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TO: Goodhue County Board

FROM: Lucas Dahling, Finance Director

SUBJECT: Rod's Liquors Cannabis Retail Registration Application

DATE: January 6, 2026

Background:

Minnesota Statutes, chapter 342, was established by the State Legislature in 2023, updated in 2024 and again in 2025. The final regulations were adopted on April 14, 2025 and can be found in Minnesota Rules, chapter 9810. The Office of Cannabis Management (OCM) is the state regulatory office created to oversee the implementation and regulation of the adult-use cannabis market, the medical cannabis program, and the consumer hemp industry. OCM governs the application and licensing process, specific requirements for each license type and their respective business activities and conducts enforcement and inspection activities.

Local units of government cannot outright ban cannabis business; however, they can limit the number of active cannabis retail registrations for cannabis retailers, cannabis microbusinesses with retail endorsements, and cannabis mezzobusinesses with retail endorsements to one (1) per every 12,500 residents. The Goodhue County Cannabis Ordinance, passed on October 15, 2024, follows these limits as authorized by statute. The number of medical cannabis combination business registrations and lower-potency hemp edible retail registrations cannot be limited. Additionally, the County's Ordinance does not include municipal cannabis retail stores or retail stores operated on land held in trust for the Prairie Island Indian Community in the limitations noted above.

Discussion:

Rod's Liquors submitted a complete registration application for cannabis retail business form on December 29, 2025. The application indicates the business will sell lower-potency hemp edibles. The location is in the City of Cannon Falls, which performs their own zoning duties but has also delegated registration authority to the County. County staff verified with City staff that the location is suitable for a cannabis retail establishment. The number of Lower-potency hemp edibles retail registrations cannot be limited.

Recommendation:

Staff recommend the County Board approve the Cannabis Retail Registration Application.