

# **Ordinance Number XXX**

Regulating the Registration and Sale of Cannabis Products

Approved by the Board of Commissioners on XX/XX/XXXX

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Ordinance Number XXX

# Regulating the Retail Registration and Sale of Cannabis Products

The County Board of Dakota County Ordains:

### Section 1. Purpose

The purpose of this Ordinance is to implement the provisions of Minnesota Statutes, Chapter 342, which authorizes the retail registration and sale of cannabis products, and to protect the public health, safety, and welfare of Dakota County residents by regulating retail cannabis businesses within the legal boundaries of Dakota County where the city or township consents to Dakota County administering registration of retail cannabis businesses and lower-potency hemp businesses from Dakota County.

The Dakota County Board of Commissioners finds and concludes that the provisions in this ordinance are appropriate and lawful, that the ordinance will promote the community's interest, and that the provisions are in the public interest and for the public good.

### Section 2. Provisions of State Law Adopted

Dakota County has the authority to adopt this ordinance pursuant to:

- (a) Minn. Stat. § 342.13(c), regarding the authority of a local unit of government to adopt reasonable restrictions of the time, place, and manner of the operation of a cannabis business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses.
- (b) Minn. Stat. § 342.22, regarding the local registration and enforcement requirements of statelicensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- (c) Minn. Stat. § 152.0263, Subd. 5, regarding the use of cannabis in public places.
- (d) Minn. Stat. §§375.51 and 394.24 regarding the authority of a county board to adopt zoning ordinances.

### **Section 3. Severability**

If any section, clause, provision, or portion of this ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance shall not be affected thereby.

### Section 4. Enforcement and Scope

Dakota County, with assistance from consenting local jurisdictions, is responsible for the administration and enforcement of this ordinance. Unless otherwise identified in this ordinance, the scope of this ordinance applies only to those areas where Dakota County has jurisdiction to issue registrations for cannabis businesses.

Under Minn. Stat. § 342.22, Subd. 1, Dakota County may issue a registration when a city or township has provided consent for the county to issue the registration for the jurisdiction. Cities or townships must provide specific consent and delegated authority in the form resolution to Dakota County before Dakota County will act on their behalf. Dakota County will review and issue registrations for local cannabis retailers for those jurisdictions, but each jurisdiction shall retain authority to determine local zoning requirements governing retail cannabis businesses and certify the same with the Minnesota Office of Cannabis Management.

Nothing in this Ordinance shall prevent cities and townships within Dakota County from adopting stricter regulations to protect people from public health and public safety harms of the retail sale of cannabis and lower-potency hemp products.

### **Section 5. Definitions**

Unless otherwise noted in this section, words and phrases contained in Minn. Stat. § 342.01 and the rules promulgated by the Office of Cannabis Management pursuant to any of these acts, shall have the same meanings in this ordinance.

Subdivision 1. "Cannabis Retail Businesses" is a retail location and the retail location(s) of a mezzobusinesses with a retail operations endorsement, microbusinesses with a retail operations endorsement, medical combination businesses operating a retail location, excluding lower-potency hemp edible retailers.

Subdivision 2. "Cannabis Retailer" is any person, partnership, firm, corporation, or association, foreign or domestic, selling cannabis product to a consumer and not for the purpose of resale in any form.

Subdivision 3. "County Property" is any real property owned or leased by Dakota County.

Subdivision 4. "Daycare" is a location licensed as a daycare provider, or registered as a legal non-licensed daycare, with the Minnesota Department of Human Services to provide the care of a child or children in a residence outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

Subdivision 5. "Lower-potency Hemp Edible" is as defined under Minn. Stat. § 342.01 Subd. 50.

Subdivision 6. "Office of Cannabis Management" is Minnesota Office of Cannabis Management, referred to as "OCM" in this ordinance.

Subdivision 7. "Place of Public Accommodation" is a business, accommodation, refreshment, entertainment, recreation, or transportation facility of any kind, whether licensed or not, whose goods, services, facilities, privileges, advantages or accommodations are extended, offered, sold, or otherwise made available to the public.

