plan of Record, and submits application fees. Applicant also identifies and applies for desired endorsements.
2. Application is vetted for minimum requirements by OCM.
3. OCM will conduct a site inspection.
4. If applicant successfully passes site inspection, OCM issues license (and any relevant endorsements), operations may commence.
5. OCM notifies local government of license being issued.

To begin operations as a **lower-potency hemp edible retailer (LPHE-R)** license holder:

1. Applicant completes application, including proof of trade name registration, a photo ID of applicant, a Site, Security, and Operations Final Plan of Record and submits application fees.
  - a. Application must indicate intent to obtain either an LPHE-R retailer endorsement, an LPHE-R delivery endorsement, or both.
  - b. Additional endorsements available for this license type are edible cannabinoid product handler and on-site consumption endorsement.
2. Application is vetted for minimum requirements by OCM.
3. OCM conducts a pre-licensure inspection, if applicable. If applicant successfully passes the pre-licensure site inspection or review OCM issues a license with any relevant endorsements.
4. OCM notifies the local government that a license is being issued.

5. If the licensed business has a retailer endorsement, the license holder seeks local retail registration from local government. Local government reviews the application for retail registration according to local ordinance and determines whether to approve.
6. If approved, applicant pays a retail registration fee to the local government.
7. Local government conducts a compliance check for any applicable local ordinance established pursuant to [Minnesota Statutes, section 342.13](#).
8. Local government ensures tax compliance, if applicable.
9. Local government issues retail registration to license holder.
10. Once license holder has received both a state license and local retail registration the business may conduct retail sales.

To begin operations as a **lower-potency hemp edible wholesaler (LPHE-W)** license holder:

1. Applicant completes application, including proof of trade name registration, a photo ID of applicant, a Site, Security, and Operations Final Plan of Record, and submits application fees. Applicant also identifies and applies for desired endorsements.
2. Application is vetted for minimum requirements by OCM.
3. OCM will conduct a site inspection, unless the location was previously registered and inspected by OCM.
4. If applicant successfully passes the site inspection, OCM issues a license (and any relevant endorsements).
5. OCM notifies the local government that a license is being issued.



# Allowable Business Activities and Product Requirements

## What does a hemp business license allow me to do?

Minnesota Statutes, chapter 342, specifies certain allowable business activities for LPHE-M, LPHE-R, and LPHE-W licenses. OCM-issued endorsements are also required before conducting certain business activities; see the **Endorsements and Certifications** section of this guide for more information.

### **LPHE-M licenses permit the following** ([Minnesota Statutes, section 342.45, subdivision 1](#)):

- Purchasing hemp plant parts, hemp concentrate, and artificially derived cannabinoids from licensed cannabis microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, cannabis wholesalers, and other LPHE-M license holders.
- Purchasing hemp plant parts and propagules from industrial hemp growers, licensed under chapter 18K.
- Purchasing hemp concentrate from an industrial hemp processor, licensed under Minnesota Statutes, chapter 18K.
- Manufacturing hemp concentrate.
- Manufacturing artificially derived cannabinoids.
- Manufacturing LPHEs for public consumption.
- Packaging and labeling LPHEs for sale to customers.
- Selling hemp concentrate, artificially derived cannabinoids, and LPHEs to other cannabis businesses and hemp businesses.

All LPHE manufacturing operations must take place in a licensed facility and on equipment that meets health and safety standards established by OCM ([Minnesota Statutes, section 342.45, subdivision 2](#)).

### **LPHE-R licenses permit the following** ([Minnesota Statutes, section 342.46](#)):

- Selling LPHEs obtained from licensed cannabis microbusinesses, mezzobusinesses, manufacturers, wholesalers, and other LPHE-M and LPHE-W license holders to individuals who are at least 21 years old.

- Delivering LPHEs obtained from licensed cannabis microbusinesses, mezzobusinesses, manufacturers, wholesalers, and other LPHE-M and LPHE-W license holders to individuals who are at least 21 years old (if holding a delivery endorsement).
- Selling other products or items for which a license is held, or authorization has been given, or that do not require a license or authorization.
- Allowing on-site consumption of LPHEs (if holding an on-site consumption endorsement).

