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...... moves to amend S.F. No. 444, the second engrossment, as follows:

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1.2	Delete everything after the enacting clause and insert:
1.3	"Section 1. Minnesota Statutes 2016, section 85.0505, is amended by adding a subdivision
1.4	to read:
1.5	Subd. 3. Fort Ridgely State Park. The commissioner of public safety, with the approva
1.6	of the commissioner of natural resources, may issue to a concessionaire, lessee, or person
1.7	holding a contract with the Department of Natural Resources an on-sale license for the sale
8.1	of intoxicating liquor at the Fort Ridgely State Park golf course. The annual fee for the
1.9	license issued pursuant to this subdivision shall be set by the commissioner of public safety
1.10	at an amount comparable to the fee charged by the surrounding counties for a similar license
1.11	All provisions of chapter 340A not inconsistent with this subdivision shall apply to the sale
1.12	of intoxicating liquor at the Fort Ridgely State Park golf course.
1.13	<b>EFFECTIVE DATE.</b> This section is effective the day following final enactment.
1.14	Sec. 2. Minnesota Statutes 2016, section 340A.22, subdivision 1, is amended to read:
1.15	Subdivision 1. Activities. (a) A microdistillery licensed under this chapter may provide
1.16	on its premises samples of distilled spirits manufactured on its premises, in an amount not
1.17	to exceed 15 milliliters per variety per person. No more than 45 milliliters may be sampled
1.18	under this paragraph by any person on any day.
1.19	(b) A microdistillery can sell cocktails to the public, pursuant to subdivision 2.
1.20	(c) A microdistillery may not sell at on-sale, off-sale, or wholesale, a distilled spirit that
1.21	does not qualify as a Minnesota spirit. For purposes of this section, to qualify as a Minnesota
1.22	spirit, 70% of the ingredients used to make the distilled spirit must be produced in Minnesota
1.23	The prohibition on sales under this paragraph does not apply to a microdistillery licensed
1.24	prior to July 1, 2017, until January 1, 2019.

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(d) By January 1, 2019, all licensed microdistilleries must have a demonstrated ability 2.1 to distill on licensed premises. 2.2

## **EFFECTIVE DATE.** This section is effective on July 1, 2017.

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- Sec. 3. Minnesota Statutes 2016, section 340A.22, subdivision 2, is amended to read:
- Subd. 2. Cocktail room license. (a) A municipality, including a city with a municipal liquor store, may issue the holder of a microdistillery license under this chapter a microdistillery cocktail room license. A microdistillery cocktail room license authorizes on-sale of distilled liquor produced by the distiller for consumption on the premises of or adjacent to one distillery location owned by the distiller. Notwithstanding section 340A.504, subdivision 3, a cocktail room may be open and may conduct on-sale business on Sundays 2.10 if authorized by the municipality. Nothing in this subdivision precludes the holder of a 2.11 microdistillery cocktail room license from also holding a license to operate a restaurant at 2.12 the distillery. Section 340A.409 shall apply to a license issued under this subdivision. All 2.13 provisions of this chapter that apply to a retail liquor license shall apply to a license issued 2.14 under this subdivision unless the provision is explicitly inconsistent with this subdivision. 2.15
  - (b) A distiller may only have one cocktail room license under this subdivision, and may not have an ownership interest in a distillery licensed under section 340A.301, subdivision 6, clause (a).
    - (c) The municipality shall impose a licensing fee on a distiller holding a microdistillery cocktail room license under this subdivision, subject to limitations applicable to license fees under section 340A.408, subdivision 2, paragraph (a).
    - (d) A municipality shall, within ten days of the issuance of a license under this subdivision, inform the commissioner of the licensee's name and address and trade name, and the effective date and expiration date of the license. The municipality shall also inform the commissioner of a license transfer, cancellation, suspension, or revocation during the license period.
- 2.27 (e) No single entity may hold both a cocktail room and taproom license, and a cocktail room and taproom may not be colocated. 2.28

