Table of Contents
Minnesota Office of Cannabis Management

Agency Profile 1

Office of Cannabis Management — Agency Profile

https://mn.gov/ocm/

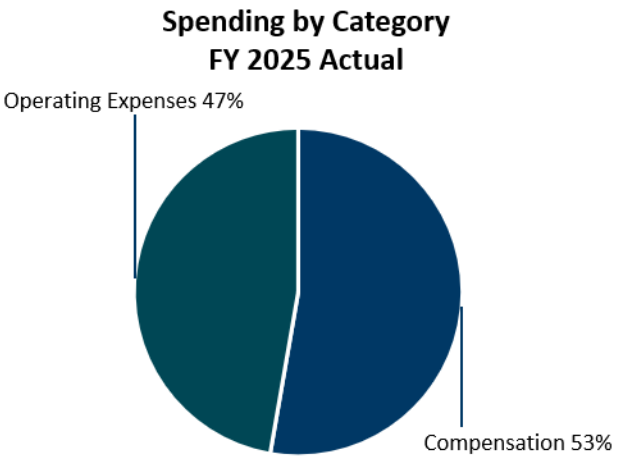
AT A GLANCE

- Established in 2023, the Minnesota Office of Cannabis Management (OCM) serves all Minnesotans by regulating safe, equitable, and sustainable cannabis and lower-potency hemp consumer industries.
- OCM oversees the licensing and regulation of cannabis and hemp businesses. In 2025, OCM completed an extensive rulemaking process to launch the standards for cannabis and hemp regulation in the state. Since then, OCM has processed over 6,000 applications and issued over 2,000 licenses.
- To establish a well-regulated market that protects public health and safety, OCM oversees statewide enforcement, conducting inspections, managing complaints, and coordinating with state and local law enforcement to address illicit market activities.
- OCM manages the medical cannabis program, supporting over 90,000 patients (including nearly 700 children) seeking access to products to manage a wide variety of sometimes intractable conditions. The office publishes scientific literature on the impact of cannabis use on patients.
- OCM provides technical assistance and resourcing for business applicants and administers grant programs that support community revitalization (CanRenew, 68 grants awarded) and business opportunities for farmers (CanGrow, four grants and one revolving loan awarded).
- OCM has 107 full-time equivalent employees, all contributing to the office's role in ensuring the highest standards of public health and safety of all cannabis products and related programs in Minnesota.
- OCM maintains tribal-state partnerships in the multi-jurisdictional regulation of cannabis markets across the state. This includes through execution of compact agreements with nine of the 11 federally recognized Tribal Nations sharing territory with Minnesota.

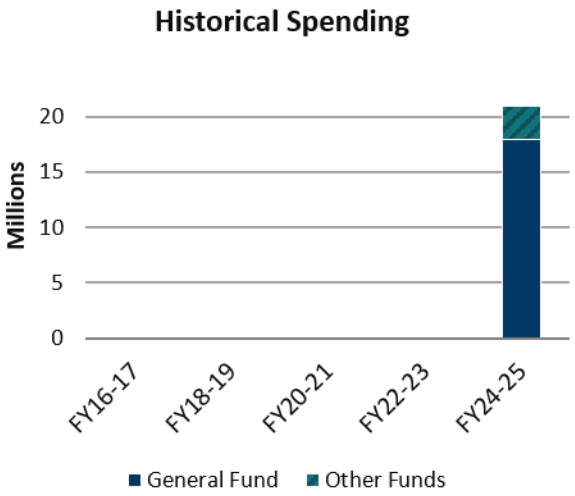
PURPOSE

OCM provides operational and regulatory oversight for Minnesota's adult-use cannabis market, the medical cannabis program, and the lower-potency hemp consumer industry. OCM's mission is to foster an equitable cannabis industry that prioritizes public health and safety, consumer confidence, and market integrity.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

OCM is funded primarily through the general fund. This funding is legislatively appropriated from Minnesota Laws 2025, 1st Special Session, Chapter 4 (https://www.revisor.mn.gov/laws/2025/1/Session+Law/Chapter/4/). In FY 2025, total spending was $18.95 million, with $8.9 million spent on operating expenses and $10.1 million on employee compensation. OCM collects application and license fees and issues monetary penalties to businesses that violate the law. These funds transfer to the general fund. OCM was only recently established so has limited historical trend data. As OCM continues to mature, these trends will help identify the needs of the office to support licensing applications, patient support, and compliance and enforcement duties to ensure public health and safety is protected.

