



MINNESOTA

OFFICE OF

CANNABIS MANAGEMENT

Hemp Registrant to License Holder Conversion Guide

Note: This document has been archived as the period for businesses to convert from a registration to a business license has passed. This document is meant to provide guidance to businesses seeking to be licensed by the Office of Cannabis Management to sell lower-potency hemp edibles. The information contained in this document is not legal advice and it is the responsibility of each license holder to thoroughly read all applicable laws and rules to maintain compliance.

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Introduction

Under previous temporary regulations in [Minnesota Statutes, section 151.72](#), hemp businesses were required to register with Minnesota Office of Cannabis Management (OCM). The registration window was open until April 14, 2025. Then, OCM reopened a second registration window from June 2 to Aug. 31, 2025, allowing businesses seeking to sell hemp-derived cannabinoid products (HDCPs), including hemp-derived THC beverages, to register with OCM ahead of the licensing application window in fall 2025.

OCM then moved to the next phase of implementation under Minnesota's cannabis regulatory framework, as charged in Minnesota Statutes chapter 342. OCM accepted applications for all three **hemp business license types (lower-potency hemp edible, or LPHE licenses)** from October 1 to October 31, 2025. All registered businesses who wished to continue selling LPHEs were required to apply during October 2025 and then obtain a license under [Minnesota Statutes, chapter 342](#) in order to continue operations.

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.

After the [product transition period](#) ended March 31, 2026, all LPHE license holders and cannabis business license holders must operate in compliance with Minnesota Statutes, chapter 342.

Transition Process for Hemp Registrants

Hemp registrants were required to apply during October 2025 for an LPHE license based on their activities and products. **Businesses registered to sell hemp-derived cannabinoid products under Minnesota Statutes, section 151.72 who did apply during October 2025 were allowed to continue operations while their license application(s) were under review.**

Once licensed, all LPHE license holders were required to comply with chapter 342, including requirements to source LPHEs from licensed lower-potency hemp edible manufacturers and cannabis businesses, or imported from out-of-state by either a cannabis wholesaler or a lower-potency hemp edible wholesaler license holder.

At the close of the initial LPHE license application period, OCM began enforcement actions against unlicensed sellers of hemp-derived cannabinoid products who did not submit an LPHE license application, were not in the application process for a cannabis business license or had not successfully obtained a cannabis business license. After the LPHE license application window closed, hemp businesses who did not have a pending LPHE application were no longer permitted to sell hemp-derived cannabinoid products under Minnesota Statutes, section 151.72.

Steps to Stay in Compliance



Step 1. Determine the appropriate license type

Before the October window, businesses were encouraged to assess business activities and decide whether to apply for a lower-potency hemp edible retailer license, a lower-potency hemp edible manufacturer license, a lower-potency hemp edible wholesaler license, or a combination of the above.



Step 2A. For LPHE license applicants

Applications for LPHE retailer, LPHE manufacturer, and LPHE wholesaler licenses were accepted from Oct. 1 to Oct. 31, 2025. Applicants could prepare by having all necessary documentation ready and remaining in good standing with the state of Minnesota and OCM. Your business must not have any outstanding fines or correction orders.

Those planning to obtain a lower-potency hemp edible retailer license and sell LPHEs were also required to obtain a local retail registration directly from the local government. LPHE applications reopened and will be accepted on an ongoing, rolling basis on April 1, 2026.



Step 2B. For cannabis business license applicants

If you determined that a cannabis business license is the best fit, you should apply during a cannabis licensing round. If you missed the application window in 2025, follow the OCM website and subscribe to newsletters to learn of future licensing rounds.

Once licensed, cannabis business license holders must immediately comply with chapter 342.



Step 3. Avoid enforcement actions

Failure to submit an application by the close of the LPHE application period in October 2025 and continued sales may have led to compliance enforcement actions against businesses.



Step 4. Understand the regulatory transition

Hemp registrants were allowed to continue operating under section 151.72 until officially licensed by OCM until March 31, 2026. Once licensed, they were required to comply with chapter 342, including—but not limited to—sourcing products from licensed manufacturers (LPHE manufacturer, and cannabis businesses) and using authorized wholesalers (LPHE wholesaler or cannabis wholesaler) if importing LPHE products from out of state.

