03/05/20 REVISOR JSK/KM 20-7627 as introduced

## SENATE STATE OF MINNESOTA NINETY-FIRST SESSION

S.F. No. 4300

(SENATE AUTHORS: KORAN and Champion)

**DATE** 03/12/2020 D-PG OFFICIAL STATUS

Introduction and first reading
Referred to Commerce and Consumer Protection Finance and Policy

A bill for an act 1.1

relating to liquor; modifying off-sale requirements and provisions relating to malt 1.2 1.3

liquor; amending Minnesota Statutes 2018, sections 340A.24, subdivision 2;

340A.28; 340A.285. 1.4

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## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2018, section 340A.24, subdivision 2, is amended to read: 1.6

Subd. 2. Off-sale license. Notwithstanding section 340A.405, a brew pub that holds an on-sale license issued pursuant to this section may, with the approval of the commissioner, be issued a license by a municipality for off-sale of malt liquor produced and packaged on the licensed premises in packaging of an aggregate volume not to exceed 384 ounces per customer per day for a brewer that brews 3,500 barrels or less of malt liquor 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 brew pub 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

Sec. 2. Minnesota Statutes 2018, section 340A.28, is amended to read:

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

Subdivision 1. License; limitations. A brewer licensed under section 340A.301, 1 21

subdivision 6, clause (c), (i), or (j), may be issued a license by a municipality for off-sale 1.22

1 Sec. 2

comply with section 340A.285.

of malt liquor at its licensed premises that has been produced and packaged by the brewer in packaging of an aggregate volume not to exceed 384 ounces per customer per day for a brewer that brews more than 80,000 barrels of malt liquor annually or 768 ounces per customer per day for a brewer that brews 80,000 barrels or less of malt liquor annually. 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 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 brewer that brews more than 20,000 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).
  - Sec. 3. Minnesota Statutes 2018, section 340A.285, is amended to read:

## 340A.285 GROWLERS PACKAGING.

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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 any container sized between 350 milliliters and two liters that is in compliance with the provisions of Minnesota Rules, parts 7515.1080 to 7515.1120.

Packaging shall bear a be sealed by a seam, twist-type closure, cork, stopper, or plug- and, at the time of sale, any resealable packaging shall bear a paper or plastic adhesive band, strip, or sleeve shall be applied to the container or bottle packaging 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. The adhesive band, strip, or sleeve shall bear the name and address of the brewer. The containers or bottles packaging. Packaging shall be identified as malt liquor, contain the name of the malt liquor, bear the name and address of the brewer.

Sec. 3. 2

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.

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(b) A brew pub or brewer may, but is not required to, refill any 64-ounce container commonly known as a "growler" or 750 milliliter bottle with malt liquor for off-sale at the request of the customer. A brew pub or brewer refilling a container or bottle must do so at its licensed premises and the container or bottle must be filled at the tap at the time of sale. A container or bottle refilled under this paragraph must be sealed and labeled in the manner described in paragraph (a).

Sec. 3. 3