

EVENTS

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1. PURPOSE

This Regulation implements 15 MLBS §§ 1201 et seq., and Compact Attachment A, part 9810.2700. The purpose of this Regulation is to outline the standards and requirements for obtaining a cannabis event license and to ensure that cannabis events are operated in a safe and transparent manner.

2. EVENT LICENSES

2.1. Persons Required to Possess a Cannabis Event License

2.1.1. Any cannabis business that seeks to host a cannabis event must obtain a cannabis event license from the Department.

2.2. Persons Eligible to Possess a Cannabis Event License

2.2.1. Only a cannabis retailer may apply for and obtain a cannabis event license, subject to all applicable conditions and requirements of this CR-20, Events.

2.3. Suitability Determination Procedure

- 2.3.1. A cannabis retailer may apply for a cannabis event license by submitting an application to the Department on a form prescribed by the Department no less than 21 days prior to the proposed cannabis event. The application shall at a minimum require the applicant to provide information regarding the timing and duration of the event; the location of the event; a list of vendors participating in or associated with the event, including a description of whether any such vendors will be selling or distributing regulated product during the proposed cannabis event; proof of adequate and appropriate tribal or state licensure of any vendors selling or distributing regulated product during the proposed cannabis event; and event operating procedures regarding cash handling, security and surveillance, inventory tracking, traffic control, transportation of regulated product, and any additional categories as may be required by the Department.
- 2.3.2. The Department may at its discretion and for good cause shown accept applications submitted less than 21 days prior to the cannabis event.
- 2.3.3. Upon submission of an application for a cannabis event license, the Executive Director shall first review the application for completeness and shall provide



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- notice to the applicant of whether the application is complete or incomplete with seven (7) calendar days of submission of the application to the Department.
- 2.3.4. If an application is incomplete, the Executive Director shall provide the applicant with notice and a reasonable opportunity to remedy any deficiencies. If the applicant fails to remedy all identified deficiencies within 60 calendar days of receipt of notice of such deficiencies by the Executive Director, the Executive Director shall deny the application.
- 2.3.5. If the application is complete, the Executive Director shall provide the applicant with notice, review the contents of the application, and determine whether to recommend that the applicant is suitable for a cannabis event license.
- 2.3.6. The Executive Director shall submit their recommendation to grant or deny the application to the Board for approval.
- 2.3.7. The Board shall consider the Executive Director's recommendation and may approve it, approve it subject to modifications or conditions, or reject it. The Board's decision on the event license application shall be made within fifteen (15) calendar days of the applicant's submission of all required documentation to the Department, including a complete application.
- 2.3.8. If the Board determines that an applicant is suitable for a cannabis event license, it shall inform the applicant by letter, with a copy of its approved license enclosed. The license shall be effective on the date of approval by the Board and shall include any reasonable limitations or conditions applicable to the event that the Department in its discretion determines to be necessary for the event to be operated in a safe manner consistent with the Code, applicable Regulations, and the Compact.
- 2.3.9. If the Board determines that the applicant is not suitable for a cannabis event license, the Board shall inform the applicant by letter. If the reasons for ineligibility are of a nature that are reasonably capable of cure, the Board may, at its discretion, provide the applicant notice of the reasons giving rise to its determination of unsuitability and, if the applicant so desires, it may resubmit its application for reconsideration within 30 days of receiving such notice.
- 2.3.10. If an applicant is deemed unsuitable by the Board with no further opportunity to cure, the Board shall inform the applicant by letter of its decision and retain the application fee.



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2.3.11. The Department may require the submission of any additional documents, materials or information, and may conduct interviews of any persons associated with the applicant, it deems reasonably necessary to make a suitability determination.

