

Subject Omnibus liquor bill

Bill S.F. 3008

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Overview

This is the 2022 omnibus liquor bill.

Article 1: Liquor Regulation

This article provides a number of laws related to liquor regulation and taxation.

Section Description – Article 1: Liquor Regulation

- 1 **Distilled spirits manufacturer.**
Defines “distilled spirits manufacturer” as an in-state distillery producing distilled spirits in an amount over the 40,000 proof gallon threshold in the definition of “microdistillery.”
- 2 **Malt liquor definition.**
Modifies the definition of “malt liquor” to include alcoholic beverages made with malt and substitutes and clarifies that “beer” refers to “malt liquor.”
- 3 **Microdistilleries; distilled spirits manufacturers.**
This subdivision allows a distilled spirits manufacturer otherwise meeting the cocktail room requirements to operate a cocktail room and excludes spirits bottled under a third-party contract from the 50 percent Minnesota annual production threshold for operating a cocktail room. Also expands the range of container sizes for microdistillery off-sales by allowing the purchase of up to 750 ml of spirits per day, in any combination of approved container sizes.
- 4 **Prohibition; growlers.**
Increases the annual production threshold to sell growlers from 20,000 barrels to 150,000 barrels.
- 5 **Off-sale packaging requirements for certain small brewers.**
Subd. 1. Certain off-sale packaging requirements for certain small brewers.
Allows a small brewer (annual production of less than 7,500 barrels) to sell up to 128 ounces of beer per customer per day, in addition to current off-sale

Section Description – Article 1: Liquor Regulation

limits. The amount sold would count toward the annual barrel limit for these off-sales under the growler rules.

Subd. 2. Packaging. Allows the proposed additional sales to be packaged in any approved container.

Subd. 3. Off-sale not exclusive. Requires any brand of beer sold under the proposed authority to be made available to a wholesaler.

Subd. 4. Exception; production in 2021. Allows small brewers (annual production between 5,500 and 13,500 barrels) to make the additional sales until their annual production increases by 2,000 barrels over their 2021 production.

Subd. 5. Other laws. Requires all other applicable laws in the liquor chapter to apply to the proposed sales.

6 Interest in other business; cider; self-distribution.

Allows a winery producing apple-based cider to self-distribute that cider, provided that: (1) no more than 2,500 barrels of the cider are produced and sold in a calendar year; and (2) a winery provides an affidavit to the commissioner of public safety stating that no wholesaler is available to distribute the cider and detailing the steps taken to pursue a distribution contract.

7 Nondiscriminatory sales; open wholesaling.

Applies Minnesota’s open wholesaling law to in-state manufacturers of distilled spirits.

8 Prohibited practices; open wholesaling.

Makes a conforming change related to the open wholesaling changes.

9 Exceptions; open wholesaling.

Eliminates the exceptions to the open-wholesaling law for importers that: (1) also distill, refine, rectify, or blend spirits in Minnesota; or (2) only offer a brand of spirits for sale in Minnesota.

10 Cities; on-sale licenses; resorts; town ball games.

Allows a city to issue an on-sale intoxicating liquor license to a resort and a municipality to issue an on-sale wine or malt liquor license to the owner of a “town ball” baseball team, for sales at games.

Section Description – Article 1: Liquor Regulation

- 11 **Municipalities; on-sale licenses; auto racing facilities.**
Authorizes counties to issue on-sale intoxicating liquor licenses for auto racing facilities.
- 12 **Counties; on-sale licenses.**
Authorizes counties to issue on-sale licenses for resorts.
- 13 **Temporary on-sale licenses; county fairs.**
Makes a conforming change due to the temporary on-sale provision for county fairs.
- 14 **Temporary licenses; restrictions.**
Allows a municipality to issue one seven-day temporary on-sale license per year to a county agricultural society. Also strikes the 30-day waiting period requirement for temporary on-sale licenses, for any one organization or location.
- 15 **Exclusive liquor stores.**
Allows an exclusive liquor store to sell citrus fruits and glassware.
- 16 **Extended hours for on-sale; World Cup.**
Temporarily allows a licensing jurisdiction to issue an on-sale license to operate during extended hours during a live broadcast of a men’s or women’s World Cup match. Sales would be authorized 30 minutes before, during, and 30 minutes after a match. Only existing on-sale licensees could obtain the extended hours license, and the local jurisdiction may set a \$250 fee and limit approval to certain areas or license classifications. This provision expires September 1, 2023.
- 17 **Appropriation.**
Appropriates \$250,000 to the commissioner of public safety to hire two additional full-time employees for the Division of Alcohol and Gambling Enforcement.

Article 2: Special Local Liquor Laws

This article provides special laws for the cities of Willmar, Sauk Rapids, St. Paul, St. Cloud, Anoka, Rochester, and Alexandria.

Section Description – Article 2: Special Local Liquor Laws

1 City of Willmar; on-sale license.

Allows the city of Willmar to issue an on-sale wine or malt liquor license to a junior-league hockey team owner, or city concessionaire or contractor, for sales at events at Willmar Civic Center.

2 City of Sauk Rapids; on-sale licenses.

Allows the city of Sauk Rapids to issue on-sale intoxicating liquor licenses to a management or concessions contractor for events at two parks. The first would be for events at Bob Cross Regional Park and the second for events at a regional event center at Lions or Southside Park.

3 City of St. Paul; license authorized.

Allows the city of St. Paul to issue a temporary on-sale malt liquor license to the Thai Cultural Council of Minnesota, for sales at the State Capitol during the Minnesota Songkran Festival.

4 City of St. Cloud; on-sale license.

Allows the city of St. Cloud to issue an on-sale wine or beer license to the Whitney Recreation facility, for events at Whitney Park.

5 City of Anoka; special license.

Subd. 1. Social district; consumption allowed. Allows the city to issue a social district license to an on-sale license holder for consumption of alcoholic beverages in a designated social district area that is contiguous to the on-sale licensee's premises.

Subd. 2. Designation of social district. Requires the city to designate by ordinance the area of a social district, including the hours and days consumption will be allowed in the district, prior to issuing a social district license.

Subd. 3. Boundaries clearly defined. Requires signage clearly delineating the social district area, the local law enforcement agency having jurisdiction, and a statement that alcoholic beverages may only be consumed in the district and must be disposed of prior to leaving the district.

Subd. 4. Management and maintenance. Requires the city to implement a management and maintenance plan for the district and post the plan and district boundaries on the city's website.

Subd. 5. Requirements for on-sale licensees. Allows an on-sale licensee to make sales for consumption in the social district and prohibits a customer from entering the on-sale licensee's premises with another on-sale licensee's

Section Description – Article 2: Special Local Liquor Laws

beverage. Also establishes container and labeling requirements for beverages sold for consumption in the district.

Subd. 6. Additional social district requirements. Provides that only beverages purchased from an on-sale licensee whose premises are contiguous to the social district may be possessed or consumed in a social district, containers must meet the labeling requirements, alcoholic beverages may only be possessed and consumed during the established hours and days, and alcoholic beverages must be disposed of prior to exiting the social district.

6 City of Rochester; on-sale license.

Authorizes the city of Rochester to issue an on-sale wine or malt liquor license to a nonprofit for sales at the McQuillan Park Softball Complex for events at the complex.

7 City of Alexandria; on-sale license.

Allows the city of Alexandria to issue an on-sale wine or malt liquor license to a junior league hockey team owner, or city concessionaire or contractor, for sales at events at the Runestone Community Center.



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