

1.1 moves to amend H.F. No. 68 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2016, section 340A.22, subdivision 1, is amended to read:

1.4 Subdivision 1. **Activities.** (a) A microdistillery licensed under this chapter may provide
1.5 on its premises samples of distilled spirits ~~manufactured~~ distilled on its premises, in an
1.6 amount not to exceed 15 milliliters per variety per person. No more than 45 milliliters may
1.7 be sampled under this paragraph by any person on any day. For purposes of this section,
1.8 "distilled on its premises" means that at least 80 percent of any product sold by a
1.9 microdistillery must be first distilled on its premises. If a product is first distilled off-premises,
1.10 and subsequently rectified, bottled, or re-distilled on-site, it does not qualify as Minnesota
1.11 distilled. Products meeting this standard shall be labelled "distilled on premises."

1.12 (b) A microdistillery can sell cocktails to the public, pursuant to subdivision 2.

1.13 (c) A microdistillery may not sell products that do not qualify as distilled on premises.
1.14 This paragraph does not apply to any microdistillery licensed prior to July 1, 2017, provided
1.15 that any microdistilleries that do not distill on premises must disclose this on their label.

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

1.17 Sec. 2. Minnesota Statutes 2016, section 340A.22, subdivision 2, is amended to read:

1.18 Subd. 2. **Cocktail room license.** (a) A municipality, including a city with a municipal
1.19 liquor store, may issue the holder of a microdistillery license under this chapter a
1.20 microdistillery cocktail room license. A microdistillery cocktail room license authorizes
1.21 on-sale of distilled liquor produced by the distiller for consumption on the premises of or
1.22 adjacent to one distillery location owned by the distiller. Notwithstanding section 340A.504,
1.23 subdivision 3, a cocktail room may be open and may conduct on-sale business on Sundays
1.24 if authorized by the municipality. Nothing in this subdivision precludes the holder of a

2.1 microdistillery cocktail room license from also holding a license to operate a restaurant at
2.2 the distillery. Section 340A.409 shall apply to a license issued under this subdivision. All
2.3 provisions of this chapter that apply to a retail liquor license shall apply to a license issued
2.4 under this subdivision unless the provision is explicitly inconsistent with this subdivision.

2.5 (b) A distiller may only have one cocktail room license under this subdivision, and may
2.6 not have an ownership interest in a distillery licensed under section 340A.301, subdivision
2.7 6, clause (a).

2.8 (c) The municipality shall impose a licensing fee on a distiller holding a microdistillery
2.9 cocktail room license under this subdivision, subject to limitations applicable to license fees
2.10 under section 340A.408, subdivision 2, paragraph (a).

2.11 (d) A municipality shall, within ten days of the issuance of a license under this
2.12 subdivision, inform the commissioner of the licensee's name and address and trade name,
2.13 and the effective date and expiration date of the license. The municipality shall also inform
2.14 the commissioner of a license transfer, cancellation, suspension, or revocation during the
2.15 license period.

2.16 (e) No single entity may hold both a cocktail room and taproom license, and a cocktail
2.17 room and taproom may not be colocated.

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

2.19 Sec. 3. Minnesota Statutes 2016, section 340A.22, subdivision 4, is amended to read:

2.20 Subd. 4. **Off-sale license.** A microdistillery may be issued a license by the local licensing
2.21 authority, with the approval of the commissioner, for off-sale of distilled spirits. The license
2.22 may allow the sale of one 375 milliliter bottle per customer per day of product manufactured
2.23 on site, subject to the following requirements:

2.24 (1) off-sale hours of sale must conform to hours of sale for retail off-sale licensees in
2.25 the licensing municipality; and

2.26 (2) no brand may be sold at the microdistillery unless it is also available for distribution
2.27 by wholesalers.

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

3.1 Sec. 4. Minnesota Statutes 2016, section 340A.24, subdivision 3, is amended to read:

3.2 Subd. 3. **Total retail sales.** A brew pub's total retail sales at on- or off-sale under this
3.3 section may not exceed 3,500 barrels per year, provided that off-sales may not total more
3.4 than ~~500~~ 750 barrels.

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

3.6 Sec. 5. Minnesota Statutes 2016, section 340A.28, is amended to read:

3.7 **340A.28 SMALL BREWER OFF-SALE.**

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

3.20 Subd. 2. **Prohibition.** A municipality may not issue a license under this section to a
3.21 brewer if the brewer seeking the license, or any person having an economic interest in the
3.22 brewer seeking the license or exercising control over the brewer seeking the license, is a
3.23 brewer that brews more than ~~20,000~~ 40,000 barrels of its own brands of malt liquor annually
3.24 or a winery that produces more than 250,000 gallons of wine annually.