Subdivision 8. "Preliminary License Approval" is OCM pre-approval for a cannabis business license for applicants who qualify under Minn. Stat. § 342.17.

Subdivision 9. "Public Place" is a public park or trail, public street or sidewalk; any enclosed, indoor area used by the general public, including, but not limited to, restaurants; bars; any other food or liquor establishment; hospitals; nursing homes; auditoriums; arenas; gyms; meeting rooms; common areas of rental apartment buildings, and other places of public accommodation.

Subdivision 10. "Residential Treatment Facility" is as defined under Minn. Stat. § 245.462 Subd. 23.

Subdivision 11. "Retail Registration" is an approved registration issued by the city or township of jurisdiction, or by Dakota County for a city or township that consented to Dakota County issuing registrations to a statelicensed cannabis retail business.

Subdivision 12. "School" is a public school as defined under Minn. Stat. § 120A.05 or a nonpublic school that must meet the reporting requirements under Minn. Stat. § 120A.24. "School" also includes community colleges and vocational technical colleges.

Subdivision 13. "State License" is an approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.

Subdivision 14. "Youth-Oriented Facility" is any facility with residents, customers, visitors, or inhabitants of which 25 percent or more are regularly under the age of 21 or that primarily sells, rents, or offers services

or products that are consumer or used primarily by persons under the age of 21. "Youth-Oriented Facility" includes, but is not limited to, childcare providers and facilities, schools, playgrounds, recreation centers, and parks.

# Section 6. Registration of Cannabis Business for Consenting Cities or Townships

Subdivision 1. No individual or entity may operate a state-licensed cannabis retail business within Dakota County without first completing all State requirements as directed by OCM and gaining a Preliminary License Approval from OCM. Once approved by OCM, each entity shall register with Dakota County where that cannabis retail business is located within Dakota County as well as notify any city or township within the boundaries of Dakota County that has consented to Dakota County issuing Retail Registrations.

Subdivision 2. Prior to issuance of a cannabis retail business registration, the local city or township shall conduct a preliminary compliance check to ensure compliance with local ordinances. Pursuant to Minn. Stat. Ch. 342, within 30 days of receiving a copy of a Preliminary License Approval, the local city or township shall conduct a compliance check. Each local jurisdiction shall certify to OCM on a form provided by OCM whether a proposed cannabis retail business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

Subdivision 3. Where a local city or township consents to Dakota County issuing cannabis retail registrations, the local jurisdiction shall still be responsible for conducting a preliminary check to ensure compliance with local ordinances, including any issues related to zoning, building, or fire code compliance. If the local jurisdiction fails to assist or cooperate with Dakota County, or fails to respond to OCM within the required 30 days, Dakota County is not responsible for any resulting licenses issued by OCM in violation of any local ordinance or restriction pursuant to Minn. Stat. § 342.13.

Subdivision 4. Types of Cannabis Business Registrations issued by Dakota County include:

- (a) Retailer
- (b) Lower-Potency Hemp Edible Retailer
- (c) Medical Cannabis Combination Retailer
- (d) Mezzobusiness
- (e) Microbusiness

### **Section 7. Lower-Potency Hemp Edible Retailers**

The sale of Lower-Potency Hemp Edibles is permitted, subject to the conditions within this Section. This section shall also apply to those jurisdictions that have consented to Dakota County issuing retail registrations.

#### Subdivision 1. Retail Registration

No individual or entity may sell lower-potency hemp edibles within Dakota County without obtaining a license from OCM and registering with Dakota County, as outlined in Section 6.

Subdivision 2. Hours and Days of Sales

Sale of lower-potency hemp edibles will be restricted to the hours and days outlined in Section 11.

#### Subdivision 3. Age Requirements

The sale of Lower-Potency Hemp Edibles may only be sold in establishments to persons 21 years of age or older.

