



MINNESOTA

OFFICE OF

CANNABIS MANAGEMENT

Hemp Businesses in Minnesota

A guide for lower-potency hemp
edible licensed businesses

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Legal notice

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

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

This document is not a substitute for a thorough review of Minnesota Statutes, chapter 342 and Minnesota Rules, chapter 9810. 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 is not legal advice and it is the responsibility of each license holder to thoroughly read all applicable laws and rules to maintain compliance. Businesses should be aware of the federal laws impacting their operations. In November 2025, President Trump signed a federal spending bill into law that included a change to the definition of hemp that effectively bans consumable hemp products containing more than 0.4 milligrams of THC per package, effective Nov. 12, 2026. On Sept. 3, 2026, subsequent federal legislation was signed, moving the effective date of this change to Dec. 11, 2026. Businesses should be aware that this federal ban may significantly affect their business, and they may need to seek legal advice. This is a complex regulatory issue, and OCM will continue to work with partner agencies, legislators and industry participants to understand the specific impact on Minnesota's hemp-derived THC industry.

While further assessment and dialogue is ongoing, the office will continue to implement Minnesota Statutes, chapter 342 as charged. Businesses can monitor their inboxes and OCM's website for relevant updates.

Supply chain overview

Hemp plants are cultivated and processed into hemp concentrate by an industrial hemp grower licensed by the Minnesota Department of Agriculture under [Minnesota Statutes, chapter 18K](#).

1. **Hemp plant parts** and **hemp concentrate** are sold to a licensed cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, cannabis wholesaler, medical cannabis combination business (transitioning to the cannabis macrobusiness license on Jan. 1, 2027), or lower-potency hemp edible (LPHE) manufacturer.
2. **Hemp plant parts** are manufactured into hemp concentrate or artificially derived cannabinoids by an LPHE manufacturer license holder with the proper endorsements, **OR** a licensed cannabis microbusiness, cannabis mezzobusiness, medical cannabis combination business/cannabis macrobusiness, or cannabis manufacturer.
3. **Hemp concentrates** or **artificially derived cannabinoids** are manufactured into LPHEs by an LPHE manufacturer license holder with the proper endorsements, **OR** a licensed cannabis microbusiness with the proper endorsements, cannabis mezzobusiness with the proper endorsements, medical cannabis combination business/cannabis macrobusiness with the proper endorsements, or cannabis manufacturer.
4. After applicable testing as required in the Cannabis Technical Authority (CTA), **LPHEs** are sold to an LPHE retailer license holder, LPHE wholesaler license holder, **OR** a licensed cannabis retailer by an LPHE manufacturer, LPHE wholesaler, cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, medical cannabis combination business/cannabis macrobusiness, or cannabis wholesaler license holder. LPHEs imported from out-of-state must go through an LPHE wholesaler with an LPHE importer endorsement or a cannabis wholesaler license holder with a hemp-derived product importer endorsement, subject to requirements in Guidance Memo 2025-02.
5. **LPHEs** are sold to consumers by an LPHE retailer 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/cannabis macrobusiness with retail endorsement.
 - a. LPHEs may be delivered to a consumer by an LPHE retailer license holder with a delivery endorsement.
 - b. 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 Minnesota Statutes, 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.
 - c. An LPHE retailer with an on-site consumption endorsement may sell and permit consumption of LPHE 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 Minnesota Statutes, chapter 340A.
 - iii. The event does not exceed four days in length.

Licensing, endorsements and certifications

License types available

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

- Lower-potency hemp edible manufacturer
- Lower-potency hemp edible retailer
- Lower-potency hemp edible wholesaler

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

- LPHE manufacturer
 - Application fee: \$250
 - Licensing fee (initial and renewal): \$1,000
- LPHE retailer
 - Application fee: \$250 or, if the LPHE retailer operates more than one retail location, \$250 per retail location.
 - Licensing fee (initial and renewal): \$250 or, if the LPHE 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 retail location. For more information, please review the [Local Government Considerations](#) section of this guide.
- LPHE wholesaler
 - Application fee: \$250
 - Licensing fee (initial and renewal): \$10,000

**Per state law, application and licensing fees are nonrefundable.*

License ownership restrictions

LPHE manufacturer, LPHE wholesaler, and LPHE retailer licenses *may* be held simultaneously with the following licenses:

- Additional LPHE manufacturer, LPHE wholesaler, and LPHE retailer licenses.
- A cannabis business license, except a cannabis testing facility license.
- 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, subdivision 5\(a\)](#), LPHE manufacturer, LPHE wholesaler, and LPHE retailer license holders may *not*:

- 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 placement on the retailer's shelves, display cases, or website ([Minnesota Statutes, section 342.23, subdivision 5](#)).

