

Blunt Strategies Is Ready

Public affairs firm behind Minnesota's adult-use legislation outlines what to expect from upcoming marijuana market

By Kate Lavin

When then-U.S. Sen. Tim Walz announced his support for legalizing adult-use marijuana while campaigning in 2018 to become Minnesota's next governor, Leili Fatehi and Laura Monn Ginsburg knew something had shifted.

The pair already ran Minneapolis-based Apparatus GBC, a public affairs consultancy that works on complex political and policy issues.

"We only work on projects that are advancing social equity, environmental sustainability and creating fair economic opportunity," Fatehi told *MJBizMagazine* during MJBizCon 2023. "Cannabis legalization was well within the kind of issues that we care about, the kind of work we were known for."

Shortly after Walz's announcement, Fatehi and Ginsburg mobilized to form Blunt Strategies, a division of Apparatus that drove the MN is Ready campaign to legalize adult-use cannabis through a bill signed into law by Walz on May 30, 2023.

The partners and principals behind the cannabis consultancy spoke with *MJBizMagazine* about spearheading the legislation, how hemp-derived cannabinoids factor into it and what Minnesota—and the nation—can expect from one of the most closely watched cannabis markets heading into 2024.

How did you generate public support for MN is Ready?

Ginsburg: Beyond the messages themselves, it was imperative that we were bringing people along with us through this journey. Lay residents wouldn't necessarily understand how difficult it was going to be, how many legislative committees we were going to go through.

It was important to the campaign that we made it something that people could interact with, because they weren't going to see it on a ballot. We wanted to make it as real and accessible as possible: emails, social media, live tweeting every single hearing—and not just live tweeting what was happening but *explaining* what was happening.

We could help (supporters) enjoy the journey a little bit more by understanding and feeling like they could follow it.

Minnesota has some of the country's most permissive regulations around hemp-derived cannabinoids. What happens when adult-use marijuana hits the market?

Fatehi: We were very deliberate in drafting the legislation to create some clarity and fairness for folks to operate on both sides of this marketplace. In exchange for (capping hemp-derived THC at 5 milligrams per serving), you are able to sell these products in a much wider array of places.

The impetus was: Why are people from out of state making money on this and not our own local hemp growers? We were legalizing them so we could regulate them. The Department of Health has temporary jurisdiction; they will be regulated by the Office of Cannabis Management, the same as adult-use products. You will have to get a license, but it will be a hemp license.

And then, in the adult-use market, where you can sell the higher potencies, you're more restricted. But they really work in a complementary manner.

How will Minnesota avoid friction between licensed marijuana companies and hemp manufacturers who, at least in other states, pay less in taxes and fees?

Fatehi: I think capping the potency to 5 milligrams of THC fundamentally is important. It's more expensive (to extract intoxicating hemp-derived THC) than if you're deriving it from marijuana.

As we were coming up with the legislation, there was a lot of balancing because ... we were advocates for adult-use legalization. We did have some folks in the hemp-derived space that very quickly started lobbying against adult-use legalization for that exact reason.

We said no, this is a social equity issue. People from

the legacy market have been waiting for adult-use legalization because this is where their opportunities are. It was imperative for us that the hemp-derived market be an on-ramp for folks to get into adult use or be complementary to the adult-use market but never become a substitute or competition.

How did you make sure medical marijuana patients' needs were protected during these changes?

Ginsburg: It was really important to us to improve patients' experiences and ensure that they were still going to be able to have access to medicine and use it the way that they need to.

We really heard the patients loud and clear and wanted to



Leili Fatehi (left) and Laura Monn Ginsburg operate Blunt Strategies.
Photos courtesy of Blunt Strategies

make sure that they were still centered and being heard; they are fundamentally using this in a different way. They need to have better access, better prices and more folks that can serve them as well.

How did you bake social equity into Minnesota's cannabis legislation?

Fatehi: The legislation has some things that are very

social equity-focused, including a reparations fund. (The state will donate \$15 million to communities harmed by cannabis prohibition.) Then, there are grant programs for social equity candidates.

A lot of the businesses that are putting out these hemp-derived products right now are small businesses. A lot of them are owned by people of color, and they've been able to build their brand, build their customer base, build out their supply chain, do all of this with the benefits of banking and tax deduction, because it's a federally legal product. So now, when they're transitioning to adult use, they're capitalized. **MJBiz**

This interview has been edited for length and clarity.



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