#### Subdivision 4. Beverages

The sale of Lower-Potency Hemp Beverages is permitted in places at a location that is currently holding and on- or off-sale intoxicating liquor license during the business hours outlined in the intoxicating liquor ordinance, and stored and served in a manner similar to alcoholic beverages.

Subdivision 5. Storage of Product

Lower-Potency Hemp Edibles shall be stored behind a counter or in a locked case.

### **Section 8. Limiting of Cannabis Registrations**

Subdivision 1. Countywide Limit on Cannabis Registrations.

Dakota County is not required to issue any cannabis retail business registrations if within the boundaries of Dakota County there is at least one retail cannabis retail business for every 12,500 residents, based on the most current population estimates provided by the State Demographers Office.

Subdivision 2. Limit on Cannabis Registrations Under Dakota County Jurisdiction.

Within the jurisdictions consenting to Dakota County issuing Retail Registrations, the number of cannabis retail businesses is limited to no more than one registration for every 12,500 residents within any area in for which local cities or townships have consented to Dakota County issuing Retail Registrations. In calculating this limit, Dakota County will base any limit on the total population of only those areas where Dakota County exercises jurisdiction over cannabis retail business registrations.

### **Section 9. Location**

Subdivision 1. Local cities and townships may set their own reasonable restrictions per their zoning ordinance on the location of retail cannabis businesses. In the absence of a local city or township ordinance placing reasonable restrictions on the location of a retail cannabis business, the following limits on the operation of a cannabis business apply:

- No cannabis business shall be registered if located within 1,000 feet from the boundaries of an existing school;
- No cannabis business shall be registered if located within 500 feet from the boundaries of an existing licensed or legal non-licensed day care provider,
- No cannabis business shall be registered if located within 500 feet from the boundaries of a residential treatment facility,
- No cannabis business shall be registered if located within 500 feet from the boundaries of an existing public park which is regularly used by minors, including a playground or athletic field, athletic recreation center, or Youth-Oriented Facility.
- No cannabis business shall be registered if located within 1,000 feet from the boundaries of an existing cannabis retail business.

Pursuant to Minn. Stat. 462.367 subd. 14, nothing in Section 10.1 shall prohibit an active cannabis business or a cannabis business seeking registration from continuing operation at the same site if a school, daycare, residential treatment facility, attraction within a public park that is regularly used by minors moves within the minimum buffer zone.

Subdivision 2. A state-licensed cannabis retail business shall be required to submit a new application for registration under Section 15 if it seeks to move to a new location still within the legal boundaries of Dakota County.

Subdivision 3. Cannabis businesses are permitted to erect up to two fixed signs on the exterior of the building or property of the business, unless otherwise limited by Dakota County's sign ordinances.

### Section 10. Hours and Days of Sale

Registered businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, lowerpotency hemp edibles and beverage, or hemp-derived consumer products between the hours of 8:00 a.m. and 10:00 p.m. Monday through Saturday, and 10:00 a.m. and 9:00 p.m. on Sunday.

No retail sale of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles and beverages, or hemp-derived consumer products may be made by a registered business:

- (a) Before 8:00 a.m. or after 10:00 p.m. Monday through Saturday;
- (b) Before 10:00 a.m. or after 9:00 p.m. on Sunday;
- (c) On Thanksgiving Day;

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- (d) After 9:00 p.m. on Christmas Eve, December 24;
- (e) On Christmas Day, December 25;
- (f) Or otherwise as prohibited by law.