Endorsements, business activities and certifications

To legally operate a hemp business, operators must obtain a license; however, certain business activities require additional endorsements or certifications. Operators should fully review this guide—as well as Minnesota Statutes, chapter 342 and Minnesota Rules, chapter 9810—to ensure that they acquire all necessary endorsements prior to commencing any business activities.

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.

Endorsements are issued by OCM at no additional cost to the license holder and are required to conduct certain business activities. Nine 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 manufacturer 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](#)).
A lower-potency hemp edible manufacturer with an edible cannabinoid product handler endorsement may only manufacture lower-potency hemp edibles and must not add any cannabis flower, cannabis concentrate, or cannabinoid derived from cannabis flower or cannabis concentrate to a product consistent with the requirements in section 342.45.
2. **Lower-potency hemp extraction and concentration endorsement.** This is required to manufacture hemp concentrate. All methods of extraction and concentration, including all volatile chemicals, intended to be used must be disclosed to OCM ([Minnesota Statutes, section 342.45, subdivision 3](#)).
 - a. **Certificates:** For LPHE manufacturer license holders who are performing extraction or concentration of cannabinoids, additional **certifications** are also required before beginning operations. Such LPHE manufacturer 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\(d\)](#)):
 - i. All electrical, gas, fire suppression and exhaust systems.
 - ii. Plans for the safe storage and disposal of hazardous substances, including but not limited to any volatile chemicals.
3. **Lower-potency hemp creation of artificially derived cannabinoids endorsement.** This is required for manufacturers to create artificially derived cannabinoids from hemp concentrates. All methods of extraction, concentration, and conversion—including all volatile chemicals and catalysts intended to be used—must be disclosed to OCM before receiving this endorsement ([Minnesota Statutes, section 342.45, subdivision 3](#)). The manufacturer must demonstrate how catalysts are removed or reduced to non-hazardous levels after conversion (Cannabis Technical Authority, section 6.6.c).

- a. **Certificates:** For LPHE manufacturer license holders who are performing conversion of artificially derived cannabinoids, additional **certifications** are also required before beginning operations. Such LPHE manufacturer 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\(d\)](#)]:
 - i. All electrical, gas, fire suppression and exhaust systems.
 - ii. Plans for the safe storage and disposal of hazardous substances, including but not limited to any volatile chemicals.
4. **On-site consumption endorsement.** This is required for an LPHE retailer license holder to allow on-site consumption of allowable LPHE products, such as beverages and edibles, at their establishment. This endorsement is only available to LPHE retailer license holders endorsed for retail operations. This endorsement also authorizes the business's participation at non-cannabis events subject to compliance with any applicable local regulations (Minnesota Statutes, section 342.46, subdivision 8).
5. **LPHE retailer operations endorsement.** This is required for an LPHE retailer 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 retailer license.
6. **Delivery endorsement.** This is required for an LPHE retailer 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 with 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 retailer license holder with a delivery endorsement must:
 - i. Ensure LPHE products are not visible from outside the delivery vehicle.
 - ii. 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.
7. **Lower-potency hemp edible importer endorsement.** This is required for an LPHE wholesaler 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 wholesaler license holders. Cannabis wholesaler license holders may also import LPHEs with a hemp-derived product importer endorsement.
8. **Transporter endorsement.** This is required for an LPHE wholesaler 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, subdivision 5](#)). Transportation of LPHE products is otherwise authorized for LPHE manufacturer and LPHE retailer license holders and does not require a specific endorsement for these two licenses. Please review the [transport section](#) for more information on transportation activities of LPHE manufacturer and LPHE retailer license holders.
9. **Hemp product exporter endorsement.** This endorsement is available to LPHE manufacturer and LPHE wholesaler 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 export section.



Local government considerations

Per state law, 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 retailer 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 retailers.
- 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 retailers with a local retail registration.

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

Applicants need to work directly with their local government early in the business planning process to ensure mutual understanding of what is required to obtain a local retail registration in addition to the LPHE license from OCM. It is critical for applicants to align the timing of license issuance and 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 an **LPHE manufacturer** 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 which identifies their desired endorsements, and submits application fees.
2. Application is reviewed for minimum requirements by OCM.
3. OCM conducts a site inspection.
4. If applicant successfully passes site inspection, they receive an invoice for the license fee, and once payment is received, OCM issues the license (and any relevant endorsements), and operations may commence.
5. OCM notifies local government of license being issued.