3.25 Subd. 3. **Fee.** The municipality shall impose a licensing fee on a brewer holding a license
3.26 under this subdivision, subject to limitations applicable to license fees under section
3.27 340A.408, subdivision 3, paragraph (a).

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

3.29 Sec. 6. Minnesota Statutes 2016, section 340A.285, is amended to read:

3.30 **340A.285 GROWLERS.**

4.1 (a) Malt liquor authorized for off-sale pursuant to section 340A.24 or 340A.28 shall be
 4.2 packaged in ~~64-ounce containers commonly known as "growlers" or in 750 milliliter bottles.~~
 4.3 ~~The containers or bottles shall bear a twist-type closure, cork, stopper, or plug~~ any vessel
 4.4 containing between 650 milliliters and two liters. At the time of sale, a paper or plastic
 4.5 adhesive band, strip, or sleeve shall be applied to the container or ~~bottle~~ vessel and extended
 4.6 over the top of the twist-type closure, cork, stopper, or plug forming a seal that must be
 4.7 broken upon opening the container or ~~bottle~~ vessel. The adhesive band, strip, or sleeve shall
 4.8 bear the name and address of the brewer. The containers or ~~bottles~~ vessels shall be identified
 4.9 as malt liquor, contain the name of the malt liquor, bear the name and address of the brew
 4.10 pub or brewer selling the malt liquor, and shall be considered intoxicating liquor unless the
 4.11 alcoholic content is labeled as otherwise in accordance with the provisions of Minnesota
 4.12 Rules, part 7515.1100.

4.13 (b) A brew pub or brewer may, but is not required to, refill any container or ~~bottle~~ vessel
 4.14 with malt liquor for off-sale at the request of the customer. A brew pub or brewer refilling
 4.15 a container or ~~bottle~~ vessel must do so at its licensed premises and the container or ~~bottle~~
 4.16 vessel must be filled at the tap at the time of sale. A container or ~~bottle~~ vessel refilled under
 4.17 this paragraph must be sealed and labeled in the manner described in paragraph (a).

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

4.19 Sec. 7. Minnesota Statutes 2016, section 340A.301, is amended by adding a subdivision
 4.20 to read:

4.21 Subd. 12. **3.2 percent malt liquor; label.** 3.2 percent malt liquor, as defined under
 4.22 section 340A.101, subdivision 19, may be sold with a label that states "MAX 3.2% ALC/WT"
 4.23 or equivalent, on the side of the can or bottle, and does not require a similar disclosure on
 4.24 the can top or bottom. The commissioner shall establish standards to implement this
 4.25 requirement.

4.26 **EFFECTIVE DATE.** This section is effective on July 1, 2017, and applies to all cans
 4.27 or bottles sold after that date.

4.28 Sec. 8. Minnesota Statutes 2016, section 340A.315, subdivision 7, is amended to read:

4.29 Subd. 7. **Distilled spirits permitted.** Farm wineries licensed under this section are
 4.30 permitted to ~~manufacture distilled~~ distill spirits as defined under section 340A.101,
 4.31 subdivision 9, which may exceed 25 percent alcohol by volume, made from
 4.32 Minnesota-produced or Minnesota-grown grapes, grape juice, other fruit bases, or honey.
 4.33 The following conditions pertain:

5.1 (1) no farm winery or firm owning multiple farm wineries may ~~manufacture~~ distill more
5.2 than 5,000 gallons of distilled spirits in a given year, and this 5,000 gallon limit is part of
5.3 the 50,000 gallon limit found in subdivision 2;

5.4 (2) for purposes of this subdivision, "distill" means that at least 80 percent of any product
5.5 sold by a farm distillery must be first distilled on its premises. If a product is first distilled
5.6 off-premises, and subsequently rectified, bottled, or re-distilled on-premises, it does not
5.7 qualify as distilled on premises and may not be sold by a farm distillery. This clause does
5.8 not apply to any farm wineries with farm distilleries licensed prior to July 1, 2017, provided
5.9 that any farm wineries with farm distilleries that do not distill on premises must disclose
5.10 this on their label;

5.11 (3) farm wineries must pay an additional annual fee of \$50 to the commissioner before
5.12 beginning production of distilled spirits; and

5.13 ~~(3)~~ (4) farm wineries may not sell or produce distilled spirits for direct sale to
5.14 manufacturers licensed under section 340A.301, subdivision 6, paragraph (a).