#### **EFFECTIVE DATE.** This section is effective on July 1, 2017. 2.29

- Sec. 4. Minnesota Statutes 2016, section 340A.22, subdivision 4, is amended to read: 2.30
- Subd. 4. Off-sale license. A microdistillery may be issued a license by the local licensing 2.31 authority, with the approval of the commissioner, for off-sale of distilled spirits. The license 2.32

2 Sec. 4.

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may allow the sale of one 375 milliliter bottle per customer per day of product manufactured on site, subject to the following requirements:

- (1) off-sale hours of sale must conform to hours of sale for retail off-sale licensees in the licensing municipality; and
- 3.5 (2) no brand may be sold at the microdistillery unless it is also available for distribution3.6 by wholesalers-; and
- (3) no more than 8,000 proof gallons of the 40,000 proof gallons produced by a distiller
   can be sold at off-sale on premises.
  - **EFFECTIVE DATE.** This section is effective the day following final enactment.
- Sec. 5. Minnesota Statutes 2016, section 340A.24, subdivision 3, is amended to read:
- Subd. 3. **Total retail sales.** A brew pub's total retail sales at on- or off-sale under this section may not exceed 3,500 barrels per year, provided that off-sales may not total more than 500 750 barrels.
  - **EFFECTIVE DATE.** This section is effective the day following final enactment.
- Sec. 6. Minnesota Statutes 2016, section 340A.28, is amended to read:

#### 3.16 **340A.28 SMALL BREWER OFF-SALE.**

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Subdivision 1. **License; limitations.** A brewer licensed under section 340A.301, subdivision 6, clause (c), (i), or (j), may be issued a license by a municipality for off-sale of malt liquor at its licensed premises that has been produced and packaged by the brewer. The license must be approved by the commissioner. A brewer may only have one license under this subdivision. The amount of malt liquor sold at off-sale may not exceed 500 750 barrels annually. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive liquor stores in the jurisdiction in which the brewer is located, and the malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores, except that malt liquor in growlers only may be sold at off-sale on Sundays. Sunday sales must be approved by the licensing jurisdiction and hours may be established by those jurisdictions. Packaging of malt liquor for off-sale under this subdivision must comply with section 340A.285.

Subd. 2. **Prohibition.** A municipality may not issue a license under this section to a brewer if the brewer seeking the license, or any person having an economic interest in the brewer seeking the license or exercising control over the brewer seeking the license, is a

Sec. 6. 3

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brewer that brews more than  $\frac{20,000}{40,000}$  barrels of its own brands of malt liquor annually or a winery that produces more than 250,000 gallons of wine annually.

Subd. 3. **Fee.** The municipality shall impose a licensing fee on a brewer holding a license under this subdivision, subject to limitations applicable to license fees under section 340A.408, subdivision 3, paragraph (a).

### **EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 7. Minnesota Statutes 2016, section 340A.285, is amended to read:

#### **340A.285 GROWLERS.**

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- (a) Malt liquor authorized for off-sale pursuant to section 340A.24 or 340A.28 shall be packaged in 64-ounce containers commonly known as "growlers" or in 750 milliliter bottles. The containers or bottles shall bear a twist-type closure, cork, stopper, or plug any vessel containing between 650 milliliters and two liters. At the time of sale, a paper or plastic adhesive band, strip, or sleeve shall be applied to the container or bottle vessel and extended over the top of the twist-type closure, cork, stopper, or plug forming a seal that must be broken upon opening the container or bottle vessel. The adhesive band, strip, or sleeve shall bear the name and address of the brewer. The containers or bottles vessels shall be identified as malt liquor, contain the name of the malt liquor, bear the name and address of the brew pub or brewer selling the malt liquor, and shall be considered intoxicating liquor unless the alcoholic content is labeled as otherwise in accordance with the provisions of Minnesota Rules, part 7515.1100.
- (b) A brew pub or brewer may, but is not required to, refill any container or bottle vessel with malt liquor for off-sale at the request of the customer. A brew pub or brewer refilling a container or bottle vessel must do so at its licensed premises and the container or bottle vessel must be filled at the tap at the time of sale. A container or bottle vessel refilled under this paragraph must be sealed and labeled in the manner described in paragraph (a).