Product Types and Who Can Produce and Sell Them

Minnesota Statutes, chapter 342:

There are five types of hemp products in Minnesota Statutes, chapter 342:

1. **Artificially derived cannabinoids** – Cannabinoids extracted from a hemp plant or hemp plant parts with a chemical makeup that is changed after extraction to create a different cannabinoid or other chemical compound by applying a catalyst other than heat or light.
2. **Hemp concentrate** – The extracts and resins of a hemp plant or hemp plant parts, extracts and resins that are refined to increase the presence of targeted cannabinoids, or extract and resin products intended to be consumed by combustion or vaporization.
3. **Hemp-derived consumer products** – Products containing hemp plant parts, hemp concentrate, or artificially derived cannabinoids in combination with other ingredients. These products cannot contain cannabis flower or cannabis concentrate. Under Minnesota Statutes and [Minnesota Rules, part 9810.2100, subpart 3](#), hemp-derived consumer products are limited to hemp flower and vape products (that may not exceed 0.3% total THC). Hemp-derived consumer products may only be manufactured by and sold by cannabis business license holders, not hemp business license holders.
4. **Lower-potency hemp edibles** – Intended for human consumption by eating or consuming as a beverage, containing hemp concentrate or artificially derived delta-9 THC in combination with food ingredients. Per [Minnesota Rules, part 9810.2100](#), LPHEs only include the following product categories: edible products, beverage products, and hemp-derived tinctures.

LPHEs may *not*:

- Contain an artificially derived cannabinoid other than delta-9 THC.
- Contain cannabis flower, cannabis concentrate, or a cannabinoid derived from cannabis.
- Exceed allowed serving sizes and packaging limits as detailed in Figure 1.

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).

Tinctures made with hemp by an LPHE manufacturer license holder are classified as lower-potency hemp edibles under chapter 342, and [Minnesota Rules, part 9810.2100, subpart 2](#).

LPHE products must meet one of the following categories:

- Intended to be consumed (or eaten) as-is
- Ready to drink beverage
- Defined as a tincture under Minnesota Rule

Any LPHE product that does not meet one of the categories above is prohibited. This prohibition includes previously permitted items under section 151.72, such as intermediate food products, flour, powders, tablet or powdered drink enhancers, any product requiring an additional step before consumption, and delta-8. A formal petition process to request the approval of additional product types will be available through the Office of Cannabis Management in 2026.

5. **Hemp-derived topical products** – Intended for human or animal use and containing hemp concentrate, intended for application externally to a part of the body of a human or animal and does not contain THC, cannabis flower or cannabis concentrate. Hemp-derived topical products do not require a license for production or sale.

Prohibitions

Lower-potency hemp edibles and hemp-derived consumer products* may *not*:

- 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 or 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 food product, poultry food product, or a dairy food product
- Contain a synthetic cannabinoid
- Be made by applying a cannabinoid, including artificially derived cannabinoids, to a finished food product that does not otherwise contain cannabinoids and is sold to consumers, including but not limited to a candy or snack
- If edible, may not contain any ingredients, other than cannabinoids, that are not approved by the FDA for use in food

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.

Note: Chapter 342 requires that before completing a sale, including delivery, of any regulated product, the business completing the sale or delivery must verify that the customer is at least 21 years of age and not visibly intoxicated.

** Manufacturing and retailing **hemp-derived consumer products** is limited to only cannabis business license holders, not LPHE license holders.*

Who can produce and sell

Lower-potency hemp edible manufacturers may produce artificially derived cannabinoids, hemp concentrate, and lower-potency hemp edibles.

Lower-potency hemp edible retailers may sell **only** lower-potency hemp edibles. In addition to holding the appropriate license, LPHE manufacturers handling certain types of hemp products will need to obtain an **edible cannabinoid product handler endorsement** from OCM. A separate endorsement is also required to produce hemp concentrate.

Manufacturing and retailing **hemp-derived consumer products** is limited to only cannabis business license holders, not LPHE license holders.

See Table 1 for more information.