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

5.16 Sec. 9. Minnesota Statutes 2016, section 340A.404, subdivision 2, is amended to read:

5.17 Subd. 2. **Special provision; city of Minneapolis.** (a) The city of Minneapolis may issue
5.18 an on-sale intoxicating liquor license to the Guthrie Theater, the Cricket Theatre, the
5.19 Orpheum Theatre, the State Theatre, and the Historic Pantages Theatre, notwithstanding
5.20 the limitations of law, or local ordinance, or charter provision relating to zoning or school
5.21 or church distances. The licenses authorize sales on all days of the week to holders of tickets
5.22 for performances presented by the theaters and to members of the nonprofit corporations
5.23 holding the licenses and to their guests.

5.24 (b) The city of Minneapolis may issue an intoxicating liquor license to 510 Groveland
5.25 Associates, a Minnesota cooperative, for use by a restaurant on the premises owned by 510
5.26 Groveland Associates, notwithstanding limitations of law, or local ordinance, or charter
5.27 provision.

5.28 (c) The city of Minneapolis may issue an on-sale intoxicating liquor license to Zuhrah
5.29 Shrine Temple for use on the premises owned by Zuhrah Shrine Temple at 2540 Park Avenue
5.30 South in Minneapolis, notwithstanding limitations of law, or local ordinances, or charter
5.31 provision relating to zoning or school or church distances.

5.32 (d) The city of Minneapolis may issue an on-sale intoxicating liquor license to the
5.33 American Association of University Women, Minneapolis branch, for use on the premises

6.1 owned by the American Association of University Women, Minneapolis branch, at 2115
6.2 Stevens Avenue South in Minneapolis, notwithstanding limitations of law, or local
6.3 ordinances, or charter provisions relating to zoning or school or church distances.

6.4 (e) The city of Minneapolis may issue an on-sale wine license and an on-sale 3.2 percent
6.5 malt liquor license to a restaurant located at 5000 Penn Avenue South, and an on-sale wine
6.6 license and an on-sale malt liquor license to a restaurant located at 1931 Nicollet Avenue
6.7 South, notwithstanding any law or local ordinance or charter provision.

6.8 (f) The city of Minneapolis may issue an on-sale wine license and an on-sale malt liquor
6.9 license to the Brave New Workshop Theatre located at 3001 Hennepin Avenue South, the
6.10 Theatre de la Jeune Lune, the Illusion Theatre located at 528 Hennepin Avenue South, the
6.11 Hollywood Theatre located at 2815 Johnson Street Northeast, the Loring Playhouse located
6.12 at 1633 Hennepin Avenue South, the Jungle Theater located at 2951 Lyndale Avenue South,
6.13 Brave New Institute located at 2605 Hennepin Avenue South, the Guthrie Lab located at
6.14 700 North First Street, and the Southern Theatre located at 1420 Washington Avenue South,
6.15 notwithstanding any law or local ordinance or charter provision. The license authorizes
6.16 sales on all days of the week.

6.17 (g) The city of Minneapolis may issue an on-sale intoxicating liquor license to University
6.18 Gateway Corporation, a Minnesota nonprofit corporation, for use by a restaurant or catering
6.19 operator at the building owned and operated by the University Gateway Corporation on the
6.20 University of Minnesota campus, notwithstanding limitations of law, or local ordinance or
6.21 charter provision. The license authorizes sales on all days of the week.

6.22 (h) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Walker
6.23 Art Center's concessionaire or operator, for a restaurant and catering operator on the premises
6.24 of the Walker Art Center, notwithstanding limitations of law, or local ordinance or charter
6.25 provisions. The license authorizes sales on all days of the week.

6.26 (i) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Guthrie
6.27 Theater's concessionaire or operator for a restaurant and catering operator on the premises
6.28 of the Guthrie Theater, notwithstanding limitations of law, local ordinance, or charter
6.29 provisions. The license authorizes sales on all days of the week.

6.30 (j) The city of Minneapolis may issue an on-sale wine license and an on-sale malt liquor
6.31 license to the Minnesota Book and Literary Arts Building, Inc.'s concessionaire or operator
6.32 for a restaurant and catering operator on the premises of the Minnesota Book and Literary
6.33 Arts Building, Inc. (dba Open Book), notwithstanding limitations of law, or local ordinance
6.34 or charter provision. The license authorizes sales on all days of the week.