To begin operations as an **LPHE retailer** 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 which identifies desired endorsements and submits application fees.
2. Application is reviewed 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, they will then receive an invoice for the license fee, and once payment is received, OCM issues a license including any relevant endorsements and business activities.
4. OCM notifies the local government that a license is being issued.
5. If the licensed business has an LPHE retailer operations endorsement, the license holder seeks local retail registration from local government. Local government reviews the application for retail registration according to local ordinance(s) 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 an OCM license **and** local retail registration the business may conduct retail sales.

To begin operations as an **LPHE wholesaler** 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 which identifies their desired endorsements, and submits application fees.
2. Application is reviewed for minimum requirements by OCM.
3. OCM conducts a site inspection.
4. If applicant successfully passes the site inspection, they will then receive an invoice for the license fee, and once payment is received, OCM issues a license (and any relevant endorsements and business activities).
5. OCM notifies the local government that a license is being issued.

Allowable business activities and product requirements

What does an LPHE license allow me to do?

Minnesota Statutes, chapter 342, specifies certain allowable business activities for LPHE manufacturer, LPHE wholesaler, and LPHE retailer licenses. OCM-issued endorsements are also required before conducting certain business activities; refer to the [Licensing, endorsements and certifications](#) section of this guide for more information.

LPHE manufacturer 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 manufacturer license holders.
- Purchasing hemp plant parts and propagules from industrial hemp growers, licensed under Minnesota Statutes, 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 (refer to [Packaging and Labeling Guide for Cannabis and Lower-Potency Hemp Edible Products](#)).
- 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 through rule ([Minnesota Statutes, section 342.45, subdivision 2](#)).

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

- Selling LPHEs obtained from licensed cannabis microbusinesses, mezzobusinesses, manufacturers, wholesalers, and other LPHE manufacturer and LPHE wholesaler license holders to individuals who are at least 21 years old.
- Delivering LPHEs obtained from licensed cannabis microbusinesses, medical cannabis combination business, mezzobusinesses, manufacturers, wholesalers, and other LPHE manufacturer and LPHE wholesaler 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 (refer to the [On-Site Consumption Guide](#)).

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 through rule and in statute and comply with all limits on the amount and type of cannabinoids contained in the LPHE. LPHE retailer license holders must also post all notices on the premises, as required by [Minnesota Statutes, section 342.27, subdivision 6](#).

LPHE retailer 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 businesses. [[Minnesota Statutes, section 342.46, subdivision 1\(a\)\(1\)](#)].
- Importing products from out of state without working through an authorized LPHE wholesaler or cannabis wholesaler [[Minnesota Statutes, section 342.455](#); [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 retailer is an authorized retailer OR unless the LPHE retailer 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 an LPHE license holder transport products?

Yes – hemp business license holders may transport products, with certain restrictions. LPHE manufacturer, LPHE wholesaler, and LPHE retailer 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. Additionally, per state law, the transportation of LPHE products to a licensed cannabis event must be done by a cannabis transporter business license holder ([Minnesota Statutes, section 342.40, subdivision 6](#)).

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

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

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

- 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 wholesaler 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.

What requirements exist for hemp products?

All LPHEs manufactured and sold must meet specific requirements regarding ingredients, serving and package sizes (see Figure 1), and prohibited characteristics.

Under Minnesota Rules, chapter 9810, 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 the annual petition process ([Minnesota Rules, part 9810.1003, subpart 2](#)).

For packaging and labeling guidance, refer to the [Packaging and Labeling Guide for Cannabis and Lower-Potency Hemp Edible Products](#) and [Lower-Potency Hemp Edible \(LPHE\) Product Compliance: Packaging and Labeling Quick Guide](#).

Figure 1. Allowed serving sizes and packaging limits

LPHE edible (non-beverage)

Maximum serving size: 5 mg delta-9 THC, up to 100 mg of CBD, up to 100 mg of CBG, up to 100 mg of CBN, up to 100 mg of CBC, or any combination of those cannabinoids, as long as the combined amount does not exceed 400 mg.

Maximum package size: 50 mg delta-9 THC (10 servings), up to 1,000 mg of CBD, up to 1,000 mg of CBG, up to 1,000 mg of CBN, up to 1,000 mg of CBC, or any combination of those cannabinoids, as long as the combined amount does not exceed 4,000 mg.

LPHE beverage (single-serving container)

Maximum serving size and package size: 10 mg delta-9 THC (one single serving per container), up to 100 mg of CBD, up to 100 mg of CBG, up to 100 mg of CBN, up to 100 mg of CBC, or any combination of those cannabinoids, as long as the combined amount does not exceed 400 mg.

LPHE beverage (large-format container)

Maximum serving size: 5 mg delta-9 THC.

