

New State Law on THC Products

As part of Chapter 98, the omnibus health and human services policy bill signed into law on June 6, the state legalized certain edibles and beverages infused with tetrahydrocannabinol (THC). The change went into effect on July 1, 2022. The law limits the sale of CBD and THC products to persons 21 and older. There are also limits on the potency of these products. Specifically, a product cannot contain more than 5mg of THC (delta-8 or delta-9) in a single serving and a package cannot contain more than 50mg total. The law includes regulation on labeling and packaging to help protect against accidental ingestions and marketing to children. The law gives the Minnesota Board of Pharmacy regulatory authority over ensuring these products do not exceed any of the potency requirements. It is expected that any other regulation of this industry would occur at the local level.

Cities are not prohibited from regulating the sale of THC products and cities choosing to regulate these products would likely do so through zoning or licensing. Some cities have considered or adopted a moratorium on the sale of THC products to allow adequate time to develop regulations. It is advised that local officials should work with their city attorneys to determine regulations appropriate for their communities.

A violation of this law is a misdemeanor offense. Nothing in the new law changes current laws on driving under the influence. It is likely that when the legislature returns, some additional legislation related to these products will be considered. The chief bill author, Representative Heather Edelson is working on clarifying legislation in the interim and has been engaging with law enforcement to develop guidance for public safety personnel.

Until further legislative action is taken there are several questions to consider. The League of Minnesota Cities has developed a FAQ to help cities address questions around the new law, public safety implications, city licensing, zoning, and employment/ personnel issues. Click [HERE](#) to view the FAQ page. Metro Cities plans to establish a link on the association's website and will provide further information as it is available. Stay tuned for additional updates.

Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

Preliminary Transportation Operating Budget

Metropolitan Council staff presented the preliminary 2023 transportation budget for the Council's Transportation Committee at their meeting this week. The presentation provided members with a high-level overview of the transportation division as well as some specifics on Metro Transit and Metropolitan Transit Services. The presentation also summarized COVID relief funding received by the Metropolitan Council (just over \$700 million between ARP, CRRSAA, and CARES).

The proposed 2023 transportation budget is based on several revenue assumptions including the forecasted motor vehicle sales tax revenue and an increase in ridership. Click [HERE](#) to view the full presentation materials including a more detailed breakdown of proposed revenue and expenses for the 2023 transportation budget.

Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

Arterial Bus Rapid Transit Update

Katie Roth, Arterial BRT Director for Metro Transit, provided an update on the transit provider's arterial bus rapid transit system for the full Metropolitan Council on Wednesday. The Arterial BRT system is a network of eight lines (A through H) planned through the year 2030. Since the pandemic, the BRT lines have retained more ridership than any other Metro Transit service. So far, only the A Line and C Line have begun service. The D Line is set to begin service in December 2022. Click [HERE](#) to view the full presentation, which includes line-specific information, maps, and budget estimates.

Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

MPCA's Water Quality Fees Rulemaking

The Minnesota Pollution Control Agency (MPCA) is issuing a third request for comments on August 1 regarding possible amendments to rules on water quality fees (Minnesota Rules, Chapter 7002). This includes fees for municipal wastewater and stormwater permits, among others. This potential change in rules follows the information gathered during two previous requests for comments and recommendations from the Water Fee Advisory Committee. Click [HERE](#) for more information on the planned amendments to Chapter 7002. The MPCA is also hosting a virtual informational meeting on amending the Water Quality Fee Rules on Tuesday, August 16 from 2:30 PM to 3:30 PM.

Contact Nicole Blasing at Nicole.blasing@state.mn.us or 218-316-3890 with any questions.

Governor Releases Economic Expansion Plan

The [economic expansion council](#) appointed by Governor Walz in 2021 released its final report this week. The report, "[Minnesota's Moment: A Roadmap for Equitable Economic Expansion](#)" was developed by the council in 2021 and 2022 and highlights proposed state action on a range of topics, including workforce, housing, health care, infrastructure, and entrepreneurship and business climate.

The report includes recommendations and strategies in several state policy and funding areas:

- Expand supplemental income supports that families and individuals can use for housing costs.
- Provide increased support for integrated services to link housing with employment, health and education supports.
- Strengthen financial and homebuyer assistance for Black, Brown, Indigenous and people of color as a means of increasing homeownership and reducing Minnesota's nation-leading homeownership disparity gap.
- Increase state resources for full range of housing needs, including the development of new housing, the preservation of existing affordable housing and resources for housing costs.

A second roadmap marker is supporting a resilient Minnesota workforce with training programs and career ladders. Related strategies include:

- Address workforce shortages by building career ladders that allow people to advance in their fields.
- Prepare Minnesota students for their careers or further education.
- Create opportunities accessible to all by providing free community college, allowing more people access to high-quality, in-demand careers.
- Enable the state to cover some support related expenses such as transportation, housing and child-care after eligible people complete a workforce training program.
- Eliminate the public benefits cliff, where people lose all benefits once reaching an income threshold, with gradual reductions in service to encourage additional workforce participation.
- Prioritize upskilling, reskilling, training, workforce development, and Community-led solutions to address overall employment/underemployment gaps especially for Black, Brown, Indigenous and all communities of color as well as historically and currently underserved communities.
- Align and coordinate state programs that provide adult basic education and work readiness services.
- Invest in growing green jobs in Minnesota by supporting business innovation and through training programs that prepare our workforce for clean economy jobs, such as new clean energy technology development.
- Pursue solutions that support Minnesota's frontline workers to receive living wages with benefits that make these critical roles strong and attractive.

Metro Cities will monitor how the roadmap will inform legislative proposals in the 2023 legislative session and respond in a manner consistent with the association's policies. Contact Charlie Vander Aarde at 651-215-4001 or charlie@metrocitiesmn.org with any questions.

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Metro Cities (Association of Metropolitan Municipalities)
145 University Ave W, St. Paul, MN 55103-2044
Phone 651-215-4000 · Fax 651-281-1299 · www.MetroCitiesMN.org