#### **EFFECTIVE DATE.** This section is effective the day following final enactment.

- Sec. 8. Minnesota Statutes 2016, section 340A.301, is amended by adding a subdivision to read:
- Subd. 12. 3.2 percent malt liquor; label. 3.2 percent malt liquor, as defined under
   section 340A.101, subdivision 19, may be sold with a label that states "MAX 3.2% ALC/WT"
   or equivalent, on the side of the can or bottle, and does not require a similar disclosure on

Sec. 8. 4

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the can top or bottom. The commissioner shall establish standards to implement this 5.1 5.2 requirement. **EFFECTIVE DATE.** This section is effective on July 1, 2017, and applies to all cans 5.3 or bottles sold after that date. 5.4 Sec. 9. Minnesota Statutes 2016, section 340A.315, subdivision 7, is amended to read: 5.5 Subd. 7. **Distilled spirits permitted.** Farm wineries licensed under this section are 5.6 permitted to manufacture distilled spirits as defined under section 340A.101, subdivision 5 7 9, which may exceed 25 percent alcohol by volume, made from Minnesota-produced or 5.8 Minnesota-grown grapes, grape juice, other fruit bases, or honey. The following conditions 5.9 pertain: 5.10 5.11 (1) no farm winery or firm owning multiple farm wineries may manufacture more than 5,000 gallons of distilled spirits in a given year, and this 5,000 gallon limit is part of the 5.12 50,000 gallon limit found in subdivision 2; 5.13 (2) a farm winery may not sell at on-sale, off-sale, or wholesale, a distilled spirit that 5.14 does not qualify as a Minnesota spirit. For purposes of this section, to qualify as a Minnesota 5.15 spirit, 70% of the ingredients used to make the distilled spirit must be produced in Minnesota. 5.16 The prohibition on sales under this paragraph does not apply to a farm winery with a farm 5.17 5.18 distillery licensed prior to July 1, 2017, until January 1, 2019. By January 1, 2019, all farm winery distilleries must have a demonstrated capacity to distill on premises; 5.19 (3) farm wineries must pay an additional annual fee of \$50 to the commissioner before 5.20 beginning production of distilled spirits; and 5.21 (3) (4) farm wineries may not sell or produce distilled spirits for direct sale to 5.22 manufacturers licensed under section 340A.301, subdivision 6, paragraph (a). 5.23 **EFFECTIVE DATE.** This section is effective on July 1, 2017. 5.24 Sec. 10. [340A.425] SERVICE AT CAPITOL. 5.25 Notwithstanding section 340A.412, subdivision 4, paragraph (a), clause (2), the city of 5.26 St. Paul may issue an on-sale wine and malt liquor license for the premises known as the 5.27 State Capitol, including the Capitol cafeteria. The commissioner of administration must 5.28 specify those areas where service is being requested. The Department of Administration 5.29 shall enter into an agreement with a food service vendor or another vendor on all matters 5.30 related to the sale of wine and malt liquor in the Capitol. Section 16B.275 does not apply 5.31 to the sale of wine and malt liquor in the Capitol and all fees charged or profits earned by 5.32