All LPHEs, except those intended to be consumed as a beverage, must be displayed behind a checkout counter where the public is not permitted to access, or in a locked case. All LPHEs must also meet packaging and labeling requirements established by OCM and comply with all limits on the amount and type of cannabinoids contained in the LPHE. LPHE-R license holders must also post all notices on the premises, as required by [Minnesota Statutes, section 342.27, subdivision 6](#).

**LPHE-R licenses prohibit the following** ([Minnesota Statutes, section 342.46, subdivision 7](#)):

- Selling or delivering LPHEs to an individual under 21 years of age.
- Selling or delivering LPHEs to a person who is visibly intoxicated.
- Selling or delivering cannabis flower, cannabis products, or hemp-derived consumer products.
- Allowing for the dispensing of LPHEs in vending machines.
- Distributing or allowing free samples of LPHEs except when licensed to permit on-site consumption AND samples are consumed within the licensed premises.
- Sourcing products from unlicensed or unauthorized manufacturers. LPHE-R license holders must source all product from OCM-licensed manufacturers or wholesalers ([Minnesota Statutes, section 342.46, subdivision 1\(b\)\(1\)](#)).
- Importing products from out of state without working through an authorized LPHE-W or cannabis wholesaler ([Minnesota Statutes, section 342.55, subdivision, 3](#); [Minnesota Statutes, section 342.33, subdivision, 1\(6\)](#)).
- Participating in off-premises events unless the event is hosted by a cannabis event organizer license holder AND the LPHE-R is an authorized retailer OR unless the LPHE-R license holder also holds an on-site consumption endorsement and meets the event requirements, including local approval and on-sale liquor license ([Minnesota Statutes, section 342.39, subdivision 1](#)).

## Can a hemp business license holder transport products?

Yes – hemp business license holders may transport products, with certain restrictions. LPHE-M, LPHE-R, and LPHE-W license holders have separate (but similar) product transportation restrictions. **Transporting is not the same as delivery.** Under Minnesota law, transporting products between businesses or business locations is distinct from delivery to a retail customer.

**LPHE-M license holders may transport LPHEs, hemp concentrates, and artificially derived cannabinoids on public roadways, if ([Minnesota Statutes, section 342.45, subdivision 5](#)):**

- The products are in a locked, safe, and secure storage compartment that is part of the motor vehicle or in a locked storage container that has a separate key or combination pad.
- The products are in tamper-evident containers that are not visible or recognizable from outside the transporting vehicle.
- The LPHE-M license holder has a shipping manifest in its possession that describes the contents of all tamper-evident containers.
- All departures, arrivals, and stops are appropriately documented.
- No person other than a designated employee enters a vehicle at any time that the vehicle is transporting products.

**LPHE-R license holders may transport LPHEs, hemp concentrates, and artificially derived cannabinoids on public roadways, if ([Minnesota Statutes, section 342.46, subdivision 5](#)):**

- The products are in final packaging.
- The products are in tamper-evident containers that are not visible or recognizable from outside the transporting vehicle.
- The LPHE-R license holder has a shipping manifest in its possession that describes the contents of all tamper-evident containers.
- All departures, arrivals, and stops are appropriately documented.

**LPHE-W license holders may transport LPHEs, hemp concentrates, and artificially derived cannabinoids on public roadways, if ([Minnesota Statutes, section 342.455, subdivision 5](#)):**

- The license holder receives a transporter endorsement from the office and submits insurance information, the number and type of equipment the business will use to transport, a loading, transporting, and unloading plan, a description of the experience in distribution or security and evidence the business will comply with requirements.
- The products are in a locked, safe, and secure storage compartment that is part of the vehicle or in a locked storage container that has a separate key or combination pad.
- The products are in tamper-evident containers that are not visible or recognizable from outside the transporting vehicle.
- The LPHE-W license holder has a shipping manifest in its possession that describes contents of all tamper-evident containers.
- All departures, arrivals, and stops are documented.
- No person other than a designated employee enters the vehicle at any time that the vehicle is transporting products.
- At all times the vehicle contains products, the vehicle is attended by an employee or secured by turning off the ignition, locking all doors and storage compartments and removing the operating keys or device.
- No person other than a designated employee enters a vehicle at any time that the vehicle is transporting products.