Table 1. Hemp retail approved product types

Hemp Product Type	Approved Product Category	Licenses Allowed to Sell Retail
Hemp flower (below 0.3% THC)	Hemp-derived consumer products	Microbusiness, mezzobusiness, cannabis retailer, med-combo
Infused hemp flower	Not allowed	None
Hemp concentrate (below 0.3% THC)	Hemp-derived consumer products	Microbusiness, mezzobusiness, cannabis retailer, med-combo
Hemp-derived topical (>0-0.3% THC)	Not allowed	None
Hemp-derived topical (0% THC)	Allowed	No license needed
Hemp-derived edible <i>*includes beverages*</i> (below 0.3% THC)	Lower-potency hemp edible products	Lower-potency hemp retailer, microbusiness, mezzobusiness, cannabis retailer, med-combo
Hemp-derived tincture (below 0.3% THC)	Lower-potency hemp edible products	Lower-potency hemp retailer, Microbusiness, mezzobusiness, cannabis retailer, med-combo

How these requirements differ from section 151.72:

Section 151.72 provided for only two product types: **nonintoxicating cannabinoid products** and **edible cannabinoid products**. While product prohibitions and related requirements are similar, requirements may vary depending on the product type classified under chapter 342, and chapter 9810. In addition, section 151.72 allowed hemp products to be sold by a business that holds a hemp registration issued by OCM; now, under chapter 342, businesses handling hemp products must obtain a **license**, and in many cases, an **endorsement**. Under chapter 342, manufacturing and retailing of **hemp-derived consumer products*** are now limited to cannabis business license holders. Hemp-derived topical products do not require a license or endorsement to be sold.

** Manufacturing and retailing **hemp-derived consumer products** is limited to only cannabis business license holders, not LPHE license holders.*





Packaging and Labeling

Minnesota Statutes, chapter 342:

OCM created a [Packaging and Labeling Guide for Cannabis and Lower-Potency Hemp Edible Products](#) to provide guidance to licensed businesses and to help them navigate the packaging and labeling rules adopted by the state of Minnesota. Labeling requirements for **lower-potency hemp edibles** and **hemp-derived consumer products*** include:

- Type of product
- Serving size
- Net weight or volume of the product
- Batch number
- Cannabinoid profile, per serving and in total
- List of ingredients
- Universal symbol, established by OCM
- Warning symbol, established by OCM
- Verification that the product was tested and complies with applicable standards
- Information on the product's usage
- Statement that reads "Keep this product out of reach of children."
- Statement that reads "This product may be unlawful outside the state of Minnesota."
- Names and license numbers of all businesses that cultivated hemp plants used in the product, produced hemp concentrate used in the product and that produced the product, if different from one another
- If applicable, a statement that reads "Contains artificially derived cannabinoids. Not all safety hazards have been evaluated."

** Manufacturing and retailing **hemp-derived consumer products** is limited to only cannabis business license holders, not LPHE license holders.*

Labeling requirements for **hemp-derived topical products** include:

- Manufacturer name, location, phone number, and website
- Name and address of the independent, accredited laboratory used by the manufacturer to test the product
- Net weight or volume of the product
- Type of topical product
- Amount (or percentage) of CBD, CBG, or any other cannabinoid, derivative, or extract of hemp, per serving and in total
- Product’s recommended amount for use at any one time
- List of ingredients
- Statement that the product does not claim to diagnose, treat, cure, or prevent any disease and that the product has not been evaluated or approved by FDA, unless the product has been so approved
- Warning statement “For topical application – do not eat or smoke.”

Packaging requirements for **lower-potency hemp edibles** and **hemp-derived consumer products*** include:

- Must be prepackaged or within child-resistant, tamper-evident, and opaque packages (LPHEs intended to be consumed as beverages do not have to be child-resistant)
- Servings must be indicated by scoring, wrapping, or other indications on the product. If it is not possible to indicate serving size on a product intended to be combined with food or beverage, the product must be sold with a calibrated dropper, measuring spoon, or similar measuring device.
- If containing multiple servings, the product packaging must be resealable.
- These products may *not*:
 - Bear a reasonable resemblance to any commercially available product that does not contain cannabinoids, whether the manufacturer of the product holds a registered trademark or has registered the trade dress
 - Be designed to appeal to individuals under 21 years of age
 - Be coated with any perfluoroalkyl substance or impart any toxic or harmful substances
 - Be packaged in a material that is not approved by FDA for packaging food