### **Section 11. Liability Insurance**

Subdivision 1. Insurance required

- (a) No retail registration may be issued, maintained, or renewed unless the applicant demonstrates proof of financial responsibility with regard to liability imposed by Minn. Stat. § 342.81.
- (b) At a minimum, the applicant must show the following:
  - i. A certificate that there is in effect for the license period an insurance policy or pool providing at least Fifty Thousand and no/100ths Dollars, (\$50,000.00), of coverage because of bodily injury to any one person in any one occurrence, One Hundred Thousand and no/100ths Dollars, (\$100,000.00), because of bodily injury to two or more persons in any one occurrence, Ten Thousand and no/100ths Dollars, (\$10,000.00), because of injury to or destruction of property of others in any one occurrence, Fifty Thousand and no/100ths Dollars, (\$50,000.00), for loss of means of support of any one person in any one occurrence. One Hundred Thousand and no/100ths Dollars (\$50,000.00), for loss of means of support of any one person in any one occurrence. One Hundred Thousand and no/100ths Dollars (\$100,000.00) for loss of means of support of two or more persons in any one occurrence, and \$50,000.00 for other pecuniary loss of any one person in any one occurrence, and \$100,000.00 for other pecuniary loss of two or more persons in any one occurrence. An annual aggregate policy limit for dram shop liability of not less than \$310,000.00 per policy year may be included in the policy provisions;
  - ii. A bond of a surety company with minimum coverages as provided in clause (i));
  - A certificate of the Minnesota Commissioner of Management and Budget that the licensee has deposited with the State Treasurer One Hundred Thousand and no/100ths Dollars, (\$100,000.00), in cash or securities which may legally be purchased by savings banks or for trust funds having a market value of One Hundred Thousand and no/100ths Dollars, (\$100,000.00);
  - iv. This subdivision does not prohibit an insurer from providing the coverage required by this subdivision in combination with other insurance coverage.

#### Subdivision 2. Minnesota Joint Underwriting Association

An Applicant unable to obtain the insurance coverage required under Subdivision 1 above may provide evidence of coverage provided by the Minnesota Joint Underwriting Association.

### Section 12. Delinquent Taxes, Assessments

No license shall be granted or renewed, for operation on any premises, on which taxes, assessments, or other financial claims of the County or of local cities or townships are delinquent and unpaid.

### Section 13. License Restrictions (General)

Subdivision 1. Written Recommendation of Sheriff Required

- (a) Dakota County will not issue or renew a retail registration to sell cannabis products until the County Board has received a written recommendation from the Sheriff stating that to the best of their knowledge the applicant is eligible to be licensed under Minn. Stat. § 340A.402 and Section 9 of this Ordinance.
- (b) The County Board shall consider the recommendations of the Sheriff, the character and reputation of the applicant, and the nature and location of the cannabis retail business prior to the issuance of any registration.

Subdivision 2. License Limited to Space Specified

The retail registration to sell cannabis products are only effective for the compact and contiguous space specified in the approved license application.

### **Section 14. Registration Application Procedure**

Dakota County shall issue a retail registration to a state-licensed cannabis retail business that adheres to the requirements of Minn. Stat. § 342.22 and this Ordinance.

- (a) A state-licensed cannabis retail business application shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under Section 8.
- (b) A state-licensed cannabis retail business application shall not be approved or renewed if the applicant is unable to meet the requirements of this ordinance.
- (c) A state-licensed cannabis retail business application that meets the requirements of this ordinance shall be approved.

Subdivision 1. Any person desiring any of the retail registrations governed by this Ordinance shall first make an application to the Board of County Commissioners of Dakota County by filing with the Dakota County Public Services and Revenue for presentation to said County Board an application on oath in writing, on forms approved by the County Board. For purposes of priority of competing applications, the first complete application submitted to Dakota County shall have priority over any incomplete application or any complete application later received by Dakota County.

Subdivision 2. The application form shall include, but is not limited to:

- (a) Full name, place of residence, email address, and telephone number of the applicant,
- (b) Exact location of the place in which the applicant proposes to carry on the business which a retail registration is sought and the full name of the property owner,
- (c) Dates and locations if the applicant has previously been engaged in the business of selling or manufacturing cannabis products in Dakota County,
- (d) Certification that the applicant complies with the requirements of local ordinances established pursuant to Minn. Stat. § 342.13,
- (e) Signature by the applicant in person or by an officer of the corporation seeking said license.