## What requirements exist for hemp products?

All LPHEs manufactured and sold must meet specific requirements regarding ingredients, serving and package sizes, and prohibited characteristics. Under OCM's rules, hemp-derived delta-9 tetrahydrocannabinol (THC) is approved for use in LPHEs and cannabichromene (CBC), cannabidiol (CBD), cannabigerol (CBG), and cannabinol (CBN) are designated as non-intoxicating cannabinoids. Any additions to these lists of approved artificially derived cannabinoids and non-intoxicating cannabinoids require review through a petition process. A formal petition process to request the approval of additional product types will be available through the Office of Cannabis Management in 2026.

### ***Figure 1. Allowed serving sizes and packaging limits***

**Maximum serving size of an LPHE (not beverage):** 5 mg delta-9 THC, 100 mg of CBD, CBG, CBN, or CBC, and 0.5 mg of any other cannabinoids.

**Maximum package size of an LPHE (not beverage):** 50 mg delta-9 THC, 1,000 mg of CBD, CBG, CBN, or CBC.

**Maximum serving size of an LPHE beverage:** 10 mg delta-9 THC per single container, 200 mg of CBD, CBG, CBN, or CBC, and 0.5 mg of other cannabinoids.

**For all three:** The ratio of delta-9 THC to all other artificially derived cannabinoids may not exceed 20 to 1 (95% purity).

If multiple servings exist in a package of LPHEs, the servings must be clearly indicated by scoring or wrapping. If multiple servings exist in a package of LPHEs and the product is intended to be combined with food or beverages before consumption, the servings must be indicated by scoring or wrapping OR it may be sold with a calibrated dropper or other measuring device.

LPHEs may *not* ([Minnesota Statutes, section 342.46, subdivision 7](#); [section 342.06, subdivision 1](#)):

- Contain cannabis plants or derivatives of any kind.
- Be, or appear to be, a lollipop or ice cream.
- Bear the likeness or contain characteristics of a real/fictional person, animal, or fruit.
- Be modeled after a type or brand of products primarily consumed by or marketed to children.
- Be substantively similar to a meat, poultry, or dairy food product.
- Contain a synthetic cannabinoid.
- Be made by applying a cannabinoid, including but not limited to an artificially derived cannabinoid, to a finished food product that does not contain cannabinoids and is sold to consumers, including but not limited to a candy or snack food.
- Contain an ingredient other than cannabinoids that is not approved by the FDA for use in food.
- Be added to a trademarked food product, unless the trademarked product is used only as an ingredient in the LPHE and not advertised or sold under the trademarked name or likeness.
- Contain any cannabis flower, cannabis concentrate, or cannabinoids derived from cannabis flower or cannabis concentrate.

**Artificially derived cannabinoids** and **hemp concentrates** may not contain any chemicals or compounds not explicitly approved by OCM ([Minnesota Statutes, section 342.26, subdivision 4\(d\)](#)).

### ***Figure 2. Hemp potency limits***

Hemp and hemp-derived cannabinoids may *not* be sold as cannabis or included in any cannabis product formulations. Cannabis products may only include cannabinoids derived from cannabis plants. Hemp products may not exceed 0.3% total THC. If hemp products exceed the 0.3% potency limit, they may not be sold as cannabis or hemp.

If an LPHE is damaged, has a broken seal, has been contaminated, or has not been sold by the expiration date, hemp business license holders must dispose of the product in a manner approved by OCM ([Minnesota Statutes, section 342.23, subdivision 3](#)).



## What requirements exist for on-site consumption of LPHEs?

LPHE-R license holders may allow on-site consumption of LPHEs after obtaining an on-site consumption endorsement from OCM.

Additionally, LPHE-R license holders with an on-site consumption endorsement are permitted to sell LPHE beverages for on-site consumption at an event hosted off site of the LPHE-R license holder location if:

1. The event has been authorized by the local unit of government exercising jurisdiction over the event.
2. The event organizer holds an on-sale license issued under chapter 340A.
3. The event does not exceed four days.