7.1 (k) The city of Minneapolis may issue an on-sale intoxicating liquor license to a restaurant
7.2 located at 5411 Penn Avenue South, notwithstanding any law or local ordinance or charter
7.3 provision.

7.4 (l) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Museum
7.5 of Russian Art's concessionaire or operator for a restaurant and catering operator on the
7.6 premises of the Museum of Russian Art located at 5500 Stevens Avenue South,
7.7 notwithstanding any law or local ordinance or charter provision.

7.8 (m) The city of Minneapolis may issue an on-sale intoxicating liquor license to the
7.9 American Swedish Institute or to its concessionaire or operator for use on the premises
7.10 owned by the American Swedish Institute at 2600 Park Avenue South, notwithstanding
7.11 limitations of law, or local ordinances, or charter provision relating to zoning or school or
7.12 church distances.

7.13 (n) Notwithstanding any other law, local ordinance, or charter provision, the city of
7.14 Minneapolis may issue one or more on-sale intoxicating liquor licenses to the Minneapolis
7.15 Society of Fine Arts (dba Minneapolis Institute of Arts), or to an entity holding a concessions
7.16 or catering contract with the Minneapolis Institute of Arts for use on the premises of the
7.17 Minneapolis Institute of Arts. The licenses authorized by this subdivision may be issued
7.18 for space that is not compact and contiguous, provided that all such space is included in the
7.19 description of the licensed premises on the approved license application. The licenses
7.20 authorize sales on all days of the week.

7.21 (o) The city of Minneapolis may issue an on-sale intoxicating liquor license to Norway
7.22 House or to its concessionaire or operator for use on the premises owned by Norway House
7.23 at 913 East Franklin Avenue, notwithstanding limitations of law, or local ordinances, or
7.24 charter provision relating to zoning or school or church distances.

7.25 (p) The city of Minneapolis may issue an on-sale intoxicating liquor license to a restaurant
7.26 located at 4312 Upton Avenue South, notwithstanding any law or local ordinance or charter
7.27 provision.

7.28 **EFFECTIVE DATE.** This section is effective upon approval by the Minneapolis City
7.29 Council and compliance with Minnesota Statutes, section 645.021.

7.30 Sec. 10. **[340A.425] SERVICE AT CAPITOL AND CAPITOL GROUNDS.**

7.31 Notwithstanding section 340A.412, subdivision 4, paragraph (a), clause (2), the city of
7.32 St. Paul may issue an on-sale wine and malt liquor license for the premises known as the
7.33 State Capitol, including the Capitol cafeteria and the Capitol grounds. The commissioner

8.1 of administration must specify those areas where service is being requested. The Department
8.2 of Administration shall enter into an agreement with a food service vendor or another vendor
8.3 on all matters related to the sale of wine and malt liquor in the Capitol. Section 16B.275
8.4 does not apply to the sale of wine and malt liquor in the Capitol or on the Capitol grounds
8.5 and all fees charged or profits earned by the Department of Administration from the sale
8.6 of wine and malt liquor in the Capitol must be deposited in a capitol revenues account in
8.7 the general fund and are appropriated to the commissioner for capitol preservation. The
8.8 Capitol cafeteria must sell wine and malt liquor that are made in Minnesota.

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

8.12 **Sec. 11. SPECIAL EVENTS; CAPITOL.**

8.13 Notwithstanding any law or ordinance to the contrary, the city of Saint Paul may issue
8.14 two separate temporary liquor licenses for special events at the Minnesota Capitol. The first
8.15 special event license shall be for events relating to the ceremonial opening of the refurbished
8.16 State Capitol in August, 2017. The second special event license shall be for events associated
8.17 with the Superbowl and the construction of an ice castle in 2018. Licenses shall be for
8.18 on-sale during all legal hours of service, and shall allow all service of wine, malt liquor,
8.19 and distilled spirits. Service must be limited to wine, malt liquor, and distilled spirits that
8.20 are made in Minnesota.

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

8.24 **Sec. 12. NATIONAL FOOTBALL LEAGUE TRAINING SITE; ON-SALE**
8.25 **LICENSES.**

8.26 Notwithstanding Minnesota Statutes, section 340A.404, subdivision 1, or any other law
8.27 or local ordinance to the contrary, the city of Eagan may issue an on-sale intoxicating liquor
8.28 license to the owner of a National Football League sports facility located on property in the
8.29 city of Eagan in Dakota County, legally described as Lot 1, Block 1, Viking Lakes, and to
8.30 any concessionaire operator or third-party vendor under contract with the owner. The license
8.31 authorizes the sale of intoxicating liquor to persons attending any and all events on Lots 1
8.32 and 2, Block 1, Viking Lakes, that are in conjunction with activities on Lot 1. The license
8.33 may be issued for a space that is not compact and contiguous, provided that the licensed

9.1 premises shall only be the space described in the approved license. The license authorizes
9.2 sales on all days of the week. All provisions of Minnesota Statutes, chapter 340A, not
9.3 inconsistent with this section, apply to the license under this section.