OCM is also appropriated funds for two grant programs: CanGrow received an appropriation of $2 million for FY26-27 into a revolving fund, and CanRenew received an appropriation of $11.25 million for each year in FY26-27 and a base of $6.49 million in each future year.

STRATEGIES

Licensing and enforcement

OCM has a statewide enforcement presence and performs pre-license inspections for applicants and routine compliance inspections for license holders. Enforcement staff respond to complaints through investigations, inspections, and enforcement (i.e., product embargo, recall, corrective actions, fines, suspension, revocation). Staff partners with local governments, law enforcement, and other agencies on complex issues. OCM also tracks the intersection of hemp and cannabis regulation with the federal government's shifting approach. OCM has adopted an educate-to-compliance model, with enforcement escalating on a continuum. This is exhibited in the dozens of guides, resources,[1] and technical assistance provided to support businesses navigating the application process and regulated marketplace. Effective testing is critical to public health and safety. OCM's laboratory services unit sets testing standards for cannabis and hemp products manufactured and offered for sale by license holders through the Cannabis Technical Authority: Standards for Sampling and Testing Cannabis and Hemp Products.[2] OCM partners with MDA to operate a cannabis reference laboratory, which functions as the referee lab for contested sample results, conducts investigations based on public health reports, and tests surveillance

1 https://mn.gov/ocm/businesses/licensing/
2 https://mn.gov/ocm/assets/OCM_Cannabis_Technical_Authority_v2.0_tcm1202-678506.pdf

samples collected from license holders to assess industrywide compliance – a necessary function to testing accuracy. OCM has licensed six independent testing facilities.

Medical cannabis and public health

The medical cannabis program serves patients, registered caregivers, and participating health care practitioners. While the adult-use market offers consumers who are at least 21 years old access to cannabis, the medical program provides Minnesotans, including persons under 21 with intractable conditions and other vulnerable populations, reliable access to therapeutic cannabis products that manage various health conditions, alleviate symptoms, and improve quality of life. OCM publishes legislatively mandated reports[3]and conducts extensive research on medical cannabis patients[4] and their experience in the state's medical cannabis program. OCM also publishes the Guide to Safer Cannabis Use in Minnesota,[5]to help ensure a safer, responsible experience through education on the emerging cannabis market.

Community and economic development

The division of community and economic development invests in neighborhood organizations through CanRenew[6] grants, expands access to affordable capital through CanGrow[7] grants, offers technical assistance for entrepreneurs, creates workforce pathways for Minnesotans, and offers ombudsperson services. CanRenew supports community development, particularly in areas harmed by cannabis prohibition, addressing economic development, social determinants of health, and other community-wide outcomes. Projects awarded address a range of community needs, including economic development, public health, violence prevention, youth development, and civil legal aid – these funds have been particularly helpful in communities facing decreased services based on changes in federal funding. CanGrow is a revolving grant program that assists eligible organizations in supporting inclusive business opportunities for cannabis farmers. The program helps organizations provide educational resources, guidance and low-interest loans for farmers who want to be part of the industry. OCM used data from a statewide Community Input Survey in spring 2025 to design a resourcing strategy to guide entrepreneurs, through training and technical assistance. Events across Minnesota have engaged more than 250 participants, including prospective license applicants, community-based organizations, technical assistance providers, local government representatives, and other stakeholders.

Tribal partnership

OCM supports compacting activities between the Governor and Tribal governments related to the medical cannabis and adult-use cannabis industries. Nine agreements have been signed. These compacts promote a cooperative and mutually beneficial relationship between the state and Tribes that enhances public health and safety, ensures a lawful and well-regulated cannabis market, encourages economic development, and provides financial benefits to both the state and Tribal Nations.