** Manufacturing and retailing **hemp-derived consumer products** is limited to only cannabis business license holders, not LPHE license holders.*

How these requirements differ from section 151.72:

The packaging and labeling requirements for hemp products under section 151.72 are very similar to those required by chapter 342. The most notable change in chapter 342 involves new requirements that hemp products contain the **universal symbol and warning symbol** established by OCM. While packaging and labeling requirements are very similar, be cautious in reviewing the exact requirements for the type of hemp product in question. For example, hemp-derived topical products may require added label information when compared to hemp concentrate. Another important difference is that, under chapter 342, products may not provide information that is required to be on the label via scannable matrix like a QR code. All required label elements must be printed on the packaging.



Product Testing Requirements

Minnesota Statutes, chapter 342:

Under chapter 342, all **artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products*** must have a representative sample tested according to Minnesota Statutes section 342.61. Products must meet the requirements for the following analytes, at a minimum, in accordance with [Minnesota Rules, part 9810.3100](#), and [OCM's Cannabis Technical Authority: Standards for Sampling and Testing Cannabis and Hemp Products](#):

- Purity and potency of the cannabinoids in the product
- Concentration of the terpenes, if containing added terpenes or with a label claim for terpene content
- Homogeneity of cannabinoids in each unit, if the serving size is defined
- Stability of the product as determined by cannabinoid stability and microbial content
- Foreign material
- Heavy metals
- Microbiological contaminants
- Mycotoxins
- Pesticide residue
- Residual solvents

Manufacturers must also disclose all known information regarding **pesticides, fertilizers, solvents, or other foreign materials** applied to or used during any production or processing stages of any batch of products from which a representative sample has been sent for testing, including any catalysts used to create artificially derived cannabinoids. The manufacturer must demonstrate during licensing that any catalysts used for cannabinoid conversion is sufficiently removed from the final product before use in further manufacturing processes. The disclosure must be made to the **laboratory** performing testing and, upon request, to the **office**. The disclosure must include all information known to the manufacturer regardless of whether the application or addition was made intentionally or accidentally, or by the manufacturer or any other person.

** Manufacturing and retailing **hemp-derived consumer products** is limited to only cannabis business license holders, not LPHE license holders.*



How these requirements differ from section 151.72:

Chapter 342 includes a few new testing requirements for hemp products compared to section 151.72. Besides those already required by section 151.72, all artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products must have a representative sample tested for (i) potency and stability of cannabinoids or terpenes, (ii) homogeneity of cannabinoids in each serving, (iii) mycotoxins, and (iv) microbiological contaminants. See the [Cannabis Technical Authority: Standards for Sampling and Testing Cannabis and Hemp Products](#) document for a complete list of testing and sampling requirements.

Under section 151.72, test results and testing laboratory information were required to be printed on the label or linked via scannable matrix like a QR code. Under chapter 342, full test results are not required to be printed on the label. A business must provide test results for their products in plain language to any member of the public upon request. Hemp-derived consumer products must be tracked in the statewide monitoring system, but lower-potency hemp edibles are not required to be tracked in the statewide monitoring system.

Facility Requirements

Minnesota Statutes, chapter 342:

Lower-potency hemp edible manufacturers must comply with the following facility requirements, at a minimum:

- All manufacturing must take place in a facility and on equipment that meets applicable health and safety standards established by OCM.
- For manufacturers with an extraction and concentration endorsement: all electrical, gas, fire suppression, and exhaust systems must be certified by an independent third-party industrial hygienist or professional engineer. Plans for the safe storage and disposal of hazardous substances, including volatile chemicals, also requires a certification.
- Must maintain compliance with state and local building, fire, and zoning regulations.

Lower-potency hemp edible retailers must comply with the following facility requirements, at a minimum:

- All lower-potency hemp edibles must be displayed in a locked case, or behind a checkout counter where the public is not permitted (except for beverage products).
- Must post all notices required under [Minnesota Statutes, section 342.27, subdivision 6](#).
- Must maintain the facility in a clean and sanitary manner, free from infestation by insects, rodents, or other pests.
- Must maintain compliance with state and local building, fire, and zoning regulations.