All LPHEs sold for on-site consumption must comply with all applicable testing requirements and must be served in the required packaging. However, if the LPHE is intended to be served as a beverage, it may be sold outside of the retail packaging if all required label and dosage information is accessible on a label or otherwise displayed on the premises.

**LPHE-R license holders with an on-site consumption endorsement may *not*** ([Minnesota Statutes, section 342.46, subdivision 8](#)):

- Sell, give, furnish, or in any way procure LPHEs for an obviously intoxicated person.
- Sell LPHEs that are designed or reasonably expected to be mixed with an alcoholic beverage.
- Permit LPHEs that have been removed from the products' packaging to be removed from the premises.

## What product testing requirements exist?

All LPHEs, hemp concentrates, or artificially derived cannabinoids offered for sale must comply with the following requirements ([Minnesota Statutes, section 342.61](#)):

- A representative sample of the batch of the artificially derived cannabinoids, LPHEs, or hemp-derived consumer products has been tested according to Minnesota Statutes, chapter 342 and Minnesota Rules, part 9810.
- The testing was completed by a licensed cannabis testing facility.
- The tested sample was found to meet testing standards established by OCM.
- The testing lab received all known information regarding pesticides, fertilizers, solvents, or other foreign materials, including but not limited to catalysts used in creating artificially derived cannabinoids, applied or added to the batch of LPHEs, whether applied intentionally or accidentally.
- Test results for each batch are maintained for at least five years after the date of testing.
- Test results are made available for review by any member of the public upon request. Results must be in plain language.

## Can I import lower-potency hemp edibles and hemp-derived consumer products?

On the cannabis business license side of the supply chain, licensed cannabis wholesalers may import LPHE and hemp-derived consumer products, provided these products comply with chapter 342. Beginning in 2026, imported products must be tested by a state-licensed testing laboratory. Additionally, all imported hemp-derived consumer products must be accurately documented within Metrc, the state's track-and-trace system.

Additionally, on the lower-potency hemp edible side of the supply chain, LPHE-W license holders with an importation endorsement may import LPHE products (only LPHE products, not hemp-derived consumer products) that are manufactured outside of the state with intent to sell the products to other cannabis and LPHE businesses, provided these products comply with chapter 342. Beginning in 2026, imported products must be tested by a state-licensed testing laboratory. LPHE-W license holders with an importation endorsement may not import hemp-derived consumer products.

## What do I need to know about exporting lower potency hemp edibles and other products?

LPHE-M license holders are authorized to manufacture LPHE products intended for export to other states, provided these products also comply with chapter 342 requirements, including but not limited to packaging and labeling requirements. LPHE-M license holders may export compliant products without labels and apply the labels when the product reaches the destination state. The products must still adhere to Minnesota manufacturing, potency, and testing requirements, and have a shipping manifest and certificate of analysis (COA) accompanying it to demonstrate provenance and compliance. ([Minnesota Statutes, section 342.34, subdivision 5; section 342.45, subdivision 1\(9\)](#)).

Additionally, LPHE-Ms with a hemp product exporter endorsement are permitted to manufacture products containing cannabinoids that do not qualify as lower-potency hemp edibles and are intended for sale only in jurisdictions other than Minnesota. The LPHE-M license holder with the hemp product exporter endorsement must comply with [Minnesota Statutes section 342.45, subdivision 4a](#), including that:

- The manufacturer must not add any cannabis flower, cannabis concentrate, or cannabinoid derived from cannabis flower or cannabis concentrate to the products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota.
- The products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota must be physically separated from all LPHE products.
- The products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota must be tested as provided in [section 342.61](#) and must meet all standards established by the office except for any limits on cannabinoids.
- The packaging of the products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota must clearly state that the products are not for sale in Minnesota. The packaging must also include the product's batch number and cannabinoid profile per serving and in total.
- The products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota may only be sold if they meet the importing state's requirements.

LPHE-W license holders may also obtain a hemp product exporter endorsement and are permitted to purchase, store, transport, and sell products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota provided that:

- All products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota are physically separated from LPHE products.
- All products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota are in packaging that clearly state the products are not for sale in Minnesota and includes verification that the product was tested according to section 342.61. The packaging must also include the product's batch number and cannabinoid profile per serving and in total.