Minnesota lawmakers debating marijuana legalization ask: Should the state or cities regulate it?

The DFL's marijuana bill would have the state regulate it. Some GOP legislators said cities should have the authority.

By Ryan Faircloth Star Tribune



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Minnesota Democrats are mounting their most serious push yet for marijuana legalization now that they control the state House, Senate and governor's office.

The legislative debate over legalizing recreational marijuana in Minnesota shifted Wednesday to the question of who should regulate it — the state or cities?

Under House Democrats' <u>legalization bill</u>, a new state agency would be created to license various kinds of marijuana businesses, from growers and processors to retailers and delivery services. Some Republican legislators and local government officials criticized that proposal, saying cities should have the authority to decide which marijuana businesses get licensed and where they should operate.

"Local licensing gives us ... an opportunity to know who we're doing business with, who's doing business in our community. It also gives us the key ingredient we need for law enforcement and regulatory control," Edina City Manager Scott Neal told members of the House Commerce Committee Wednesday.

League of Minnesota Cities lobbyist Alex Hassel added that cities should not only have licensing authority, but the ability to opt out of allowing recreational marijuana sales in their communities. "Local communities will embrace these products at varying degrees," she told the committee.

The bill's author, DFL Rep. Zack Stephenson of Coon Rapids, quickly shot down that idea.

"Having a consistency across the marketplace is valued by business. What we don't want is a patchwork of different rules in different parts of the state," Stephenson said. "We're not going to have opt-outs here."

Minnesota Democrats are mounting <u>their most serious push yet</u> for marijuana legalization now that they control the state House, Senate and governor's office. But their nearly 250-page bill must be reviewed and approved by numerous legislative committees, which will likely revise it repeatedly over the next four months.

Former GOP House Minority Leader Kurt Daudt was among those expressing concern about local government control. He offered an amendment to the bill to let cities license marijuana businesses.

"It basically handles this product the same as it would by having a local unit of government issue a license to a tobacco retailer or an alcohol retailer," Daudt said.

Daudt's amendment failed, and the House commerce panel voted to approve the bill and send it on to its next committee.

Democratic Gov. Tim Walz, a strong supporter of marijuana legalization, told reporters Wednesday he hadn't yet thought about allowing city governments to ban marijuana sales in their communities.

"What we've said all along is we're willing to work and compromise around these issues," Walz said. "We haven't even discussed that one yet."

Lawmakers and stakeholders were eager to try to shape the bill to their liking. About two dozen people testified during the Wednesday hearing, with critics and supporters alike suggesting changes.

Opponents of legalizing marijuana expressed concern about the drug's effect on highway safety and adolescent use. John Hausladen, president of the Minnesota Trucking Association, said he thinks legal marijuana "will make our roadways less safe."

"There are no reliable roadside tests to assess impairment," Hausladen said. "How can putting more cannabis-impaired drivers on the roadway make that situation better?"

The DFL bill would create a pilot program for an "oral fluid roadside test" to gauge how many impaired drivers are on state roads and whether such a test works. Unlike with alcohol, there is no easy method to determine whether someone is intoxicated with marijuana, because the drug can remain detectable for weeks after use.

Legalization advocates asked lawmakers not to overtax or overregulate the potential marijuana market. They also urged them to create a licensing system that prioritizes businesses owned by women and people of color. A "social equity applicant" measure in the current version of the bill would give people from disadvantaged backgrounds a better shot at getting a cannabis business license.

"One of the key challenges for women looking to start a cannabis business is lack of access to capital," said Calandra Revering, a Black attorney who's been trying to start her own cannabis business since 2019. "This bill can provide minorities and women-owned businesses [the opportunity] to open and operate successfully."

Staff writer Jessie Van Berkel contributed to this report.