Subdivision 3. The applicant shall include with the form:

- (a) The application fee as required in Section 18,
- (b) A copy of a valid state license or written notice of OCM preliminary license approval
- (c) Certificate of Insurance

Subdivision 4. When received by the Dakota County Public Services and Revenue, the application shall be placed on file and the name of the applicant shall also be placed on file. Once the application is considered complete, the Dakota County Public Services and Revenue shall inform the applicant as such, process the application fees, and forward the application to the Dakota County Sheriff's Office for its review before being presented to the County Board for approval or denial. The application fee shall be non-refundable once processed.

Subdivision 5. Prior to issuance of a cannabis retail business registration, Dakota County shall conduct a preliminary compliance check to ensure compliance with county ordinances and applicant eligibility. Local jurisdictions shall conduct their own preliminary compliance check as required under Section 6 of this ordinance.

Subdivision 6. A state-licensed cannabis retail business registration application that adheres to the requirements of Minn. Stat. § 342.22 and meets the requirements of this ordinance will be approved.

Subdivision 7. A state-licensed cannabis retail business application shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under Section 8 or if the applicant is unable to adhere to the requirements of Minn. Stat. § 342.22 and meet the requirements of this ordinance.

Subdivision 8. Registrations issued to corporations shall be valid only so long as there is no change in the officers, charter, articles, bylaws or ownership of the corporation unless such change is approved by the County Board, in which event said registration shall continue in force until the end of the then-current term. Registrations issued to associations or partnerships shall be valid only so long as there is no change in the partnership or association agreement or the ownership of said association or partnership unless such change is approved by Dakota County, in which event said registrations shall continue in force until the end of the then-current license term. Corporations, partnerships, or associations holding licenses shall submit written notice to the Dakota County Public Service and Revenue of any such changes described herein on or before thirty (30) days prior to the effective date of any such change. In the case of a corporation, the licensee shall notify the Dakota County Public Service and Revenue when a person not listed in the applications acquires an interest which, together with that of a spouse, parent, brother, sister, or child, exceeds five percent (5%) and shall give all information about said person as is required of a person pursuant to the provision of this Ordinance.

### **Section 15. Registration Renewals**

Subdivision 1. Application for the renewal of an existing retail registration shall be made at least 60 days prior to the date of the expiration of the retail registration and shall be made in such abbreviated form as the County Board may approve. If, in the judgment of the County Board, good and sufficient cause is shown by any applicant for their failure to file for a renewal within the time provided, the County Board may, if the other provisions of this Ordinance are complied with, accept the application.

- (a) Dakota County shall renew an annual retail registration of a state-licensed cannabis retail business at the same time OCM renews the cannabis retail business' license.
- (b) A state-licensed cannabis retail business shall apply to renew retail registration on a form established by Dakota County.
- (c) A cannabis retail registration issued under this ordinance shall not be transferred.

Subdivision 2. Dakota County may charge a renewal fee for the retail registration starting at the second renewal, as established in Dakota County's fee schedule.

Subdivision 3. The application for renewal of a retail registration shall include, but is not limited to: DC-4414 - Draft Ordinance for Cannabis Registration and Sales

- (a) Items required under Section 15 of this Ordinance.
- (b) Copy of a valid State License
- (c) Certificate of Insurance in effect for the renewal license period

Subdivision 4. A state-licensed cannabis retail business registration renewal application that adheres to the requirements of Minn. Stat. § 342.22 and meets the requirements of this ordinance will be approved.

Subdivision 5. A state-licensed cannabis retail business renewal application shall not be approved if the applicant is unable to adheres to the requirements of Minn. Stat. § 342.22 and meets the requirements of this ordinance will be approved.

### Section 16. Suspension of Registration

Subdivision 1. Dakota County may suspend a cannabis retail business's registration if it violates the ordinance of Dakota County or poses an immediate threat to the health or safety of the public. The Dakota County shall immediately notify the cannabis retail business in writing the grounds for the suspension.

Subdivision 2. The Dakota County shall immediately notify the OCM in writing the grounds for the suspension. OCM will provide Dakota County and cannabis business retailer a response to the complaint within seven calendar days and perform any necessary inspections within 30 calendar days.