9.4 **EFFECTIVE DATE.** This section is effective upon approval by the Eagan City Council
9.5 and compliance with Minnesota Statutes, section 645.021.

9.6 Sec. 13. **SPECIAL LICENSE; NEW HOPE.**

9.7 Notwithstanding any law or ordinance to the contrary, the city of New Hope may issue
9.8 an on-sale intoxicating liquor license for the New Hope Golf Course that is located at 8130
9.9 Bass Lake Road and is owned by the city. The provisions of Minnesota Statutes, chapter
9.10 340A, not inconsistent with this section, apply to the license issued under this section. The
9.11 city of New Hope is deemed the licensee under this section, and the provisions of Minnesota
9.12 Statutes, sections 340A.603 and 340A.604, apply to the license as if the establishment were
9.13 a municipal liquor store.

9.14 **EFFECTIVE DATE.** This section is effective upon approval by the New Hope City
9.15 Council and compliance with Minnesota Statutes, section 645.021.

9.16 Sec. 14. **SPECIAL LICENSE; SARTELL.**

9.17 The city of Sartell may issue an on-sale intoxicating liquor license, an on-sale wine
9.18 license, or an on-sale malt liquor license for the city-owned facilities known as Sartell
9.19 Community Center, located at 850 19th Street South; Pinecone Central Park, located at
9.20 1105 Central Park Blvd; and Champion Field, located at 710 12th Street North,
9.21 notwithstanding any law, local ordinance, or charter provision. A license issued under this
9.22 section authorizes sales on all days of the week to persons attending events at these facilities.

9.23 **EFFECTIVE DATE.** This section is effective upon approval by the Sartell City Council
9.24 and compliance with Minnesota Statutes, section 645.021.

9.25 Sec. 15. **SPECIAL CLOSING TIMES; 2018 SUPER BOWL.**

9.26 During the 2018 National Football League Super Bowl at U.S. Bank Stadium, licensing
9.27 jurisdictions that lie wholly or partially within Hennepin and Ramsey Counties may, at their
9.28 discretion, issue special permits for service of alcohol through extended hours lasting until
9.29 4:00 a.m. each day. This section is subject to the following conditions:

9.30 (1) only holders of an existing on-sale intoxicating liquor license or a 3.2 malt liquor
9.31 license are eligible for later closing hours;

10.1 (2) later closing hours apply only during the period from 12:00 p.m. on February 2,
10.2 2018, through 4:00 a.m. on February 5, 2018;

10.3 (3) local licensing jurisdictions issuing special permits to operate with extended hours
10.4 during the days listed in clause (2) may charge a fee up to but not to exceed \$250 for a
10.5 permit. In the process of issuing a permit under this section, the licensing jurisdiction may
10.6 limit approval to specified geographic, zoning, or license classifications within its jurisdiction;
10.7 and

10.8 (4) this section expires at 4:01 a.m. on February 5, 2018.

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

10.10 Sec. 16. **MORATORIUM.**

10.11 No substantive amendments to Minnesota Statutes regulating small brewers or brewpubs
10.12 may be enacted until after January 1, 2021.

10.13 Sec. 17. **REPEALER.**

10.14 Laws 2001, chapter 193, section 3, is repealed."

10.15 Delete the title and insert:

10.16 "A bill for an act
10.17 relating to liquor; allowing service at the Minnesota Capitol; allowing special
10.18 licenses; requiring microdistilleries and farm wineries to distill on premises;
10.19 establishing a Minnesota distilled label; clarifying off-sale license for
10.20 microdistilleries; establishing 2018 Super Bowl extended alcohol service hours;
10.21 amending Minnesota Statutes 2016, sections 340A.22, subdivisions 1, 2, 4;
10.22 340A.24, subdivision 3; 340A.28; 340A.285; 340A.301, by adding a subdivision;
10.23 340A.315, subdivision 7; 340A.404, subdivision 2; proposing coding for new law
10.24 in Minnesota Statutes, chapter 340A; repealing Laws 2001, chapter 193, section
10.25 3."