Maximum package size: 85 mg delta-9 THC (17 servings per container, minimum of 750 mL), up to 400 mg of CBD, CBG, CBN, or CBC.

For all LPHEs

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

LPHEs may not ([Minnesota Statutes, sections 342.46, subdivision 7; 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 and ratio hemp-infused cannabis products

Hemp potency limits and ratio products

Recent changes to chapter 342 allow for ratio hemp-infused cannabis products to be manufactured and sold by cannabis businesses. However, hemp products may not contain any cannabis flower or products, and 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 through rule ([Minnesota Statutes, section 342.23, subdivision 3](#)).

What requirements exist for on-site consumption of LPHEs?

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

Additionally, 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 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 single-serving 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 retailer 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, including containers containing multiple servings of a lower-potency hemp edible product intended to be consumed as a beverage.
- Permit LPHEs that have been removed from the products' packaging to be removed from the premises.
- Sell products from containers containing multiple servings of a LPHE intended to be consumed as a beverage.



What are the product testing requirements?

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, chapter 9810.
- The tested sample was found to meet testing standards established in accordance with [Minnesota Rules, part 9810.3100](#), and [OCM's Cannabis Technical Authority: Standards for Sampling and Testing Cannabis and Hemp Products](#).
- 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 LPHEs and hemp-derived consumer products?

On the LPHE side of the supply chain, LPHE wholesaler license holders with an importation endorsement may import 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. LPHE wholesaler license holders with an importation endorsement may not import hemp-derived consumer products. Review [Guidance Memo 2025-02](#) for more information about requirements for importing products.

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

What do I need to know about exporting LPHEs and other products?

LPHE manufacturer 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. [\[Minnesota Statutes, section 342.45, subdivision 1\(9\)\]](#).

Businesses should be aware that the pending federal definitional change to hemp may significantly affect their ability to export LPHEs and other products. Businesses should seek legal advice about the impact of this change on their business operations.

LPHE manufacturers with a hemp product exporter endorsement are permitted to manufacture products containing cannabinoids that do not qualify as LPHEs and are intended for sale only in jurisdictions other than Minnesota. The LPHE manufacturer license holder with the hemp product exporter endorsement must comply with [Minnesota Statutes, section 342.45, subdivision 4](#), 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 LPHEs and intended for sale outside of Minnesota.
- The products containing cannabinoids that do not qualify as LPHEs and intended for sale outside of Minnesota must be physically separated from all LPHE products.
- The products containing cannabinoids that do not qualify as LPHEs and intended for sale outside of Minnesota must be tested as provided in [section 342.61](#) and must meet all applicable testing standards except for any limits on cannabinoids.
- The packaging of the products containing cannabinoids that do not qualify as LPHEs and intended 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 LPHEs and intended for sale outside of Minnesota may only be sold if they meet the importing state's requirements.

LPHE wholesaler 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 and intended for sale outside of Minnesota provided that:

- All products containing cannabinoids that do not qualify as lower-potency hemp edibles and intended for sale outside of Minnesota are physically separated from LPHE products.
- All products containing cannabinoids that do not qualify as lower-potency hemp edibles and intended 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.

Glossary

Endorsement: An authorization from OCM to conduct a specified operational activity.

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

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, and these products can only be manufactured and sold by a cannabis business license holder. Per Minnesota Rules, parts 9810.2100 and 9810.2101, the only approved product categories of hemp-derived consumer products are dried hemp flower and hemp-derived oils intended to be consumed by combustion or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product (hemp-derived vapes), not exceeding 0.3% total THC potency.

Lower-potency hemp edible (LPHE): An ingestible product containing cannabinoids extracted from hemp, with up to 5 milligrams of THC per edible, 10 milligrams of THC per single serve beverage. See Figure 1 for package and serving size specifics. Per [Minnesota Rules, part 9810.2100](#), LPHEs only include the following product categories: edible products, beverage products, and hemp-derived tinctures.

LPHE manufacturer: Depending on endorsements obtained, the lower-potency hemp edible manufacturer license type can permit 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. Review [Minnesota Statutes, section 342.45](#), for more information about this license type.

LPHE retailer: Depending on endorsements obtained, the lower-potency hemp edible retailer license type permits the license holder to sell and deliver lower-potency hemp edibles to consumers who are 21 years of age or older and transport lower-potency hemp edibles. Review [Minnesota Statutes, section 342.46](#), for more information about this license type.

LPHE wholesaler: Depending on endorsements obtained, the lower-potency hemp edible wholesaler license type 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. Review [Minnesota Statutes, section 342.455](#), for more information about this license type.

OCM: Minnesota Office of Cannabis Management.