Subdivision 3. The suspension of a cannabis retail business registration may be for up to 30 calendar days, unless OCM suspends the license for a longer period. The business may not make sales to customers if their registration is suspended.

- (a) The Dakota County may reinstate a registration if it determines that the violations have been resolved.
- (b) The Dakota County shall reinstate a registration if OCM determines that the violation(s) have been resolved.

Subdivision 4. Subject to Minn. Stat. 342.22, subd. 5(e) Dakota County may impose a civil penalty, as specified in Dakota County's Fee Schedule, for registration violations, not to exceed \$2,000.

### Section 17. Fees

Subdivision 1. Fee Schedule

Fees will be assessed in accordance with the schedule approved by the County Board.

- (a) Dakota County shall not charge an application fee.
- (b) A registration fee, as established in Dakota County's fee schedule, shall be charged to applicants depending on the type of retail business license applied for.
- (c) An initial retail registration fee shall not exceed \$500 or half the amount of an initial state license fee under Minn. Stat. § 342.11, whichever is less. The initial registration fee shall include the initial retail registration fee and the first annual renewal fee.
- (d) Any renewal retail registration fee imposed by Dakota County shall be charged at the time of the second renewal and each subsequent renewal thereafter.
- (e) A renewal retail registration fee shall not exceed \$1,000 or half the amount of a renewal state license fee under Minn. Stat. § 342.11, whichever is less.

A medical combination business operating an adult-use retail location will only be charged a single registration fee, not to exceed the lesser of a single retail registration fee, defined under this section, of the adult-use retail business.

Subdivision 2. Refunds With the Consent of the County Board

With the consent of the County Board, a pro rata share of an annual fee for a retail registration to sell cannabis products may be refunded to the licensee or to the licensee's estate if:

- (a) The business ceases to operate because of destruction or damage;
- (b) The licensee dies;
- (c) The business ceases to be lawful for a reason other than license revocation; or
- (d) The licensee ceases to carry on the licensed business under the license.

### Section 18. Posting of Retail Registration

The retail registration shall be posted in a conspicuous place in the licensed establishment at all times.

### Section 19. Licensee Responsibility

The act of any employee of the licensed premises authorized to sell cannabis products shall be deemed the act of the licensee as well, and the licensee shall be liable for all penalties provided by the Ordinance equally as well as the employee.

## Section 20. Restrictions regarding Purchase and Consumption

Subdivision 1. Service to Minors Prohibited: Proof of Age Restrictions

- (a) No cannabis retail business under this Ordinance shall sell, serve, or furnish cannabis products to a minor, and no cannabis retail business under this Ordinance shall permit any minor to consume cannabis products on the licensed premises. Proof of age for purchasing or consuming cannabis products may be established only by:
  - i. A valid driver's license or identification card issued by Minnesota, another state, or a province of Canada, including the photograph and date of birth of the licensed person;
  - ii. A valid military identification card issued by the United States Department of Defense; or
  - iii. In the case of a foreign national, from a nation other than Canada, by a valid passport.
- (b) In a prosecution for any violation of any provision in this Ordinance regarding minors, it is a defense for the defendant to prove by a preponderance of the evidence that the defendant reasonably and in good faith relied upon one of the above-cited types of identification.

### Section 21. Temporary Cannabis Events

A license is required and shall be issued and approved by the County Board prior to holding a Temporary Cannabis Event. This section applies to all unincorporated areas within Dakota County, and does not apply to cities within Dakota County, even if a city consents to Dakota County jurisdiction to regulate cannabis retail businesses.

Subdivision 1. The Temporary Cannabis Event shall meet the following standards:

Temporary cannabis events shall:

- (a) Not be held on Dakota County property or within 1,000 feet from the boundaries of County property.
- (b) Obtain written consent of the property owner.
- (c) Obtain approval of the local jurisdiction or town.
- (d) Not allow on-site consumption of cannabis products or lower-potency hemp edibles.
- (e) Only allow attendance of adults aged twenty-one (21) or older.