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3 https://mn.gov/ocm/laws/legislative-reports.jsp
4 https://mn.gov/ocm/assets/OCM_Patient_Priorities_Public_2025_tcm1202-719618.pdf
5 https://mn.gov/ocm/assets/Guide_to_Safer_Cannabis_Use_1.0_tcm1202-754055.pdf#False
6 https://mn.gov/ocm/development/grants/canrenew.jsp
7 https://mn.gov/ocm/development/grants/cangrow.jsp

RESULTS

Part A: Performance Data

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Total regulated cannabis sales	Result	License holders report cultivation and sales data in an inventory management system. Data are available publicly*	Medical market sales in 2024: $83.87 M Historical data in adult-use market not available – first sales were in Sept. 2025	Medical sales (2025): $91.27 M Medical sales (Jan.–Jul. 2026): $55.29 M Adult-use sales (Jan.–Jul. 2026): $80.74 M Adult-use sales to-date (Sept. 2025–Jul. 2026): $111.97 M
Cannabis and hemp business licenses issued	Quantity	Total number of cannabis or hemp business licenses issued (across 14 license types)	First license issued in June 2025 following rules adoption and establishing licensure – previously, hemp and medical cannabis businesses operated under a registration system	As of Aug. 1, 2026: Total licenses issued: 2,482 Cannabis licenses: 319 Social equity licenses: 136 Hemp licenses: 1,953 Cannabis renewals: 77
Inspections conducted and compliance rates observed	Quantity	Enforcement division reports	Aug. 1, 2023–Jul. 31, 2024: 1,567 inspections conducted – 909 businesses (58%) had at least one violation In 2024: voluntary destruction of noncompliant products at 352 businesses	Jan. 1, 2025 – Dec. 31, 2025: 1,917 inspections conducted – 127 businesses (6.6%) had at least one violation, a significant increase in compliance In 2025: voluntary destruction of noncompliant products at 114 businesses (67% increase in compliance)
Complaints managed	Quantity	Enforcement division and ombudsperson reports	OCM launched an enforcement complaint system in 2024 and ombudsperson position in 2025	In 2025: Enforcement processed 293 complaints on businesses, unlicensed sales, residential concerns, etc. Ombudsperson managed 159 cases
Medical cannabis patient and caregiver enrollment	Quantity	Patients, caregivers, and health care practitioners active in the medical cannabis patient registry	As of Jul. 25, 2024: Active patients: 47,616 Active caregivers: 1,777	As of Aug. 1, 2026: Active patients: 90,210 Active caregivers: 5,578 Active practitioners: 2,880

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Customer service inquiries	Quantity	Customer relationship management system	Customer service managed email inquiries in '24, added phone and web services in '25	Jan. 1, 2025–June 30, 2026: 18,820 inquiries
Website visits and guidance views	Quantity	Website metrics	Increased staffing capacity in 2024, including engagement and education staff – led to sig. growth in 2025	In 2025: Visits: 678,247 Page views: 1.9 M Unique visitors: 368,157 Returning visitors: 8,977
Newsletter engagement	Quantity	GovDelivery metrics	OCM increased staffing capacity in 2024, per the fiscal note, including engagement and education staff – launched newsletters for industry participants and community members	In 2025: Total newsletter subscribers: 94,911, an increase of over 60,000 from 2024 Monthly engagement rates: 61%–78% Total recipients of all bulletins: 614,125

*Public License Data: https://mn.gov/ocm/data-reports/dashboards/cannabis-market-monitor.jsp

Part B: Evidence of Effectiveness

The work of the Office of Cannabis Management is informed by scientific evidence but has not been evaluated using randomized control or quasi-experimental design methods. The office conducts studies to assess patient reported benefits of medical cannabis that inform the office's programs and policy (i.e., see reports on Obstructive Sleep Apnea[8]and Chronic Pain Patients[9] in the medical cannabis program). The cannabis technical authority and compliance lab testing program is informed by testing standards from various cannabis/hemp testing standards (ISO/IEC, AOAC, FDA/AAFCO/AFDO/APHL, ACIL, and ASTM).

Minnesota Statutes, chapter 342 provides the Office of Cannabis Management's legal authority. (https://www.revisor.mn.gov/statutes/cite/342)

[8] https://mn.gov/ocm/assets/Obstructive_Sleep_Apnea_Report_2025_tcm1202-683956.pdf
[9] https://mn.gov/ocm/assets/chronic-pain-report_tcm1202-667592.pdf