2.4. Event License Ineligibility; Default Unsuitability

- 2.4.1. An applicant shall be deemed unsuitable and its application for a cannabis event license shall be denied if the applicant.
 - a. is not a cannabis retailer:
 - b. fails to demonstrate that the proposed cannabis event will be operated in a safe manner consistent with the Code, applicable Regulations, or the Compact;
 - c. has knowingly made a false statement of a material fact or purposefully omitted a material fact in a license application;
 - d. is under twenty-one years of age;
 - e. is not eligible to work in the United States;
 - f. owes any fees to the Department; or
 - g. owes any taxes or other debt to the Band.
- 2.4.2. An applicant shall be deemed unsuitable and its application for a cannabis event license shall be denied if granting the applicant a cannabis event license:
 - a. places the Band in violation of applicable Band law, grant or funding conditions, or inter-governmental compacts;
 - b. poses a threat to the public interest or health and welfare of the Band and its communities;
 - c. poses a threat to the effective regulation of cannabis within the Band's Tribally Regulated Land; or
 - d. authorizes the sale of cannabis in a casino or in an establishment physically attached to a casino.

2.5. Location



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2.5.1. The Department may issue a cannabis event license to a cannabis retailer for a cannabis event located outside of Tribally Regulated Lands, provided that the cannabis event is located on the cannabis retailer's premises. Cannabis events located off of the cannabis retailer's premises and not on Tribally Regulated Land must be authorized by local jurisdictions consistent with the local jurisdiction's event permitting requirements.

2.5.2. The Department may issue a cannabis event license to a cannabis retailer for a cannabis event located on Tribally Regulated Lands regardless of whether the event is located on or off the cannabis retailer's premises.

2.6. Duration

- 2.6.1. A cannabis event occurring outside of Tribally Regulated Land must not last more than four days. The first day that the cannabis event is open to the public is the first day of the event. Every calendar day after the first day is an additional day.
- 2.6.2. A cannabis event occurring on Tribally Regulated Land is subject to any duration limitations prescribed by the Department in its discretion.

2.7. Secure Storage Area

- 2.7.1. A cannabis retailer must store all cannabis plants, cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products sold at a cannabis event in a secure storage area as required under CR-8, Product Storage, and Minnesota Statutes, section 342.40.
- 2.7.2. A cannabis retailer must store all products for retail sale in a limited-access area that restricts access to persons at least 21 years of age.
- 2.7.3. A cannabis retailer must ensure that all cannabis plants, cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products that are not on display, pursuant Minnesota Statutes, section 342.40, subdivision 7, are contained in a locked storage container that has a separate key or combination pad only accessible to authorized personnel of the retailer.

2.8. On-Site Consumption Areas

2.8.1. A cannabis retailer licensed to permit on-site consumption by event attendees must ensure that only individuals 21 years of age or older have access to the consumption area, pursuant to Minnesota Statutes, section 342.40, subdivision



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4, and commercial-grade fencing surrounds the entire perimeter of the consumption area.

2.9. Promotional Items

- 2.9.1. A cannabis retailer must not give regulated products to an event attendee for no remuneration or to another cannabis business.
- 2.9.2. A vendor or a cannabis event license holder may provide cannabis paraphernalia and merchandise to an event attendee for no remuneration.

2.10. Retail Sales and Record Keeping

2.10.1. A cannabis retailer holding a cannabis event must update the record of sales within twenty-four (24) hours of a sale in the statewide monitoring system.



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Appendix A – Definitions

The Department intends to develop a separate MLBO Cannabis Regulation that sets forth all relevant definitions for the Cannabis Regulations. However, in the interest of encouraging robust notice and comment, the Department is providing the following definitions of terms that are found in this Events Regulation:

The following terms used through this regulation shall have the following meanings:

(1) "Cannabis Event" means any planned marketing, promotional, educational, training or other social event organized by or occurring in association with a cannabis retailer where regulated product is sold that is either (a) located outside of the cannabis retailer's public access area or on-site consumption area or (b) regardless of the event location will involve the sale or distribution of regulated product by a vendor or vendors not licensed by the Department. The placement or conduct of temporary sales kiosks, informational booths and other like temporary amenities located in the indoor areas of a cannabis retailer's facility or in the cannabis retailer's on-site consumption area is not considered a cannabis event unless such activities involve the sale or distribution of regulated product.