Sec. 10. 5

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the Department of Administration from the sale of wine and malt liquor in the Capitol must 6.1 be deposited in a capitol revenues account in the special revenue fund and are appropriated 6.2 to the commissioner for capitol preservation. The Capitol cafeteria must sell wine and malt 6.3 liquor that are made in Minnesota. 6.4 **EFFECTIVE DATE.** This section is effective the day after the governing body of St. 6.5 Paul and its chief clerical officer timely complete compliance with section 645.021, 6.6 subdivisions 2 and 3. 6.7 Sec. 11. Minnesota Statutes 2016, section 340A.504, subdivision 6, is amended to read: 6.8 6.9 Subd. 6. Municipalities may limit hours. A municipality may further limit the days or hours of on and off sales of alcoholic beverages, provided that further restricted on-sale 6.10 hours for intoxicating liquor must apply equally to on-sale hours of 3.2 percent malt liquor. 6.11 A city may not permit the sale of alcoholic beverages during hours when the sale is prohibited 6.12 by this section. 6.13 **EFFECTIVE DATE.** This section is effective the day following final enactment. 6.14 Sec. 12. Laws 1999, chapter 202, section 13, as amended by Laws 2013, chapter 42, 6.15 section 8, is amended to read: 6.16 Sec. 13. CITY OF ST. PAUL; LICENSES AUTHORIZED. 6.17 (a) The city of St. Paul may issue temporary intoxicating liquor licenses under Minnesota 6.18 Statutes, section 340A.404, subdivision 10, to Macalester college for the Macalester Scottish 6.19 fair, Springfest, and for the annual alumni reunion weekend without regard to the limitation 6.20 in Minnesota Statutes, section 340A.410, subdivision 10, paragraph (b). 6.21 (b) Notwithstanding Minnesota Statutes, section 340A.412, subdivision 4, the city of 6.22 St. Paul may issue a temporary on-sale intoxicating liquor license to Twin Cities in Motion, 6.23 or its successor organization, if any. The license may authorize only the sale of intoxicating 6.24 malt liquor and 3.2 percent malt liquor on the grounds of the state capitol on the day of the 6.25 Twin Cities Marathon. The intoxicating Any malt liquor and 3.2 percent malt liquor sold 6.26 must be produced by a Minnesota brewery. All provisions of Minnesota Statutes, section 6.27 340A.404, subdivision 10, not inconsistent with this section, apply to the license authorized 6.28 by this section. 6.29 **EFFECTIVE DATE.** This section is effective upon approval by the Saint Paul City 6.30

Sec. 12. 6

6.31

Council and compliance with Minnesota Statutes, section 645.021.

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#### Sec. 13. CITY OF MINNEAPOLIS; SPECIAL LICENSES.

- The city of Minneapolis may issue an on-sale intoxicating liquor license to a restaurant located at 4312 Upton Avenue South, notwithstanding any law or local ordinance or charter provision.
- 7.5 EFFECTIVE DATE. This section is effective upon approval by the Minneapolis City
   7.6 Council and compliance with Minnesota Statutes, section 645.021.

#### Sec. 14. SPECIAL EVENTS; CAPITOL.

Nothwithstanding any law or ordinance to the contrary, the city of Saint Paul may issue two separate temporary liquor licenses for special events at the Minnesota Capitol, allowing sale throughout the Capitol building and on the Capitol grounds, as specified by the commissioner of administration. The first special event license shall be for events relating to the ceremonial opening of the restored State Capitol in August, 2017. The second special event license shall be for events associated with the Superbowl and the construction of an ice castle in 2018. Licenses shall be for on-sale during all legal hours of service and shall allow all service of wine, malt liquor, and distilled spirits. Service must be limited to wine, malt liquor, and distilled spirits that are made in Minnesota.

7.17 **EFFECTIVE DATE.** This section is effective the day after the governing body of St.
7.18 Paul and its chief clerical officer timely complete compliance with section 645.021,
7.19 subdivisions 2 and 3.