Lower-potency hemp edible wholesalers must comply with the following facility requirements, at a minimum:

- Must maintain compliance with state and local building, fire, and zoning regulations.
- Must maintain the facility in a clean and sanitary manner, free from infestation by insects, rodents, or other pests.
- Must own or lease warehouse or office space within the state.

How these requirements differ from section 151.72:

The facility requirements established in chapter 342, and subsequently by Minnesota Rules, part 9810, are more thorough and stricter than in section 151.72, which only required the products be displayed behind a checkout counter where the public is not permitted, or in a locked case. Be sure to review chapter 342 and Minnesota Rules, chapter 9810, carefully for machinery, building, and security requirements.

Section 151.72 also did not require a hemp business registration to be tied to a physical location. Now, chapter 342 requires a hemp license to be associated with a physical premises. **Lower-potency hemp edible retailers** are also permitted under chapter 342 to have more than one business location associated with a single license.

LPHE retailers will also be required to obtain a retailer operations endorsement if they intend to sell LPHEs to consumers and a delivery endorsement if they intend to deliver LPHEs to consumers.



On-Site Consumption

Minnesota Statutes, chapter 342:

Chapter 342 allows for licensed lower-potency hemp edible retailers to permit on-site consumption at their licensed establishment, if they meet the following requirements:

- The license holder applies for and obtains an on-site consumption endorsement from OCM.
- Products must be sold in required packaging and may be removed from the packaging on-site by a customer. Beverage products may be served outside of the product's original packaging, if the information required to be on the label is posted or otherwise displayed to the customer.
- Non-hemp food and beverages may also be served, and live entertainment provided, subject to appropriate local and state laws, ordinances, licensing requirements, and zoning regulations.
- Lower-potency hemp edible products may not be sold, given, furnished, or otherwise provided to any customer under 21 years old, or who appears visibly intoxicated.
- Lower-potency hemp edible products may not be sold if designed or reasonably expected to be mixed with an alcoholic beverage.
- Products that have been removed from their original packaging are not permitted to leave the premises.

LPHE retailer 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 retailer 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 liquor license issued under chapter 340A.
3. The event does not exceed four days.

How these requirements differ from section 151.72:

Section 151.72 allowed for on-site consumption of hemp products if the retailer held an on-sale liquor license issued under [chapter 340A](#). Under chapter 342, LPHEs may be consumed on-site at the LPHE retailer if the license holder holds an on-site consumption endorsement. An LPHE retailer that does not possess a license issued under [chapter 340A](#) is required to maintain liability insurance meeting the requirements of section 340A.409 or provide documentation that the license holder has liability insurance of an equal level of coverage for on-site consumption activity.



Events

Under section 151.72, hemp registrants were permitted to sell hemp products alongside alcohol at off-premises locations, such as street fairs. However, upon transitioning to a lower-potency hemp edible retailer license, there are specific requirements necessary for an LPHE retailer to sell LPHE products for on-site consumption. An LPHE retailer may host an event on their licensed premises, sell LPHEs, and permit on-site consumption if they have an on-site consumption endorsement from the office. Additionally, LPHE retailer license holders with an on-site consumption endorsement are permitted to sell LPHE beverages for on-site consumption at an off-site event 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 in length.

Finally, an LPHE retailer may also participate as an authorized retailer at a licensed cannabis event hosted by a cannabis event organizer license holder (who is not the LPHE retailer), however, please note that alcohol is not permitted at cannabis events hosted by a cannabis event license holder.





Delivery

Lower-potency hemp edibles may be purchased for delivery from a licensed LPHE retailer with a delivery endorsement. Cannabis delivery license holders are also permitted to deliver LPHE products to consumers. LPHE retailer license holders, only cannabis businesses. To have LPHE products delivered, an LPHE retailer must obtain a delivery endorsement for their license or work with a different LPHE retailer license holder with a delivery endorsement.

LPHE retailer license holders with a delivery endorsement must not deliver lower-potency hemp edibles to an individual who is under 21 years of age or to a person who is visibly intoxicated.