- (f) Only be held between the hours of 9:00 a.m. and 9:00 p.m. on Sunday through Thursday, and between the hours of 9:00 a.m. and 10:00 p.m. on Friday and Saturday.
- (g) Last no more than two days.
- (h) Obtain commercial general liability insurance covering all injuries or damage caused by or as a result of the event in the sum of \$1,000,000 per occurrence for bodily injury or death or property damage naming Dakota County as an additional insured. Proof of such coverage must be submitted to Public Services and Revenue to obtain the license.
- (f) If over 300 attendees, a separate Assemblage of Large Numbers of People license will be required by the County, or by local jurisdiction if required in their ordinances.
- (g) Comply with all of the written plan requirements identified in Subdivision 3.

A request for a Temporary Cannabis Event that meets the requirements of this Section will be approved. A request for a Temporary Cannabis Event that does not meet the requirements of this Section will be denied. Dakota County will notify the applicant of the standards not met and basis for denial.

Subdivision 2. Fees

A registration fee, as established in Dakota County's fee schedule, shall be charged to applicants for Temporary Cannabis Events.

Subdivision 3. Application Procedure

Dakota County shall require an application for Temporary Cannabis Events.

- (a) An applicant for a retail registration shall fill out an application form, as provided by Dakota County. The form will include, but is not limited to:
  - i. Full name of the applicant;
  - ii. Address, email address, and telephone number of the applicant;
  - iii. Full name of the property owner;
  - iv. Address and legal description of the property where the event will be held;
  - v. Description of the event;
  - vi. The dates and hours of the event;
  - vii. The maximum number of anticipated attendees;
  - viii. The maximum number of tickets to be sold, per day, if any;
  - ix. A written plan for the event must address the following requirements:

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- (b) The method used to track the number of attendees to limit the maximum number of attendees to those authorized in the license.
- (c) A fence or barrier completely enclosing the property of sufficient height and strength to prevent access to the property and having sufficiently staffed entrances and exits to allow easy movement into and out of the property.
- (d) Separately enclosed toilets and hand washing or hand sanitizing stations conveniently located throughout the property sufficient to provide facilities for the maximum number of attendees authorized by the license.
- (e) A current license issued by the Minnesota Department of Health for special event food and beverage stands that are operated in compliance with the Minnesota Food Code.
- (f) Illumination, if necessary, sufficient to light the property at the rate of at least five foot candles at ground level, but not to shine unreasonably beyond the boundaries of the enclosed location of the event.
- (g) Security and traffic controls that meet the requirements of local authorities and the Minnesota Department of Public Safety, which includes, at a minimum, the physical presence of one officer per 250 attendees. The term "officer" shall include, but not be limited to, Minnesota law enforcement officers having jurisdiction in Dakota County or protective agents licensed in Minnesota. The written plan shall include the number of officers, their credentials, and their hours of availability. The Dakota County Sheriff may recommend that security staffing requirements be adjusted based upon the Applicant's event history or other factors pertinent to public safety. If security is provided by the Dakota County Sheriff's Office, the cost of security for extra-duty personnel will be billed by the Sheriff's Office at its established rate.
- (h) Fire protection sufficient to meet all applicable State and local laws and regulations, which shall include, but not be limited to, extinguishing devices, fire lanes and escapes, and sufficient emergency personnel to efficiently operate the required equipment.
- (i) A parking area inside the event property sufficient to provide parking space for the maximum number of attendees authorized by the license, at the rate of at least one parking space for every four attendees per day. The Applicant shall ensure compliance with all federal, state, and local statutes, rules, and regulations governing designation and availability of handicap parking spaces.
- (j) The applicant shall include with the form:
  - i. Application fee as required in Section 18 of this Ordinance
  - ii. Copy of the OCM cannabis event license application, submitted pursuant to 342.39 subd. 2.
  - iii. Certificate of Insurance as outlined in Subdivision 1.

Subdivision 4. Application Submittal & Review

The application shall be submitted to the Dakota County Public Services and Revenue Division, or other designee for review. If the designee determines that a submitted application is incomplete, they shall return the application to the applicant with the notice of deficiencies.