# Sec. 15. NATIONAL FOOTBALL LEAGUE TRAINING SITE; ON-SALE

#### LICENSES.

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Notwithstanding Minnesota Statutes, section 340A.404, subdivision 1, or any other law or local ordinance to the contrary, the city of Eagan may issue an on-sale intoxicating liquor license to the owner of a National Football League sports facility located on property in the city of Eagan in Dakota County, legally described as Lot 1, Block 1, Viking Lakes, and to any concessionaire operator or third-party vendor under contract with the owner. The license authorizes the sale of intoxicating liquor to persons attending any and all events on Lots 1 and 2, Block 1, Viking Lakes, that are in conjunction with activities on Lot 1. The license may be issued for a space that is not compact and contiguous, provided that the licensed premises shall only be the space described in the approved license. The license authorizes sales on all days of the week. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license under this section.

Sec. 15. 7

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**EFFECTIVE DATE.** This section is effective upon approval by the Eagan City Council 8.1 and compliance with Minnesota Statutes, section 645.021. 8.2 Sec. 16. SPECIAL LICENSE; NEW HOPE. 8.3 Notwithstanding any law or ordinance to the contrary, the city of New Hope may issue 8.4 an on-sale intoxicating liquor license for the New Hope Village Golf Course that is located 8.5 at 8130 Bass Lake Road and is owned by the city. The provisions of Minnesota Statutes, 8.6 chapter 340A, not inconsistent with this section, apply to the license issued under this 8.7 section. The city of New Hope is deemed the licensee under this section, and the provisions 8.8 8.9 of Minnesota Statutes, sections 340A.603 and 340A.604, apply to the license as if the establishment were a municipal liquor store. 8.10 8.11 **EFFECTIVE DATE.** This section is effective upon approval by the New Hope City Council and compliance with Minnesota Statutes, section 645.021. 8.12 Sec. 17. SPECIAL LICENSE; SARTELL. 8.13 The city of Sartell may issue an on-sale intoxicating liquor license, an on-sale wine 8.14 8.15 license, or an on-sale malt liquor license for the city-owned facilities known as Sartell Community Center, located at 850 19th Street South; Pinecone Central Park, located at 8.16 1105 Central Park Blvd; and Champion Field, located at 710 12th Street North, 8.17 notwithstanding any law, local ordinance, or charter provision. A license issued under this 8.18 section authorizes sales on all days of the week to persons attending events at these facilities. 8.19 **EFFECTIVE DATE.** This section is effective upon approval by the Sartell City Council 8.20 and compliance with Minnesota Statutes, section 645.021. 8.21 Sec. 18. SPECIAL CLOSING TIMES; 2018 SUPER BOWL. 8.22 8.23 During the 2018 National Football League Super Bowl at U.S. Bank Stadium, licensing jurisdictions that lie fully or partially within Hennepin and Ramsey Counties may, at their 8.24 discretion, issue special permits for service of alcohol through extended hours lasting until 8.25 4:00 a.m. each day. This section is subject to the following conditions: 8.26 (1) only holders of an existing on-sale intoxicating liquor license or a 3.2 malt liquor 8.27 license are eligible for later closing hours; 8.28 (2) later closing hours apply only during the period from 12:00 p.m. on February 2, 8.29 2018, through 4:00 a.m. on February 5, 2018; 8.30

Sec. 18. 8

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9.1	(3) local licensing jurisdictions issuing special permits to operate with extended hours
9.2	during the days listed in clause (2) may charge a fee up to but not to exceed \$250 for a
9.3	permit. In the process of issuing a permit under this section, the licensing jurisdiction may
9.4	limit approval to specified geographic, zoning, or license classifications within its jurisdiction;
9.5	<u>and</u>
9.6	(4) this section expires at 4:01 a.m. on February 5, 2018.
9.7	<b>EFFECTIVE DATE.</b> This section is effective the day following final enactment.
9.8	Sec. 19. REPEALER.
9.9	Laws 2001, chapter 193, section 10, as amended by Laws 2013, chapter 137, article 4,
9.10	section 6; and Laws 2013, chapter 137, article 4, section 6, are repealed."
9.11	Amend the title accordingly

Sec. 19. 9