- (a) Once an application is considered complete, the designee shall inform the applicant as such, process the application fees, and forward the application to the Dakota County Sheriff's Office, Public Health Department, Risk Management Department, Transportation Department, and Clerk of the township in which the cannabis event is scheduled to occur. The County Board shall either approve or deny the license.
- (b) The application fee shall be non-refundable once processed.

### **Section 22. Compliance Checks and Inspections**

Subdivision 1. The Dakota County Sheriff's Office will complete at minimum one compliance check per calendar year of every cannabis business to assess if the business meets age verification requirements, as required under Minn. Stat. 342.22 Subd. 4(b) and Minn. Stat. 342.24 and this ordinance.

Subdivision 2. The Dakota County Sheriff's Office will conduct at minimum one unannounced age verification compliance check at least once per calendar year.

- (a) In order to conduct a compliance check, a law enforcement officer shall engage persons at least 17 years of age but under the age of 21 who, with the prior written consent of a parent or guardian if the person is under the age of 18, attempt to purchase adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a law enforcement officer. Minors who participate in compliance checks shall not be guilty of the unlawful purchase, attempted purchase, or the unlawful possession of cannabis products when such items are obtained in conjunction with a compliance check.
- (b) No minor who participates in a compliance check may attempt to use a false identification misrepresenting that person's age.
- (c) Nothing in this section shall prohibit other compliance checks authorized by state or federal laws for educational, research, or training purposes, or required for the enforcement of a particular state or federal law.

Subdivision 3. Any failures under this section must be reported to the Office of Cannabis Management.

### Section 23. Penalties

Subdivision 1. Any state-licensed cannabis retail business that sells to a customer or patient without valid retail registration, or is in violation of other provisions within this ordinance, shall incur a civil penalty of up to \$2,000 for each violation.

Subdivision 2. Criminal Penalties. Any violation of the provisions or this ordinance or failure to comply with any of its requirements constitutes a misdemeanor and is punishable as defined by law. Violations of this ordinance can occur regardless of whether a permit is required for a regulated activity listed in this ordinance.

### Section 24. Hearing and Appeals

Subdivision 1.

- (a) Following receipt of notice of suspension of license or a notice of revocation of license, a license holder may request a hearing before an appointed hearing officer by the County Board. A request for a hearing shall be made by the license or permit holder in writing and filed with Dakota County Public Service and Revenue within ten (10) days of the mailing of the notice of suspension or revocation of license. Following receipt of a written request for a hearing, the license or permit holder shall be afforded an opportunity before the hearing officer.
- (b) If a license holder so requests, a hearing shall be scheduled, the time and place of which shall be published and provided to the license holder. The hearing shall be conducted in accordance with Minn. Stat. §14.57 to 14.69, the Administrative Procedure Act.
- (c) The hearing officer shall prepare written findings to the County Board stating whether a violation occurred and the recommended penalty to be imposed under Section 23 a copy of which shall be provided to the license holder. If the hearing officer finds that no violation occurred or finds grounds for not imposing any penalty, such findings and recommendations shall be submitted to the County Board, and a copy provided to the license holder.
- (d) Before the County Board renders its final decision, the written findings of the hearing officer shall be made available to the license holder for at least ten (10) days, and an opportunity afforded to the license holder to file exceptions and present argument to a majority of members of the County Board.
- (e) If the license holder has been provided notice of the violation and if no request for a hearing is filed within the ten (10) day period, then the suspension or revocation imposed pursuant to this Ordinance shall take immediate effect by default.

(f) Any appeal of the decision of the County Board must be in compliance with applicable law. DC-4414 - Draft Ordinance for Cannabis Registration and Sales

Passed by the Dakota County Board of Commissioners on this [DATE] day of [MONTH], [YEAR]. Approved as to form:

Chair Dakota County Board of Commissioners

Date of Signature:

Assistant County Attorney

Date of Signature:

Attest:

Clerk to the Board

Date of Signature: