

1.1 To: Senator Scheid, Chair

1.2 Committee on Commerce

1.3 Senator Pappas,

1.4 Chair of the Subcommittee on Liquor, to which was referred

1.5 S.F. No. 3081: A bill for an act relating to liquor; allowing Minnesota farm wineries
1.6 to produce certain fortified wines; amending Minnesota Statutes 2004, sections 340A.101,
1.7 subdivision 11, by adding a subdivision; 340A.315, subdivisions 1, 2, 3, 4.

1.8 Reports the same back with the recommendation that the bill be amended as follows:

1.9 Delete everything after the enacting clause and insert:

1.10 "Section 1. Minnesota Statutes 2004, section 340A.101, subdivision 11, is amended

1.11 to read:

1.12 Subd. 11. **Farm winery.** "Farm winery" is a winery operated by the owner of a
1.13 Minnesota farm and producing table ~~or~~, sparkling, or fortified wines from grapes, grape
1.14 juice, other fruit bases, or honey with a majority of the ingredients grown or produced
1.15 in Minnesota.

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

1.17 Sec. 2. Minnesota Statutes 2004, section 340A.101, is amended by adding a
1.18 subdivision to read:

1.19 Subd. 30. **Fortified wine.** "Fortified wine" is wine to which brandy, or neutral grape
1.20 spirits, has been added during or after fermentation resulting in a beverage containing
1.21 not less than one-half of one percent nor more than 24 percent alcohol by volume for
1.22 nonindustrial use.

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

1.24 Sec. 3. Minnesota Statutes 2005 Supplement, section 340A.301, subdivision 6, is
1.25 amended to read:

1.26 Subd. 6. **Fees.** The annual fees for licenses under this section are as follows:

| | | |
|------|--|-----------|
| 1.27 | (a) Manufacturers (except as provided in clauses | |
| 1.28 | (b) and (c)) | \$ 30,000 |
| 1.29 | Duplicates | \$ 3,000 |
| 1.30 | (b) Manufacturers of wines of not more than 25 | |
| 1.31 | percent alcohol by volume | \$ 500 |
| 1.32 | (c) Brewers who manufacture more than 3,500 | |
| 1.33 | barrels of malt liquor in a year | \$ 4,000 |

subcommittee reports.

| | | |
|------|---|-----------|
| 2.1 | (d) Brewers who also hold one or more retail | |
| 2.2 | on-sale licenses and who manufacture fewer | |
| 2.3 | than 3,500 barrels of malt liquor in a year, | |
| 2.4 | at any one licensed premises, the entire | |
| 2.5 | production of which is solely for consumption | |
| 2.6 | on tap on the <u>any</u> licensed premises or owned | |
| 2.7 | <u>by the brewer</u> , for off-sale from that <u>those</u> | |
| 2.8 | <u>licensed premises, or for distribution through</u> | |
| 2.9 | <u>licensed wholesalers to other retail licensees.</u> | |
| 2.10 | A brewer licensed under this clause must | |
| 2.11 | obtain a separate license for each licensed | |
| 2.12 | premises where the brewer brews malt liquor. | |
| 2.13 | A brewer licensed under this clause may not | |
| 2.14 | be licensed as an importer under this chapter | \$ 500 |
| 2.15 | (e) Wholesalers (except as provided in clauses | |
| 2.16 | (f), (g), and (h)) | \$ 15,000 |
| 2.17 | Duplicates | \$ 3,000 |
| 2.18 | (f) Wholesalers of wines of not more than 25 | |
| 2.19 | percent alcohol by volume | \$ 3,750 |
| 2.20 | (g) Wholesalers of intoxicating malt liquor | \$ 1,000 |
| 2.21 | Duplicates | \$ 25 |
| 2.22 | (h) Wholesalers of 3.2 percent malt liquor | \$ 10 |
| 2.23 | (i) Brewers who manufacture fewer than 2,000 | |
| 2.24 | barrels of malt liquor in a year | \$ 150 |
| 2.25 | (j) Brewers who manufacture 2,000 to 3,500 | |
| 2.26 | barrels of malt liquor in a year | \$ 500 |

2.27 If a business licensed under this section is destroyed, or damaged to the extent that
 2.28 it cannot be carried on, or if it ceases because of the death or illness of the licensee, the
 2.29 commissioner may refund the license fee for the balance of the license period to the
 2.30 licensee or to the licensee's estate.

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

2.32 Sec. 4. Minnesota Statutes 2004, section 340A.315, subdivision 1, is amended to read:

2.33 Subdivision 1. **Licenses.** The commissioner may issue a farm winery license to
 2.34 the owner or operator of a farm winery located within the state and producing table ~~or,~~
 2.35 sparkling, or fortified wines. Licenses may be issued and renewed for an annual fee of
 2.36 \$50, which is in lieu of all other license fees required by this chapter.

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

2.38 Sec. 5. Minnesota Statutes 2004, section 340A.315, subdivision 2, is amended to read:

2.39 Subd. 2. **Sales.** A license authorizes the sale, on the farm winery premises,
 2.40 of table ~~or,~~ sparkling, or fortified wines produced by that farm winery at on-sale or
 2.41 off-sale, in retail, or wholesale lots in total quantities not in excess of 50,000 gallons in
 2.42 a calendar year, glassware, wine literature and accessories, cheese and cheese spreads,
 2.43 other wine-related food items, and the dispensing of free samples of the wines offered

4.1 (c) The city of Minneapolis may issue an on-sale intoxicating liquor license to
4.2 Zuhrah Shrine Temple for use on the premises owned by Zuhrah Shrine Temple at 2540
Park Avenue South in Minneapolis, and to the American Swedish Institute for use on
4.4 the premises owned by the American Swedish Institute at 2600 Park Avenue South,
4.5 notwithstanding limitations of law, or local ordinances, or charter provision relating to
4.6 zoning or school or church distances.

4.7 (d) The city of Minneapolis may issue an on-sale intoxicating liquor license to
4.8 the American Association of University Women, Minneapolis branch, for use on the
4.9 premises owned by the American Association of University Women, Minneapolis branch,
4.10 at 2115 Stevens Avenue South in Minneapolis, notwithstanding limitations of law, or local
4.11 ordinances, or charter provisions relating to zoning or school or church distances.

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

4.16 (f) The city of Minneapolis may issue an on-sale wine license and an on-sale malt
4.17 liquor license to the Brave New Workshop Theatre located at 3001 Hennepin Avenue
4.18 South, the Theatre de la Jeune Lune, the Illusion Theatre located at 528 Hennepin Avenue
4.19 South, the Hollywood Theatre located at 2815 Johnson Street Northeast, the Loring
4.20 Playhouse located at 1633 Hennepin Avenue South, the Jungle Theater located at 2951
4.21 Lyndale Avenue South, Brave New Institute located at 2605 Hennepin Avenue South,
4.22 the Guthrie Lab located at 700 North First Street, and the Southern Theatre located at
4.23 1420 Washington Avenue South, notwithstanding any law or local ordinance or charter
4.24 provision. The license authorizes sales on all days of the week.

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

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

4.35 (i) The city of Minneapolis may issue an on-sale intoxicating liquor license to the
4.36 Guthrie Theater's concessionaire or operator for a restaurant and catering operator on the

2.44 for sale. Sales at on-sale and off-sale may be made on Sundays between 12:00 noon and
3.1 12:00 midnight. Labels for each type or brand produced must be registered with the
3.2 commissioner, without fee prior to sale.

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

3.4 Sec. 6. Minnesota Statutes 2004, section 340A.315, subdivision 3, is amended to read:

3.5 Subd. 3. **Applicability.** Except as otherwise specified in this section, all provisions
3.6 of this chapter govern the production, sale, possession, and consumption of table or,
3.7 sparkling, or fortified wines produced by a farm winery.

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

3.9 Sec. 7. Minnesota Statutes 2004, section 340A.315, subdivision 4, is amended to read:

3.10 Subd. 4. **Minnesota products.** If Minnesota produced or grown grapes, grape juice,
3.11 other fruit bases, or honey is not available in quantities sufficient to constitute a majority
3.12 of the table or, sparkling, or fortified wine produced by a farm winery, the holder of the
3.13 farm winery license may file an affidavit stating this fact with the commissioner. If the
3.14 commissioner, after consultation with the commissioner of agriculture, determines this to
3.15 be true, the farm winery may use imported products and shall continue to be governed by
3.16 the provisions of this section. The affidavit is effective for a period of one year, after which
3.17 time the farm winery must use the required amount of Minnesota products as provided by
3.18 subdivision 1 unless the farm winery holder files a new affidavit with the commissioner.

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

3.20 Sec. 8. Minnesota Statutes 2005 Supplement, section 340A.404, subdivision 2, is
3.21 amended to read:

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

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

5.1 premises of the Guthrie Theater, notwithstanding limitations of law, local ordinance, or
5.2 charter provisions. The license authorizes sales on all days of the week.

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

5.8 **EFFECTIVE DATE.** This section is effective upon approval by the Minneapolis
5.9 City Council in the manner provided by Minnesota Statutes, section 645.021,
5.10 notwithstanding Minnesota Statutes, section 645.023, subdivision 1, paragraph (a).

5.11 Sec. 9. Minnesota Statutes 2004, section 340A.404, subdivision 5, is amended to read:

5.12 **Subd. 5. Wine licenses.** (a) A municipality may issue an on-sale wine license with
5.13 the approval of the commissioner to a restaurant having facilities for seating at least 25
5.14 guests at one time. A wine license permits the sale of wine of up to 14 percent alcohol by
5.15 volume for consumption with the sale of food. A wine license authorizes the sale of wine
5.16 on all days of the week unless the issuing authority restricts the license's authorization to
5.17 the sale of wine on all days except Sundays.

5.18 (b) The governing body of a municipality may by ordinance authorize a holder of
5.19 an on-sale wine license issued pursuant to paragraph (a) who is also licensed to sell 3.2
5.20 percent malt liquors at on-sale pursuant to section 340A.411, and whose gross receipts
5.21 are at least 60 percent attributable to the sale of food, to sell intoxicating malt liquors
5.22 at on-sale without an additional license.

5.23 (c) A municipality may issue an on-sale wine license with the approval of the
5.24 commissioner to a licensed bed and breakfast facility. A license under this paragraph
5.25 authorizes a bed and breakfast facility to furnish wine only to registered guests of the
5.26 facility and, if the facility contains a licensed commercial kitchen, also to guests attending
5.27 private events at the facility.

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

5.29 Sec. 10. **[340A.404] CULINARY CLASSES; ON-SALE LICENSE.**

5.30 Subdivision 1. License authorized. A city or county may issue a limited on-sale
5.31 intoxicating liquor license to a business establishment: (1) not otherwise eligible for an
5.32 on-sale intoxicating liquor license; and (2) that, as part of its business, conducts culinary
5.33 or cooking classes for which payment is made by each participant or advance reservation
5.34 required. The license authorizes the licensee to furnish to each participant in each class,

6.1 at no additional cost to the participant, up to a maximum of six ounces of wine or 12
6.2 ounces of intoxicating malt liquor, during and as part of the class, for consumption on the
6.3 licensed premises only.

6.4 Subd. 2. Samples. A license under this section also authorizes the licensee to
6.5 dispense to the public, at no charge, samples of up to one ounce of wine for purposes of
6.6 demonstrating nonalcoholic products for sale.

6.7 Subd. 3. Fee. The issuing authority shall set the fee for a license under this section,
6.8 subject to section 340A.408, subdivision 2, paragraph (a).

6.9 Subd. 4. Application of other law. All provisions of this chapter that apply to
6.10 on-sale intoxicating liquor licenses, other than provisions inconsistent with this section,
6.11 apply to licenses issued under this section, except that section 340A.409 shall not apply.

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

6.13 Sec. 11. Minnesota Statutes 2005 Supplement, section 340A.412, subdivision 4,
6.14 is amended to read:

6.15 Subd. 4. Licenses prohibited in certain areas. (a) No license to sell intoxicating
6.16 liquor may be issued within the following areas:

6.17 (1) where restricted against commercial use through zoning ordinances and other
6.18 proceedings or legal processes regularly had for that purpose, except licenses may be
6.19 issued to restaurants in areas which were restricted against commercial uses after the
6.20 establishment of the restaurant;

6.21 (2) within the Capitol or on the Capitol grounds, except as provided under Laws
6.22 1983, chapter 259, section 9, or Laws 1999, chapter 202, section 13;

6.23 (3) on the State Fairgrounds or at any place in a city of the first class within one-half
6.24 mile of the fairgrounds, except as otherwise provided by charter;

6.25 (4) on the campus of the College of Agriculture of the University of Minnesota or at
6.26 any place in a city of the first class within one-half mile of the campus, provided that a city
6.27 may issue one on-sale wine license and one off-sale intoxicating liquor license in this area
6.28 that is not included in the area described in clause (3), except as provided by charter;

6.29 (5) within 1,000 feet of a state hospital, training school, reformatory, prison, or other
6.30 institution under the supervision or control, in whole or in part, of the commissioner of
6.31 human services or the commissioner of corrections;

6.32 (6) in a town or municipality in which a majority of votes at the last election
6.33 at which the question of license was voted upon were not in favor of license under
6.34 section 340A.416, or within one-half mile of any such town or municipality, except that
6.35 intoxicating liquor manufactured within this radius may be sold to be consumed outside it;

7.1 (7) at any place on the east side of the Mississippi River within one-tenth of a mile
7.2 of the main building of the University of Minnesota unless (i) the licensed establishment
7.3 is on property owned or operated by a nonprofit corporation organized prior to January
7.4 1, 1940, for and by former students of the University of Minnesota, or (ii) the licensed
7.5 premises is Northrop Auditorium;

7.6 (8) within 1,500 feet of a state university, except that:

7.7 (i) the minimum distance in the case of Winona and Southwest State University is
7.8 1,200 feet, measured by a direct line from the nearest corner of the administration building
7.9 to the main entrance of the licensed establishment;

7.10 (ii) within 1,500 feet of St. Cloud State University one on-sale wine and two off-sale
7.11 intoxicating liquor licenses may be issued, measured by a direct line from the nearest
7.12 corner of the administration building to the main entrance of the licensed establishment;

7.13 (iii) at Mankato State University the distance is measured from the front door of
7.14 the student union of the Highland campus;

7.15 (iv) a temporary license under section 340A.404, subdivision 10, may be issued to
7.16 a location on the grounds of a state university for an event sponsored or approved by
7.17 the state university; and

7.18 (v) this restriction does not apply to the area surrounding the premises ~~leased by~~ of
7.19 Metropolitan State University at ~~730 Hennepin Avenue South~~ in Minneapolis; and

7.20 (9) within 1,500 feet of any public school that is not within a city.

7.21 (b) The restrictions of this subdivision do not apply to a manufacturer or wholesaler
7.22 of intoxicating liquor or to a drugstore or to a person who had a license originally issued
7.23 lawfully prior to July 1, 1967.

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

7.25 Sec. 12. Minnesota Statutes 2004, section 340A.414, subdivision 2, is amended to read:

7.26 Subd. 2. **Eligibility for permit.** (a) The commissioner may issue a permit under
7.27 this section only to:

7.28 (1) an applicant who has not, within five years prior to the application, been
7.29 convicted of a felony or of violating any provision of this chapter or rule adopted under
7.30 this chapter;

7.31 (2) a restaurant;

7.32 (3) a hotel;

7.33 (4) an establishment licensed for the sale of 3.2 percent malt liquor;

7.34 (5) a resort as defined in section 157.15; and

8.1 (6) a club as defined in section 340A.101, subdivision 7, or an unincorporated club
8.2 otherwise meeting that definition; and

8.3 (7) a bed and breakfast facility as defined in section 340A.411, subdivision 1.

8.4 (b) The commissioner may not issue a permit to a club holding an on-sale
8.5 intoxicating liquor license.

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

8.7 Sec. 13. Minnesota Statutes 2004, section 340A.504, subdivision 6, is amended to read:

8.8 Subd. 6. **Municipalities may limit hours.** A municipality may further limit the
8.9 hours of sale on and off sales of alcoholic beverages, provided that further restricted
8.10 on-sale hours for intoxicating liquor must apply equally to ~~sales~~ on-sale hours of 3.2
8.11 percent malt liquor ~~and intoxicating liquor~~. A city may not permit the sale of alcoholic
8.12 beverages during hours when the sale is prohibited by this section.

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

8.14 Sec. 14. CITY OF NEW PRAGUE; LIQUOR LICENSE.

8.15 (a) The city of New Prague may issue an on-sale intoxicating liquor license for the
8.16 New Prague Golf Club grounds, clubhouse, and restaurant located in the city of New
8.17 Prague, notwithstanding any limitation of law, local ordinance, or charter provision. The
8.18 provisions of Minnesota Statutes, chapter 340A, apply to the license issued under this
8.19 section. The provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply
8.20 to the establishment licensed under this section as if the establishment were a municipal
8.21 liquor store, provided that the commissioner of public safety may not impose any penalty
8.22 on the establishment under those sections if the city has imposed a comparable or greater
8.23 penalty on the licensee for the same offense. The license under this section authorizes
8.24 sales on all days of the week.

8.25 (b) The city of New Prague is the licensee under this section for purposes of
8.26 compliance with Minnesota Statutes, section 340A.409. The city of New Prague is
8.27 deemed the seller of alcoholic beverages under the license authorized by this section for
8.28 purposes of Minnesota Statutes, sections 340A.801 and 340A.802.

8.29 EFFECTIVE DATE. This section is effective the day following final enactment."

8.30 Amend the title accordingly

8.31 And when so amended that the bill be recommended to pass and be referred to
8.32 the full committee.

8.33 
8.34 (Subcommittee Chair)

March 20, 2006
(Date of Subcommittee recommendation)

A bill for an act

relating to liquor; allowing Minnesota farm wineries to produce fortified wine; modifying certain fee provisions; providing for licensing provisions; clarifying certain sale hours; authorizing various local on-sale licenses; amending Minnesota Statutes 2004, sections 340A.101, subdivision 11, by adding a subdivision; 340A.315, subdivisions 1, 2, 3, 4; 340A.404, subdivision 5; 340A.414, subdivision 2; 340A.504, subdivision 6; Minnesota Statutes 2005 Supplement, sections 340A.301, subdivision 6; 340A.404, subdivision 2; 340A.412, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 340A.

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

Section 1. Minnesota Statutes 2004, section 340A.101, subdivision 11, is amended to read:

Subd. 11. **Farm winery.** "Farm winery" is a winery operated by the owner of a Minnesota farm and producing table ~~or~~, sparkling, or fortified wines from grapes, grape juice, other fruit bases, or honey with a majority of the ingredients grown or produced in Minnesota.

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

Sec. 2. Minnesota Statutes 2004, section 340A.101, is amended by adding a subdivision to read:

Subd. 30. **Fortified wine.** "Fortified wine" is wine to which brandy, or neutral grape spirits, has been added during or after fermentation resulting in a beverage containing not less than one-half of one percent nor more than 24 percent alcohol by volume for nonindustrial use.

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

2.1 Sec. 3. Minnesota Statutes 2005 Supplement, section 340A.301, subdivision 6, is
2.2 amended to read:

Subd. 6. Fees. The annual fees for licenses under this section are as follows:

- 2.4 (a) Manufacturers (except as provided in clauses
- 2.5 (b) and (c)) \$ 30,000
- 2.6 Duplicates \$ 3,000
- 2.7 (b) Manufacturers of wines of not more than 25
- 2.8 percent alcohol by volume \$ 500
- 2.9 (c) Brewers who manufacture more than 3,500
- 2.10 barrels of malt liquor in a year \$ 4,000
- 2.11 (d) Brewers who also hold one or more retail
- 2.12 on-sale licenses and who manufacture fewer
- 2.13 than 3,500 barrels of malt liquor in a year,
- 2.14 at any one licensed premises, the entire
- 2.15 production of which is solely for consumption
- 2.16 on tap on ~~the~~ any licensed premises ~~or~~ owned
- 2.17 by the brewer, or for off-sale from ~~that~~ those
- 2.18 licensed premises as permitted in subdivision
- 2.19 7. A brewer licensed under this clause must
- 2.20 obtain a separate license for each licensed
- 2.21 premises where the brewer brews malt liquor.
- 2.22 A brewer licensed under this clause may not
- 2.23 be licensed as an importer under this chapter \$ 500

| | | |
|------|--|-----------|
| 2.24 | (e) Wholesalers (except as provided in clauses | |
| 2.25 | (f), (g), and (h)) | \$ 15,000 |
| 2.26 | Duplicates | \$ 3,000 |
| 2.27 | (f) Wholesalers of wines of not more than 25 | |
| 2.28 | percent alcohol by volume | \$ 3,750 |
| 2.29 | (g) Wholesalers of intoxicating malt liquor | \$ 1,000 |
| 2.30 | Duplicates | \$ 25 |
| 2.31 | (h) Wholesalers of 3.2 percent malt liquor | \$ 10 |
| 3.1 | (i) Brewers who manufacture fewer than 2,000 | |
| 3.2 | barrels of malt liquor in a year | \$ 150 |
| 3.3 | (j) Brewers who manufacture 2,000 to 3,500 | |
| 3.4 | barrels of malt liquor in a year | \$ 500 |

3.5 If a business licensed under this section is destroyed, or damaged to the extent that
 3.6 it cannot be carried on, or if it ceases because of the death or illness of the licensee, the
 3.7 commissioner may refund the license fee for the balance of the license period to the
 3.8 licensee or to the licensee's estate.

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

3.10 Sec. 4. Minnesota Statutes 2004, section 340A.315, subdivision 1, is amended to read:

3.11 Subdivision 1. **Licenses.** The commissioner may issue a farm winery license to
 3.12 the owner or operator of a farm winery located within the state and producing table ~~or~~
 3.13 sparkling, or fortified wines. Licenses may be issued and renewed for an annual fee of
 3.14 \$50, which is in lieu of all other license fees required by this chapter.

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

3.16 Sec. 5. Minnesota Statutes 2004, section 340A.315, subdivision 2, is amended to read:

3.17 Subd. 2. **Sales.** A license authorizes the sale, on the farm winery premises,
 3.18 of table ~~or~~ sparkling, or fortified wines produced by that farm winery at on-sale or
 3.19 off-sale, in retail, or wholesale lots in total quantities not in excess of 50,000 gallons in
 3.20 a calendar year, glassware, wine literature and accessories, cheese and cheese spreads,
 3.21 other wine-related food items, and the dispensing of free samples of the wines offered
 3.22 for sale. Sales at on-sale and off-sale may be made on Sundays between 12:00 noon and

3.23 12:00 midnight. Labels for each type or brand produced must be registered with the
 3.24 commissioner, without fee prior to sale.

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

3.26 Sec. 6. Minnesota Statutes 2004, section 340A.315, subdivision 3, is amended to read:

3.27 Subd. 3. **Applicability.** Except as otherwise specified in this section, all provisions
 3.28 of this chapter govern the production, sale, possession, and consumption of table ~~or,~~
 3.29 sparkling, or fortified wines produced by a farm winery.

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

4.1 Sec. 7. Minnesota Statutes 2004, section 340A.315, subdivision 4, is amended to read:

4.2 Subd. 4. **Minnesota products.** If Minnesota produced or grown grapes, grape juice,
 4.3 other fruit bases, or honey is not available in quantities sufficient to constitute a majority
 4.4 of the table ~~or,~~ sparkling, or fortified wine produced by a farm winery, the holder of the
 4.5 farm winery license may file an affidavit stating this fact with the commissioner. If the
 4.6 commissioner, after consultation with the commissioner of agriculture, determines this to
 4.7 be true, the farm winery may use imported products and shall continue to be governed by
 4.8 the provisions of this section. The affidavit is effective for a period of one year, after which
 4.9 time the farm winery must use the required amount of Minnesota products as provided by
 4.10 subdivision 1 unless the farm winery holder files a new affidavit with the commissioner.

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

4.12 Sec. 8. Minnesota Statutes 2005 Supplement, section 340A.404, subdivision 2, is
 4.13 amended to read:

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

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

4.25 (c) The city of Minneapolis may issue an on-sale intoxicating liquor license to
4.26 Zuhrah Shrine Temple for use on the premises owned by Zuhrah Shrine Temple at 2540
4.27 Park Avenue South in Minneapolis, and to the American Swedish Institute for use on
4.28 the premises owned by the American Swedish Institute at 2600 Park Avenue South,
4.29 notwithstanding limitations of law, or local ordinances, or charter provision relating to
4.30 zoning or school or church distances.

4.31 (d) The city of Minneapolis may issue an on-sale intoxicating liquor license to
4.32 the American Association of University Women, Minneapolis branch, for use on the
4.33 premises owned by the American Association of University Women, Minneapolis branch,
4.34 at 2115 Stevens Avenue South in Minneapolis, notwithstanding limitations of law, or local
4.35 ordinances, or charter provisions relating to zoning or school or church distances.

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

5.5 (f) The city of Minneapolis may issue an on-sale wine license and an on-sale malt
5.6 liquor license to the Brave New Workshop Theatre located at 3001 Hennepin Avenue
5.7 South, the Theatre de la Jeune Lune, the Illusion Theatre located at 528 Hennepin Avenue
5.8 South, the Hollywood Theatre located at 2815 Johnson Street Northeast, the Loring
5.9 Playhouse located at 1633 Hennepin Avenue South, the Jungle Theater located at 2951
5.10 Lyndale Avenue South, Brave New Institute located at 2605 Hennepin Avenue South,
5.11 the Guthrie Lab located at 700 North First Street, and the Southern Theatre located at
5.12 1420 Washington Avenue South, notwithstanding any law or local ordinance or charter
3 provision. The license authorizes sales on all days of the week.

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

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

5.24 (i) The city of Minneapolis may issue an on-sale intoxicating liquor license to the
5.25 Guthrie Theater's concessionaire or operator for a restaurant and catering operator on the

5.26 premises of the Guthrie Theater, notwithstanding limitations of law, local ordinance, or
 5.27 charter provisions. The license authorizes sales on all days of the week.

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

5.33 **EFFECTIVE DATE.** This section is effective upon approval by the Minneapolis
 5.34 City Council in the manner provided by Minnesota Statutes, section 645.021,
 5.35 notwithstanding Minnesota Statutes, section 645.023, subdivision 1, paragraph (a).

6.1 Sec. 9. Minnesota Statutes 2004, section 340A.404, subdivision 5, is amended to read:

6.2 Subd. 5. **Wine licenses.** (a) A municipality may issue an on-sale wine license with
 6.3 the approval of the commissioner to a restaurant having facilities for seating at least 25
 6.4 guests at one time. A wine license permits the sale of wine of up to 14 percent alcohol by
 6.5 volume for consumption with the sale of food. A wine license authorizes the sale of wine
 6.6 on all days of the week unless the issuing authority restricts the license's authorization to
 6.7 the sale of wine on all days except Sundays.

6.8 (b) The governing body of a municipality may by ordinance authorize a holder of
 6.9 an on-sale wine license issued pursuant to paragraph (a) who is also licensed to sell 3.2
 6.10 percent malt liquors at on-sale pursuant to section 340A.411, and whose gross receipts
 6.11 are at least 60 percent attributable to the sale of food, to sell intoxicating malt liquors
 6.12 at on-sale without an additional license.

6.13 (c) A municipality may issue an on-sale wine license with the approval of the
 6.14 commissioner to a licensed bed and breakfast facility. A license under this paragraph
 6.15 authorizes a bed and breakfast facility to furnish wine only to registered guests of the
 6.16 facility and, if the facility contains a licensed commercial kitchen, also to guests attending
 6.17 private events at the facility.

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

6.19 Sec. 10. **[340A.4041] CULINARY CLASSES; ON-SALE LICENSE.**

6.20 Subdivision 1. License authorized. A city or county may issue a limited on-sale
 6.21 intoxicating liquor license to a business establishment: (1) not otherwise eligible for an
 6.22 on-sale intoxicating liquor license; and (2) that, as part of its business, conducts culinary
 6.23 or cooking classes for which payment is made by each participant or advance reservation

6.24 required. The license authorizes the licensee to furnish to each participant in each class,
6.25 at no additional cost to the participant, up to a maximum of six ounces of wine or 12
6.26 ounces of intoxicating malt liquor, during and as part of the class, for consumption on the
6.27 licensed premises only.

6.28 Subd. 2. Fee. The issuing authority shall set the fee for a license under this section,
6.29 subject to section 340A.408, subdivision 2, paragraph (a).

6.30 Subd. 3. Application of other law. All provisions of this chapter that apply to
6.31 on-sale intoxicating liquor licenses, other than provisions inconsistent with this section,
6.32 apply to licenses issued under this section, except that section 340A.409 shall not apply.

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

7.1 Sec. 11. Minnesota Statutes 2005 Supplement, section 340A.412, subdivision 4,
is amended to read:

7.3 Subd. 4. **Licenses prohibited in certain areas.** (a) No license to sell intoxicating
7.4 liquor may be issued within the following areas:

7.5 (1) where restricted against commercial use through zoning ordinances and other
7.6 proceedings or legal processes regularly had for that purpose, except licenses may be
7.7 issued to restaurants in areas which were restricted against commercial uses after the
7.8 establishment of the restaurant;

7.9 (2) within the Capitol or on the Capitol grounds, except as provided under Laws
7.10 1983, chapter 259, section 9, or Laws 1999, chapter 202, section 13;

7.11 (3) on the State Fairgrounds or at any place in a city of the first class within one-half
7.12 mile of the fairgrounds, except as otherwise provided by charter;

7.13 (4) on the campus of the College of Agriculture of the University of Minnesota or at
7.14 any place in a city of the first class within one-half mile of the campus, provided that a city
7.15 may issue one on-sale wine license and one off-sale intoxicating liquor license in this area
7.16 that is not included in the area described in clause (3), except as provided by charter;

7.17 (5) within 1,000 feet of a state hospital, training school, reformatory, prison, or other
7.18 institution under the supervision or control, in whole or in part, of the commissioner of
7.19 human services or the commissioner of corrections;

7.20 (6) in a town or municipality in which a majority of votes at the last election
7.21 at which the question of license was voted upon were not in favor of license under
7.22 section 340A.416, or within one-half mile of any such town or municipality, except that
3 intoxicating liquor manufactured within this radius may be sold to be consumed outside it;

7.24 (7) at any place on the east side of the Mississippi River within one-tenth of a mile
7.25 of the main building of the University of Minnesota unless (i) the licensed establishment

7.26 is on property owned or operated by a nonprofit corporation organized prior to January
 7.27 1, 1940, for and by former students of the University of Minnesota, or (ii) the licensed
 7.28 premises is Northrop Auditorium;

7.29 (8) within 1,500 feet of a state university, except that:

7.30 (i) the minimum distance in the case of Winona and Southwest State University is
 7.31 1,200 feet, measured by a direct line from the nearest corner of the administration building
 7.32 to the main entrance of the licensed establishment;

7.33 (ii) within 1,500 feet of St. Cloud State University one on-sale wine and two off-sale
 7.34 intoxicating liquor licenses may be issued, measured by a direct line from the nearest
 7.35 corner of the administration building to the main entrance of the licensed establishment;

8.1 (iii) at Mankato State University the distance is measured from the front door of
 8.2 the student union of the Highland campus;

8.3 (iv) a temporary license under section 340A.404, subdivision 10, may be issued to
 8.4 a location on the grounds of a state university for an event sponsored or approved by
 8.5 the state university; and

8.6 (v) this restriction does not apply to the area surrounding the premises ~~leased by~~ of
 8.7 Metropolitan State University ~~at 730 Hennepin Avenue South~~ in Minneapolis; and

8.8 (9) within 1,500 feet of any public school that is not within a city.

8.9 (b) The restrictions of this subdivision do not apply to a manufacturer or wholesaler
 8.10 of intoxicating liquor or to a drugstore or to a person who had a license originally issued
 8.11 lawfully prior to July 1, 1967.

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

8.13 Sec. 12. Minnesota Statutes 2004, section 340A.414, subdivision 2, is amended to read:

8.14 Subd. 2. **Eligibility for permit.** (a) The commissioner may issue a permit under
 8.15 this section only to:

8.16 (1) an applicant who has not, within five years prior to the application, been
 8.17 convicted of a felony or of violating any provision of this chapter or rule adopted under
 8.18 this chapter;

8.19 (2) a restaurant;

8.20 (3) a hotel;

8.21 (4) an establishment licensed for the sale of 3.2 percent malt liquor;

8.22 (5) a resort as defined in section 157.15; ~~and~~

3 (6) a club as defined in section 340A.101, subdivision 7, or an unincorporated club
 8.24 otherwise meeting that definition; and

8.25 (7) a bed and breakfast facility as defined in section 340A.411, subdivision 1.

8.26 (b) The commissioner may not issue a permit to a club holding an on-sale
8.27 intoxicating liquor license.

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

8.29 Sec. 13. Minnesota Statutes 2004, section 340A.504, subdivision 6, is amended to read:

8.30 Subd. 6. **Municipalities may limit hours.** A municipality may further limit the
8.31 hours of ~~sale~~ on and off sales of alcoholic beverages, provided that further restricted
8.32 on-sale hours for intoxicating liquor must apply equally to ~~sales~~ on-sale hours of 3.2
9.1 percent malt liquor ~~and intoxicating liquor~~. A city may not permit the sale of alcoholic
9.2 beverages during hours when the sale is prohibited by this section.

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

9.4 Sec. 14. CITY OF NEW PRAGUE; LIQUOR LICENSE.

9.5 (a) The city of New Prague may issue an on-sale intoxicating liquor license for the
9.6 New Prague Golf Club grounds, clubhouse, and restaurant located in the city of New
9.7 Prague, notwithstanding any limitation of law, local ordinance, or charter provision. The
9.8 provisions of Minnesota Statutes, chapter 340A, apply to the license issued under this
9.9 section. The provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply
9.10 to the establishment licensed under this section as if the establishment were a municipal
9.11 liquor store, provided that the commissioner of public safety may not impose any penalty
9.12 on the establishment under those sections if the city has imposed a comparable or greater
9.13 penalty on the licensee for the same offense. The license under this section authorizes
4 sales on all days of the week.

9.15 (b) The city of New Prague is the licensee under this section for purposes of
9.16 compliance with Minnesota Statutes, section 340A.409. The city of New Prague is
9.17 deemed the seller of alcoholic beverages under the license authorized by this section for
9.18 purposes of Minnesota Statutes, sections 340A.801 and 340A.802.

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

**Senate Counsel, Research,
and Fiscal Analysis**

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Senate

State of Minnesota

S.F. No. 3081 - Farm Winery Fortified Wine

Author: Senator Sandra L. Pappas

Prepared by: Matthew S. Grosser, Senate Research (651/296-1890)

Date: March 17, 2006

MG

The bill permits Minnesota farm wineries to produce fortified wines such as Port or Sherry, using a majority of Minnesota-grown grapes. Current law restricts farm wineries to the production of table and sparkling wines.

MG:rdr

3/20/2006

Farm Winery Law Changes 2006.

Fortification of wine to make Port – 5 points to present.

1. At present everywhere in the world, France, Brazil, Australia, Iowa as well as all other states have an advantage over MN wineries in MN. They can all make Port in the traditional method and sell to Minnesotans. Only MN Farm wineries cannot make Port wine.

2. Port wine is made by adding neutral grape spirits or brandy to the wine to stop fermentation and preserve sweetness and strong fruit flavors. Federal law lists Port as a wine having between 18 and 24 % Alcohol. In order to reach the legal limit to make Port, fortification is employed.

3. The Frontenac variety of grape was developed by the University of Minnesota and has exceptional qualities for making Port. Other wineries, as an example; Galena Cellars in Illinois where producing Port is legal, have made some of the worlds best Port wines from the MN Frontenac Grape. Galena Cellars earned the Double Gold Concurrence medal at the Indy International Wine Competition. Their Frontenac Port won over the French, Portuguese, Italians, Australians and all other world wide Port producers.

4. In order for MN wineries to compete in the marketplace it is necessary to have the ability to legally make Port wine by fortification. Port often commands top dollar in the trade, this would provide MN wineries the ability to be more profitable and secure. Additionally, the allowance of Port wine to State Winery menus creates another positive demand for Frontenac Grapes within Minnesota, thereby helping Minnesota vineyards, an important emerging agricultural addition to the States economy.

5. Finally, I would like to tell you how important the MN wine industry is to MN state tax revenue. Each acre of grapes made into wine in MN returns \$2025.00 or more in sales tax yearly. This return far exceeds most every other farm commodity in the ability to generate tax revenue dollars.

The MN Grape Growers Association a organization of winery and growers - 700 members strong, support this change to the Farm Winery Law.

John Falconer

Owner – Falconer Vineyards Winery & Nursery
Red Wing, MN

Vice President and Editor for the MN Grape Growers Association.

Sec 1
 Sec 2
 Sec 4
 Sec 5
 Sec 7

Senators Pappas and Scheid introduced-

S.F. No. 3081: Referred to the Committee on Commerce.

1 A bill for an act
 1.2 relating to liquor; allowing Minnesota farm wineries to produce certain fortified
 1.3 wines; amending Minnesota Statutes 2004, sections 340A.101, subdivision 11,
 1.4 by adding a subdivision; 340A.315, subdivisions 1, 2, 3, 4.

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

1.6 Section 1. Minnesota Statutes 2004, section 340A.101, subdivision 11, is amended to
 1.7 read:

1.8 Subd. 11. **Farm winery.** "Farm winery" is a winery operated by the owner of a
 1.9 Minnesota farm and producing table ~~or~~, sparkling, or fortified wines from grapes, grape
 1.10 juice, other fruit bases, or honey with a majority of the ingredients grown or produced
 1.11 in Minnesota.

1.12 Sec. 2. Minnesota Statutes 2004, section 340A.101, is amended by adding a
 1.13 subdivision to read:

1.14 Subd. 30. **Fortified wine.** "Fortified wine" is wine to which brandy, or neutral grape
 1.15 spirits, has been added during or after fermentation resulting in a beverage containing
 1.16 not less than one-half of one percent nor more than 24 percent alcohol by volume for
 1.17 nonindustrial use.

1.18 Sec. 3. Minnesota Statutes 2004, section 340A.315, subdivision 1, is amended to read:

1.19 Subdivision 1. **Licenses.** The commissioner may issue a farm winery license to
 1.20 the owner or operator of a farm winery located within the state and producing table ~~or~~,
 1.21 sparkling, or fortified wines. Licenses may be issued and renewed for an annual fee of
 1.22 \$50, which is in lieu of all other license fees required by this chapter.

2.1 Sec. 4. Minnesota Statutes 2004, section 340A.315, subdivision 2, is amended to read:

2.2 Subd. 2. **Sales.** A license authorizes the sale, on the farm winery premises, of table
2.3 ~~or~~, sparkling, or fortified wines produced by that farm winery at on-sale or off-sale, in
2.4 retail, or wholesale lots in total quantities not in excess of 50,000 gallons in a calendar
2.5 year, glassware, wine literature and accessories, cheese and cheese spreads, and the
2.6 dispensing of free samples of the wines offered for sale. Sales at on-sale and off-sale may
2.7 be made on Sundays between 12:00 noon and 12:00 midnight. Labels for each type or
2.8 brand produced must be registered with the commissioner, without fee prior to sale.

2.9 Sec. 5. Minnesota Statutes 2004, section 340A.315, subdivision 3, is amended to read:

2.10 Subd. 3. **Applicability.** Except as otherwise specified in this section, all provisions
2.11 of this chapter govern the production, sale, possession, and consumption of table ~~or~~,
2.12 sparkling, or fortified wines produced by a farm winery.

2.13 Sec. 6. Minnesota Statutes 2004, section 340A.315, subdivision 4, is amended to read:

2.14 Subd. 4. **Minnesota products.** If Minnesota produced or grown grapes, grape juice,
2.15 other fruit bases, or honey is not available in quantities sufficient to constitute a majority
2.16 of the table ~~or~~, sparkling, or fortified wine produced by a farm winery, the holder of the
2.17 farm winery license may file an affidavit stating this fact with the commissioner. If the
2.18 commissioner, after consultation with the commissioner of agriculture, determines this to
2.19 be true, the farm winery may use imported products and shall continue to be governed by
2.20 the provisions of this section. The affidavit is effective for a period of one year, after which
2.21 time the farm winery must use the required amount of Minnesota products as provided by
2.22 subdivision 1 unless the farm winery holder files a new affidavit with the commissioner.

2.23 Sec. 7. **EFFECTIVE DATE.**

2.24 This act is effective the day following final enactment.

1.1 Senator moves to amend S.F. No. 3081 as follows:

1.2 Page 2, line 5, after the fourth comma, insert "other wine-related food items."

1.1 To: Senator Scheid, Chair

1.2 Committee on Commerce

Senator Pappas,

1.4 Chair of the Subcommittee on Liquor, to which was referred

1.5 **S.F. No. 3081:** A bill for an act relating to liquor; allowing Minnesota farm wineries
1.6 to produce certain fortified wines; amending Minnesota Statutes 2004, sections 340A.101,
1.7 subdivision 11, by adding a subdivision; 340A.315, subdivisions 1, 2, 3, 4.

1.8 Reports the same back with the recommendation that the bill be amended as follows:

1.9 Delete everything after the enacting clause and insert:

1.10 "Section 1. Minnesota Statutes 2004, section 340A.101, subdivision 11, is amended
1.11 to read:

1.12 Subd. 11. **Farm winery.** "Farm winery" is a winery operated by the owner of a
1.13 Minnesota farm and producing table ~~or~~, sparkling, or fortified wines from grapes, grape
1.14 juice, other fruit bases, or honey with a majority of the ingredients grown or produced
1.15 in Minnesota.

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

1.17 Sec. 2. Minnesota Statutes 2004, section 340A.101, is amended by adding a
1.18 subdivision to read:

1.19 Subd. 30. **Fortified wine.** "Fortified wine" is wine to which brandy, or neutral grape
1.20 spirits, has been added during or after fermentation resulting in a beverage containing
1.21 not less than one-half of one percent nor more than 24 percent alcohol by volume for
1.22 nonindustrial use.

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

1.24 Sec. 3. Minnesota Statutes 2005 Supplement, section 340A.301, subdivision 6, is
1.25 amended to read:

1.26 Subd. 6. **Fees.** The annual fees for licenses under this section are as follows:

| | | |
|------|--|-----------|
| 1.27 | (a) Manufacturers (except as provided in clauses | |
| 1.28 | (b) and (c)) | \$ 30,000 |
| 1.29 | Duplicates | \$ 3,000 |
| 1.30 | (b) Manufacturers of wines of not more than 25 | |
| 1.31 | percent alcohol by volume | \$ 500 |
| 1.32 | (c) Brewers who manufacture more than 3,500 | |
| 1.33 | barrels of malt liquor in a year | \$ 4,000 |

| | | |
|------|---|-----------|
| 2.1 | (d) Brewers who also hold one or more retail | |
| 2.2 | on-sale licenses and who manufacture fewer | |
| 2.3 | than 3,500 barrels of malt liquor in a year, | |
| 2.4 | at any one licensed premises, the entire | |
| 2.5 | production of which is solely for consumption | |
| 2.6 | on tap on the <u>any</u> licensed premises or owned | |
| 2.7 | <u>by the brewer</u> , for off-sale from that <u>those</u> | |
| 2.8 | <u>licensed premises, or for distribution through</u> | |
| 2.9 | <u>licensed wholesalers to other retail licensees.</u> | |
| 2.10 | A brewer licensed under this clause must | |
| 2.11 | obtain a separate license for each licensed | |
| 2.12 | premises where the brewer brews malt liquor. | |
| 2.13 | A brewer licensed under this clause may not | |
| 2.14 | be licensed as an importer under this chapter | \$ 500 |
| 2.15 | (e) Wholesalers (except as provided in clauses | |
| 2.16 | (f), (g), and (h)) | \$ 15,000 |
| 2.17 | Duplicates | \$ 3,000 |
| 2.18 | (f) Wholesalers of wines of not more than 25 | |
| 2.19 | percent alcohol by volume | \$ 3,750 |
| 2.20 | (g) Wholesalers of intoxicating malt liquor | \$ 1,000 |
| 2.21 | Duplicates | \$ 25 |
| 2.22 | (h) Wholesalers of 3.2 percent malt liquor | \$ 10 |
| 2.23 | (i) Brewers who manufacture fewer than 2,000 | |
| 2.24 | barrels of malt liquor in a year | \$ 150 |
| 2.25 | (j) Brewers who manufacture 2,000 to 3,500 | |
| 2.26 | barrels of malt liquor in a year | \$ 500 |

2.27 If a business licensed under this section is destroyed, or damaged to the extent that
 2.28 it cannot be carried on, or if it ceases because of the death or illness of the licensee, the
 2.29 commissioner may refund the license fee for the balance of the license period to the
 2.30 licensee or to the licensee's estate.

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

2.32 Sec. 4. Minnesota Statutes 2004, section 340A.315, subdivision 1, is amended to read:

2.33 Subdivision 1. **Licenses.** The commissioner may issue a farm winery license to
 2.34 the owner or operator of a farm winery located within the state and producing table ~~or,~~
 2.35 sparkling, or fortified wines. Licenses may be issued and renewed for an annual fee of
 2.36 \$50, which is in lieu of all other license fees required by this chapter.

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

2.38 Sec. 5. Minnesota Statutes 2004, section 340A.315, subdivision 2, is amended to read:

2.39 Subd. 2. **Sales.** A license authorizes the sale, on the farm winery premises,
 2.40 of table ~~or,~~ sparkling, or fortified wines produced by that farm winery at on-sale or
 2.41 off-sale, in retail, or wholesale lots in total quantities not in excess of 50,000 gallons in
 2.42 a calendar year, glassware, wine literature and accessories, cheese and cheese spreads,
 2.43 other wine-related food items, and the dispensing of free samples of the wines offered

2.44 for sale. Sales at on-sale and off-sale may be made on Sundays between 12:00 noon and
3.1 12:00 midnight. Labels for each type or brand produced must be registered with the
commissioner, without fee prior to sale.

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

3.4 Sec. 6. Minnesota Statutes 2004, section 340A.315, subdivision 3, is amended to read:

3.5 Subd. 3. **Applicability.** Except as otherwise specified in this section, all provisions
3.6 of this chapter govern the production, sale, possession, and consumption of table ~~or,~~
3.7 sparkling, or fortified wines produced by a farm winery.

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

3.9 Sec. 7. Minnesota Statutes 2004, section 340A.315, subdivision 4, is amended to read:

3.10 Subd. 4. **Minnesota products.** If Minnesota produced or grown grapes, grape juice,
3.11 other fruit bases, or honey is not available in quantities sufficient to constitute a majority
3.12 of the table ~~or,~~ sparkling, or fortified wine produced by a farm winery, the holder of the
3.13 farm winery license may file an affidavit stating this fact with the commissioner. If the
3.14 commissioner, after consultation with the commissioner of agriculture, determines this to
3.15 be true, the farm winery may use imported products and shall continue to be governed by
3.16 the provisions of this section. The affidavit is effective for a period of one year, after which
3.17 time the farm winery must use the required amount of Minnesota products as provided by
3.18 subdivision 1 unless the farm winery holder files a new affidavit with the commissioner.

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

3.20 Sec. 8. Minnesota Statutes 2005 Supplement, section 340A.404, subdivision 2, is
3.21 amended to read:

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

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

4.1 (c) The city of Minneapolis may issue an on-sale intoxicating liquor license to
4.2 Zuhrah Shrine Temple for use on the premises owned by Zuhrah Shrine Temple at 2540
4.3 Park Avenue South in Minneapolis, and to the American Swedish Institute for use on
4.4 the premises owned by the American Swedish Institute at 2600 Park Avenue South,
4.5 notwithstanding limitations of law, or local ordinances, or charter provision relating to
4.6 zoning or school or church distances.

4.7 (d) The city of Minneapolis may issue an on-sale intoxicating liquor license to
4.8 the American Association of University Women, Minneapolis branch, for use on the
4.9 premises owned by the American Association of University Women, Minneapolis branch,
4.10 at 2115 Stevens Avenue South in Minneapolis, notwithstanding limitations of law, or local
4.11 ordinances, or charter provisions relating to zoning or school or church distances.

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

4.16 (f) The city of Minneapolis may issue an on-sale wine license and an on-sale malt
4.17 liquor license to the Brave New Workshop Theatre located at 3001 Hennepin Avenue
4.18 South, the Theatre de la Jeune Lune, the Illusion Theatre located at 528 Hennepin Avenue
4.19 South, the Hollywood Theatre located at 2815 Johnson Street Northeast, the Loring
4.20 Playhouse located at 1633 Hennepin Avenue South, the Jungle Theater located at 2951
4.21 Lyndale Avenue South, Brave New Institute located at 2605 Hennepin Avenue South,
4.22 the Guthrie Lab located at 700 North First Street, and the Southern Theatre located at
4.23 1420 Washington Avenue South, notwithstanding any law or local ordinance or charter
4.24 provision. The license authorizes sales on all days of the week.

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

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

4.35 (i) The city of Minneapolis may issue an on-sale intoxicating liquor license to the
4.36 Guthrie Theater's concessionaire or operator for a restaurant and catering operator on the

5.1 premises of the Guthrie Theater, notwithstanding limitations of law, local ordinance, or
5.2 charter provisions. The license authorizes sales on all days of the week.

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

5.8 **EFFECTIVE DATE.** This section is effective upon approval by the Minneapolis
5.9 City Council in the manner provided by Minnesota Statutes, section 645.021,
5.10 notwithstanding Minnesota Statutes, section 645.023, subdivision 1, paragraph (a).

5.11 Sec. 9. Minnesota Statutes 2004, section 340A.404, subdivision 5, is amended to read:

5.12 Subd. 5. **Wine licenses.** (a) A municipality may issue an on-sale wine license with
5.13 the approval of the commissioner to a restaurant having facilities for seating at least 25
5.14 guests at one time. A wine license permits the sale of wine of up to 14 percent alcohol by
5.15 volume for consumption with the sale of food. A wine license authorizes the sale of wine
5.16 on all days of the week unless the issuing authority restricts the license's authorization to
5.17 the sale of wine on all days except Sundays.

5.18 (b) The governing body of a municipality may by ordinance authorize a holder of
5.19 an on-sale wine license issued pursuant to paragraph (a) who is also licensed to sell 3.2
5.20 percent malt liquors at on-sale pursuant to section 340A.411, and whose gross receipts
5.21 are at least 60 percent attributable to the sale of food, to sell intoxicating malt liquors
5.22 at on-sale without an additional license.

5.23 (c) A municipality may issue an on-sale wine license with the approval of the
5.24 commissioner to a licensed bed and breakfast facility. A license under this paragraph
5.25 authorizes a bed and breakfast facility to furnish wine only to registered guests of the
5.26 facility and, if the facility contains a licensed commercial kitchen, also to guests attending
5.27 private events at the facility.

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

5.29 Sec. 10. **[340A.4041] CULINARY CLASSES; ON-SALE LICENSE.**

5.30 Subdivision 1. **License authorized.** A city or county may issue a limited on-sale
5.31 intoxicating liquor license to a business establishment: (1) not otherwise eligible for an
5.32 on-sale intoxicating liquor license; and (2) that, as part of its business, conducts culinary
5.33 or cooking classes for which payment is made by each participant or advance reservation
5.34 required. The license authorizes the licensee to furnish to each participant in each class,

6.1 at no additional cost to the participant, up to a maximum of six ounces of wine or 12
6.2 ounces of intoxicating malt liquor, during and as part of the class, for consumption on the
6.3 licensed premises only.

6.4 Subd. 2. Samples. A license under this section also authorizes the licensee to
6.5 dispense to the public, at no charge, samples of up to one ounce of wine for purposes of
6.6 demonstrating nonalcoholic products for sale.

6.7 Subd. 3. Fee. The issuing authority shall set the fee for a license under this section,
6.8 subject to section 340A.408, subdivision 2, paragraph (a).

6.9 Subd. 4. Application of other law. All provisions of this chapter that apply to
6.10 on-sale intoxicating liquor licenses, other than provisions inconsistent with this section,
6.11 apply to licenses issued under this section, except that section 340A.409 shall not apply.

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

6.13 Sec. 11. Minnesota Statutes 2005 Supplement, section 340A.412, subdivision 4,
6.14 is amended to read:

6.15 Subd. 4. **Licenses prohibited in certain areas.** (a) No license to sell intoxicating
6.16 liquor may be issued within the following areas:

6.17 (1) where restricted against commercial use through zoning ordinances and other
6.18 proceedings or legal processes regularly had for that purpose, except licenses may be
6.19 issued to restaurants in areas which were restricted against commercial uses after the
6.20 establishment of the restaurant;

6.21 (2) within the Capitol or on the Capitol grounds, except as provided under Laws
6.22 1983, chapter 259, section 9, or Laws 1999, chapter 202, section 13;

6.23 (3) on the State Fairgrounds or at any place in a city of the first class within one-half
6.24 mile of the fairgrounds, except as otherwise provided by charter;

6.25 (4) on the campus of the College of Agriculture of the University of Minnesota or at
6.26 any place in a city of the first class within one-half mile of the campus, provided that a city
6.27 may issue one on-sale wine license and one off-sale intoxicating liquor license in this area
6.28 that is not included in the area described in clause (3), except as provided by charter;

6.29 (5) within 1,000 feet of a state hospital, training school, reformatory, prison, or other
6.30 institution under the supervision or control, in whole or in part, of the commissioner of
6.31 human services or the commissioner of corrections;

6.32 (6) in a town or municipality in which a majority of votes at the last election
6.33 at which the question of license was voted upon were not in favor of license under
6.34 section 340A.416, or within one-half mile of any such town or municipality, except that
6.35 intoxicating liquor manufactured within this radius may be sold to be consumed outside it;

7.1 (7) at any place on the east side of the Mississippi River within one-tenth of a mile
7.2 of the main building of the University of Minnesota unless (i) the licensed establishment
7.3 is on property owned or operated by a nonprofit corporation organized prior to January
7.4 1, 1940, for and by former students of the University of Minnesota, or (ii) the licensed
7.5 premises is Northrop Auditorium;

7.6 (8) within 1,500 feet of a state university, except that:

7.7 (i) the minimum distance in the case of Winona and Southwest State University is
7.8 1,200 feet, measured by a direct line from the nearest corner of the administration building
7.9 to the main entrance of the licensed establishment;

7.10 (ii) within 1,500 feet of St. Cloud State University one on-sale wine and two off-sale
7.11 intoxicating liquor licenses may be issued, measured by a direct line from the nearest
7.12 corner of the administration building to the main entrance of the licensed establishment;

7.13 (iii) at Mankato State University the distance is measured from the front door of
7.14 the student union of the Highland campus;

7.15 (iv) a temporary license under section 340A.404, subdivision 10, may be issued to
7.16 a location on the grounds of a state university for an event sponsored or approved by
7.17 the state university; and

7.18 (v) this restriction does not apply to the area surrounding the premises ~~leased by~~ of
7.19 Metropolitan State University ~~at 730 Hennepin Avenue South~~ in Minneapolis; and

7.20 (9) within 1,500 feet of any public school that is not within a city.

7.21 (b) The restrictions of this subdivision do not apply to a manufacturer or wholesaler
7.22 of intoxicating liquor or to a drugstore or to a person who had a license originally issued
7.23 lawfully prior to July 1, 1967.

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

7.25 Sec. 12. Minnesota Statutes 2004, section 340A.414, subdivision 2, is amended to read:

7.26 Subd. 2. **Eligibility for permit.** (a) The commissioner may issue a permit under
7.27 this section only to:

7.28 (1) an applicant who has not, within five years prior to the application, been
7.29 convicted of a felony or of violating any provision of this chapter or rule adopted under
7.30 this chapter;

7.31 (2) a restaurant;

7.32 (3) a hotel;

7.33 (4) an establishment licensed for the sale of 3.2 percent malt liquor;

7.34 (5) a resort as defined in section 157.15; and

8.1 (6) a club as defined in section 340A.101, subdivision 7, or an unincorporated club
8.2 otherwise meeting that definition; and

8.3 (7) a bed and breakfast facility as defined in section 340A.411, subdivision 1.

8.4 (b) The commissioner may not issue a permit to a club holding an on-sale
8.5 intoxicating liquor license.

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

8.7 Sec. 13. Minnesota Statutes 2004, section 340A.504, subdivision 6, is amended to read:

8.8 Subd. 6. **Municipalities may limit hours.** A municipality may further limit the
8.9 hours of ~~sale on and off sales~~ of alcoholic beverages, provided that further restricted
8.10 on-sale hours for intoxicating liquor must apply equally to ~~sales~~ on-sale hours of 3.2
8.11 percent malt liquor ~~and intoxicating liquor~~. A city may not permit the sale of alcoholic
8.12 beverages during hours when the sale is prohibited by this section.

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

8.14 Sec. 14. CITY OF NEW PRAGUE; LIQUOR LICENSE.

8.15 (a) The city of New Prague may issue an on-sale intoxicating liquor license for the
8.16 New Prague Golf Club grounds, clubhouse, and restaurant located in the city of New
8.17 Prague, notwithstanding any limitation of law, local ordinance, or charter provision. The
8.18 provisions of Minnesota Statutes, chapter 340A, apply to the license issued under this
8.19 section. The provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply
8.20 to the establishment licensed under this section as if the establishment were a municipal
8.21 liquor store, provided that the commissioner of public safety may not impose any penalty
8.22 on the establishment under those sections if the city has imposed a comparable or greater
8.23 penalty on the licensee for the same offense. The license under this section authorizes
8.24 sales on all days of the week.

8.25 (b) The city of New Prague is the licensee under this section for purposes of
8.26 compliance with Minnesota Statutes, section 340A.409. The city of New Prague is
8.27 deemed the seller of alcoholic beverages under the license authorized by this section for
8.28 purposes of Minnesota Statutes, sections 340A.801 and 340A.802.

8.29 EFFECTIVE DATE. This section is effective the day following final enactment."

8.30 Amend the title accordingly

8.31 And when so amended that the bill be recommended to pass and be referred to
8.32 the full committee.

8.33
8.34


.....
(Subcommittee Chair)

March 20, 2006
(Date of Subcommittee recommendation)



Open Book

1011 Washington Avenue South, Suite 200
Minneapolis, MN 55415
(612) 215-2572

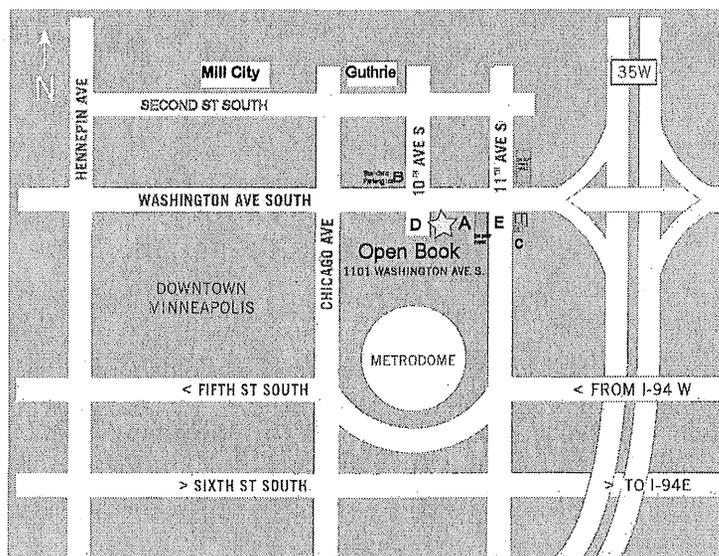
Minnesota's center for reading, writing & book arts

Open Book, which opened in May 2000, is the first facility in the nation devoted to the literary arts. A nonprofit organization founded by the Loft Literary Center, Milkweed Editions and the Minnesota Center for Book Arts, Open Book is a focal point for the flourishing creative writing, publishing, and printing arts activity in the Twin Cities, which is home to more such organizations than anywhere but New York City.

The 52,000-square-foot center, designed by the award-winning firm of Meyer, Scherer, & Rockcastle, is a renovation of three contiguous turn-of-the-century brick buildings. Elements of the building's history have been retained, including patches of original wallpaper, fragments of now derelict stairs, and vintage windows and doors that have been re-used throughout the building. Complementing the center's architectural setting are many original works by Minnesota artists celebrating the book.

Situated midway between the Mill City Museum and the new Guthrie Theater to the west and Seven Corners theater and restaurant district on the east, Open Book has also been a pivotal link in the redevelopment of the St. Anthony Falls Historic District corridor between downtown Minneapolis and the University of Minnesota's West Bank.

Open Book is also home to Coffee Gallery Café and Rosalux Art Gallery. First established at the corners of Franklin and Lyndale Avenues South, Coffee Gallery is one of the Twin Cities oldest independent coffee houses. Coffee Gallery offers a variety of delicious home-made soups and sandwiches, as well as a wide assortment of beverages and baked goods. Coffee Gallery caters many of the numerous meetings, literary readings and lectures, arts receptions, and other events held at Open Book.





Open Book

1011 Washington Avenue South, Suite 200
Minneapolis, MN 55415
(612) 215-2572

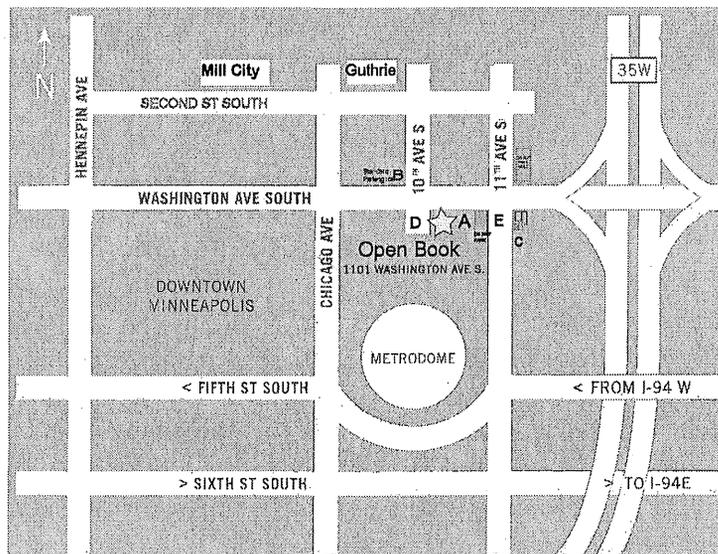
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Sec 8

Senator Higgins introduced--

S.F. No. 3071: Referred to the Committee on Commerce.

A bill for an act

1.2 relating to liquor; authorizing the city of Minneapolis to issue a license to the
1.3 Minnesota Book and Literary Arts Building, Inc.; amending Minnesota Statutes
1.4 2005 Supplement, section 340A.404, subdivision 2.

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

1.6 Section 1. Minnesota Statutes 2005 Supplement, section 340A.404, subdivision 2,
1.7 is amended to read:

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

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

1.19 (c) The city of Minneapolis may issue an on-sale intoxicating liquor license to
1.20 Zuhrah Shrine Temple for use on the premises owned by Zuhrah Shrine Temple at 2540
1.21 Park Avenue South in Minneapolis, and to the American Swedish Institute for use on
1.22 the premises owned by the American Swedish Institute at 2600 Park Avenue South,
1.23 notwithstanding limitations of law, or local ordinances, or charter provision relating to
1.24 zoning or school or church distances.

2.1 (d) The city of Minneapolis may issue an on-sale intoxicating liquor license to
2.2 the American Association of University Women, Minneapolis branch, for use on the
2.3 premises owned by the American Association of University Women, Minneapolis branch,
2.4 at 2115 Stevens Avenue South in Minneapolis, notwithstanding limitations of law, or local
2.5 ordinances, or charter provisions relating to zoning or school or church distances.

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

2.10 (f) The city of Minneapolis may issue an on-sale wine license and an on-sale malt
2.11 liquor license to the Brave New Workshop Theatre located at 3001 Hennepin Avenue
2.12 South, the Theatre de la Jeune Lune, the Illusion Theatre located at 528 Hennepin Avenue
2.13 South, the Hollywood Theatre located at 2815 Johnson Street Northeast, the Loring
2.14 Playhouse located at 1633 Hennepin Avenue South, the Jungle Theater located at 2951
2.15 Lyndale Avenue South, Brave New Institute located at 2605 Hennepin Avenue South,
2.16 the Guthrie Lab located at 700 North First Street, and the Southern Theatre located at
2.17 1420 Washington Avenue South, notwithstanding any law or local ordinance or charter
2.18 provision. The license authorizes sales on all days of the week.

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

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

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

2.33 (j) The city of Minneapolis may issue an on-sale wine license and an on-sale malt
2.34 liquor license to the Minnesota Book and Literary Arts Building, Inc.'s concessionaire or
2.35 operator, for a restaurant and catering operator on the premises of the Minnesota Book and

3.1 Literary Arts Building, Inc. (dba Open Book), notwithstanding limitations of law, or local
3.2 ordinance or charter provision. The license authorizes sales on all days of the week.

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

1.1 Senator moves to amend S.F. No. 3071 as follows:

1.2 Page 3, delete line 3, and insert:

1.3 "EFFECTIVE DATE. This section is effective upon approval by the Minneapolis
1.4 City Council in the manner provided by Minnesota Statutes, section 645.021,
1.5 notwithstanding Minnesota Statutes, section 645.023, subdivision 1, paragraph (a)."

**Senate Counsel, Research,
and Fiscal Analysis**

G-17 STATE CAPITOL
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JO ANNE ZOFF SELLNER
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Senate

State of Minnesota

S.F. No. 3116 - New Prague On-Sale License

Author: Senator Thomas M. Neuville

Prepared by: Matthew S. Grosser, Senate Research (651/296-1890)

Date: March 17, 2006

MG

The bill authorizes the city of New Prague to issue an on-sale intoxicating liquor license to the New Prague Golf Club, with the city of New Prague assuming insurance liability and financial responsibility similar to a municipal liquor store.

MG:rdr

Sec 14

Senator Neuville introduced-

S.F. No. 3116: Referred to the Committee on Commerce.

1.1 A bill for an act
relating to liquor; authorizing a liquor license for the New Prague Golf Club.
1.3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.4 Section 1. CITY OF NEW PRAGUE; LIQUOR LICENSE.

1.5 The city of New Prague may issue an on-sale intoxicating liquor license for the
1.6 New Prague Golf Club grounds, clubhouse, and restaurant located in the city of New
1.7 Prague, notwithstanding any limitation of law, local ordinance, or charter provision. The
1.8 provisions of Minnesota Statutes, chapter 340A, apply to the license issued under this
1.9 section. The provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply
1.10 to the establishment licensed under this section as if the establishment were a municipal
1.11 liquor store, provided that the commissioner of public safety may not impose any penalty
1.12 on the establishment under those sections if the city has imposed a comparable or greater
1.13 penalty on the licensee for the same offense. The license under this section authorizes
1.14 sales on all days of the week.

1.15 Sec. 2. CITY OF NEW PRAGUE; LIABILITY.

1.16 The city of New Prague is the licensee under section 1 for purposes of compliance
1.17 with Minnesota Statutes, section 340A.409. The city of New Prague is deemed the seller
1.18 of alcoholic beverages under the license authorized by section 1 for purposes of Minnesota
1.19 Statutes, sections 340A.801 and 340A.802.

**Senate Counsel, Research,
and Fiscal Analysis**

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DIRECTOR

Senate

State of Minnesota

**S.F. No. 2850 - Culinary Class On-Sale Wine and Beer
Licenses**

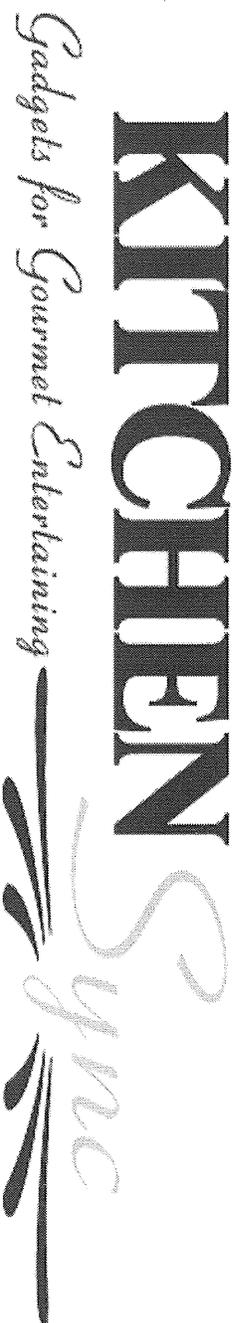
Author: Senator Julianne E. Ortman

Prepared by: Matthew S. Grosser, Senate Research (651/296-1890) *MG*

Date: March 17, 2006

The bill authorizes a city or county to issue a limited on-sale liquor license to a business establishment that conducts culinary or cooking classes and is not otherwise eligible for an on-sale license. The license would limit the establishment to offering up to six ounces of wine or twelve ounces of beer for consumption on premise during or as part of the class. The license would also permit the establishment to offer one-ounce wine and beer samples to the public at no charge for the purpose of demonstrating products for sale.

MG:rdr



Liquor License Proposal

Brian Albright – Owner

Objective

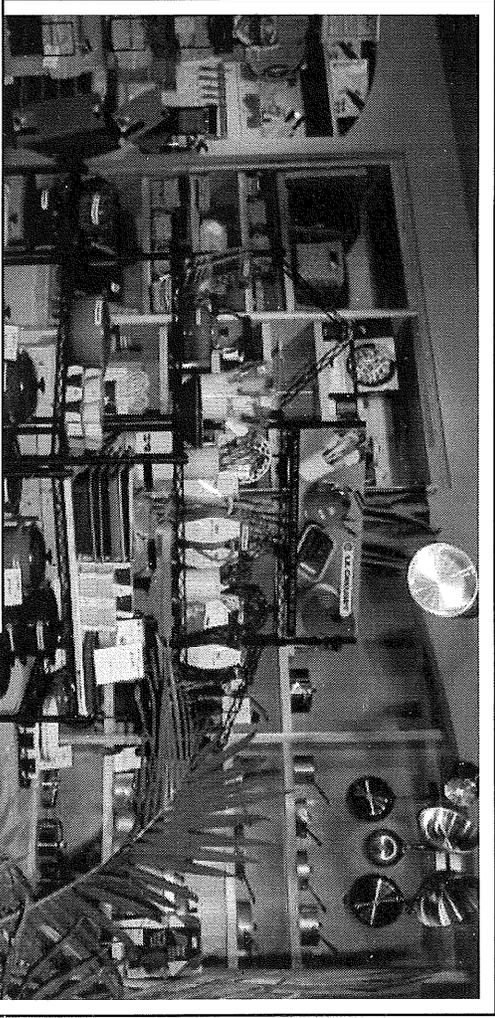
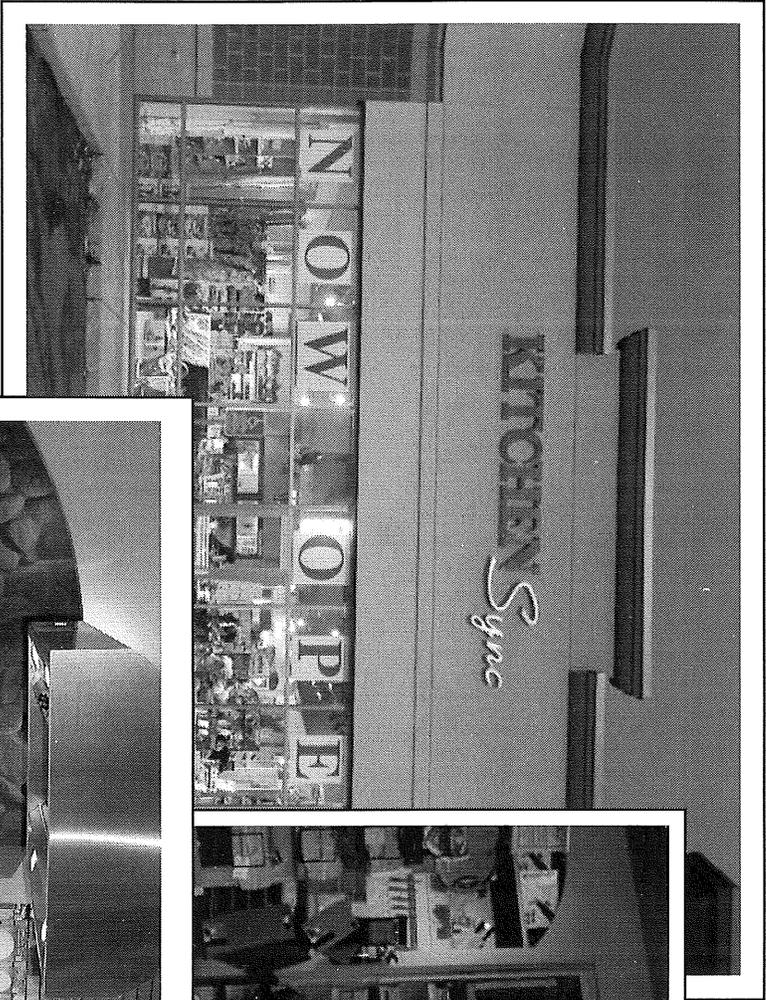
- Who are we?
- What is the need for the Legislative Change?
- What is the impact of the Change?

Food is Life...

..Learn to Live well

at

Kitchen Sync!



Who are we?

- Kitchen Sync is a retail store located in Waconia Minnesota specializing in Kitchenware, small appliances and cooking classes.
- Competitors include: Williams-Sonoma; Bed, Bath & Beyond; Marshall Fields; Cooks of Crocus Hill; Kitchen Window; Kitchen Party & Let's Cook

Who are we?

- Cooking Classes represent 11% of revenue at Kitchen Sync
- Cooking Classes create the perfect arena for product demonstration crucial to product sales
- Chef's from around the Twin Cities are invited to teach
 - Restaurants featured include: Kincaids, Fhima's, Redstone, Wildfire, Nancy's Landing

What is the need for the Legislative Change?

- Our Business Model is to provide products and services to help consumers enhance their home culinary experience
- Part of the complete dining experience is to enjoy a perfectly paired wine or beer that is unique to the menu
- Our goal is to afford that same experience during our classes for registered guests of drinking age by providing a complimentary wine or beer sample

What is the need for the Legislative Change?

- Some of our retail products (non alcoholic) are designed to enhance the wine tasting experience
- A demonstration of such products are necessary to explain the benefit
- Examples:
 - Riedel Stemware
 - The “Wine Clip”

What is the need for the Legislative Change?

- As a retail store, our desire is to not be a restaurant or a re-seller of alcoholic beverages...therefore we ask that this bill be considered

What is the impact of the Change?

- Consumers leave our store with the knowledge and confidence to duplicate their experience at home
- Consumers can go to a licensed liquor retailer with the ability to make a more informed purchase decision on wine or beer choices
- Consumers can go into a restaurant with a better understanding of menu descriptions and the liquor choices that they have
- Kitchen Sync can continue to purchase the wine used for samples, at a licensed liquor retailer

out there

TIME OUT KITCHEN SYNC WACONIA



TOM WALLACE • twallace@startribune.com

Wildfire chef Tom Gladbach teaches a class in the kitchen area of the Kitchen Sync store in Waconia. The store holds about 100 cooking classes a year.

A captivating kitchen resource

◆ Kitchen Sync in Waconia is a fitting place for food lovers to expand their horizons on culinary and geographic fronts.

By BILL WARD • billward@startribune.com

The scene: Sixteen students, rapt as can be, while a personable chef prepares a gourmet meal in a beautifully appointed kitchen store, with the owners and culinary director on hand to field queries and pour wine.

Edina? Stillwater? Uptown? Try a strip mall in Waconia.

Kitchen Sync's surprising setting actually makes a lot of sense. Carver County is among the state's fastest-growing and most affluent. Plus, "all the business models we studied say that [Waconia] is going to be the hub of the southwest suburbs," said Brian Albright, who co-owns the store with his wife, Kathy.

Kathy added: "It's a great 15-mile radius. The majority age group in this area is baby boomers, who have discretionary money."

Indeed, most of the class attendees

were in that age group, along with a smattering of younger women — all of whom were lapping up everything Tom Gladbach had to offer.

Gladbach, executive chef at Eden Prairie's enormously popular Wildfire restaurant, was preparing bacon-wrapped scallops with apricot sauce, a chopped salad with blue-cheese dressing, bourbon-marinated beef tenderloin tips, smashed potatoes and key lime pie.

The students were engrossed as Gladbach walked them through the recipes, but became positively mesmerized when he shared some cooking tips: how to cut up a lemon so it won't shoot into your eyes, knife maintenance, the "circular" logic of how to tell if the pie custard (or a crême brûlée) is finished, the very best way to chop an onion.

As happens in the best cooking classes, they came for the recipes and instruction, and they left with a raft of

KITCHEN SYNC

The store: 801 Marketplace Drive, Waconia. 952-442-9020. www.kitchensyncinc.com.

The classes: Held every Tuesday and Thursday and sometimes on Saturday mornings. Upcoming sessions include "Holiday Brunch" on Thursday, "Artisan Breads" on Jan. 5 and "An Evening with Restaurant Alma" on Jan. 17.

great tips and some provisions.

"The classes are a way to showcase our products," said Brian Albright. "And during the day, we want people to linger, have a cup of coffee [roasted on the premises], watch the Food Network. Next thing we know, they find something they didn't know they

needed." (Class attendees get a 10 percent discount on merchandise.) What they find is merchandise that would fit right in at a Williams-Sonoma or any other upscale kitchen store, with a "single" twist. "We don't have four kinds of cutlery or six brands of pots and pans," said Brian Albright. "We made a conscious decision to do it this way. We've done research in all this merchandise, and this is the best stuff there is."

So on Kitchen Sync shelves, shoppers will find only Wusthof knives, All-Clad pots and pans, Signature crockery.

"That's why we get people from Bloomington and Edina," Albright said. "This is a boutique. This is a specialty store. We have stuff worth getting in the car and driving for."

All the way to a strip mall in Waconia.

Bill Ward • 612-673-7643

Sec. 10

Senator Ortman introduced-

S.F. No. 2850: Referred to the Committee on Commerce.

1.2 A bill for an act
1.3 relating to alcoholic beverages; authorizing issuance of on-sale wine and beer
1.4 licenses in connection with culinary or cooking classes; proposing coding for
1.5 new law in Minnesota Statutes, chapter 340A.

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

1.7 Section 1. [340A.401] CULINARY CLASSES; ON-SALE LICENSE.

1.8 Subdivision 1. License authorized. A city or county may issue a limited on-sale
1.9 intoxicating liquor license to a business establishment: (1) not otherwise eligible for an
1.10 on-sale intoxicating liquor license; and (2) that, as part of its business, conducts culinary
1.11 or cooking classes for which payment is made by each participant or advance reservation
1.12 required. The license authorizes the licensee to furnish to each participant in each class, at
1.13 no additional cost to the participant, up to six ounces of wine or 12 ounces of intoxicating
1.14 malt liquor, during and as part of the class, for consumption on the licensed premises only.

1.15 Subd. 2. Samples. A license under this section also authorizes the licensee to
1.16 dispense to the public, at no charge, samples of up to one ounce of wine or malt liquor for
1.17 purposes of demonstrating products for sale.

1.18 Subd. 3. Fee. The issuing authority shall set the fee for a license under this section,
1.19 subject to section 340A.408, subdivision 2, paragraph (a).

1.20 Subd. 4. Application of other law. All provisions of this chapter that apply to
1.21 on-sale intoxicating liquor licenses, other than provisions inconsistent with this section,
1.22 apply to licenses issued under this section, except that section 340A.409 shall not apply.

1.23 Sec. 2. EFFECTIVE DATE.

Section 1 is effective the day following final enactment.

- 1.1 Senator moves to amend S.F. No. 2850 as follows:
- 1.2 Page 1, line 12, after "to" insert "a maximum of"
- 1.3 Page 1, line 16, after "demonstrating" insert "nonalcoholic"

**Senate Counsel, Research,
and Fiscal Analysis**

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Senate

State of Minnesota

S.F. No. 3230 - Regulation of Brewpubs

Author: Senator Yvonne Prettner Solon

Prepared by: Christopher B. Stang^{CBS}, Senate Counsel (651/296-0539)

Date: March 16, 2006

Section 1 provides that a brewer need only attain a brewpub license for each municipality where the brewer brews malt liquor instead of for each licensed premises. It also has a conforming change.

Section 2 allows a brewpub to distribute its own products directly to other restaurants in which it has an ownership interest or through licensed wholesalers to other retail licensees.

CBS:cs

Senators Solon, Scheid, Metzen and Pappas introduced-
S.F. No. 3230: Referred to the Committee on Commerce.

1.1 A bill for an act
relating to liquor; modifying regulation of brewpubs; amending Minnesota
1.3 Statutes 2005 Supplement, section 340A.301, subdivisions 6, 7.

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

1.5 Section 1. Minnesota Statutes 2005 Supplement, section 340A.301, subdivision 6,
1.6 is amended to read:

1.7 Subd. 6. Fees. The annual fees for licenses under this section are as follows:

- 1.8 (a) Manufacturers (except as provided in clauses
- 1.9 (b) and (c)) \$ 30,000
- 1.10 Duplicates \$ 3,000
- 1 (b) Manufacturers of wines of not more than 25
- 1.12 percent alcohol by volume \$ 500
- 1.13 (c) Brewers who manufacture more than 3,500
- 1.14 barrels of malt liquor in a year \$ 4,000
- 1.15 (d) Brewers who also hold one or more retail
- 1.16 on-sale licenses and who manufacture fewer
- 1.17 than 3,500 barrels of malt liquor in a year, at

| | | |
|------|--|-----------|
| 2.1 | any one licensed premises, the entire | |
| 2.2 | production of which is solely for consumption | |
| 2.3 | on tap on the licensed premises or for off-sale | |
| 2.4 | from that licensed premises. A brewer | |
| 2.5 | licensed under this clause must obtain a | |
| 2.6 | separate license for each licensed premises | |
| 2.7 | <u>municipality</u> where the brewer brews malt | |
| 2.8 | liquor. A brewer licensed under this clause | |
| 2.9 | may not be licensed as an importer under this | |
| 2.10 | chapter | \$ 500 |
| 2.11 | (e) Wholesalers (except as provided in clauses | |
| 2.12 | (f), (g), and (h)) | \$ 15,000 |
| 2.13 | Duplicates | \$ 3,000 |
| 2.14 | (f) Wholesalers of wines of not more than 25 | |
| 2.15 | percent alcohol by volume | \$ 3,750 |
| 2.16 | (g) Wholesalers of intoxicating malt liquor | \$ 1,000 |
| 2.17 | Duplicates | \$ 25 |
| 2.18 | (h) Wholesalers of 3.2 percent malt liquor | \$ 10 |
| 2.19 | (i) Brewers who manufacture fewer than 2,000 | |
| 2.20 | barrels of malt liquor in a year | \$ 150 |
| 2.21 | (j) Brewers who manufacture 2,000 to 3,500 | |
| 2.22 | barrels of malt liquor in a year | \$ 500 |

2.23 If a business licensed under this section is destroyed, or damaged to the extent that
 2.24 it cannot be carried on, or if it ceases because of the death or illness of the licensee, the
 2.25 commissioner may refund the license fee for the balance of the license period to the
 2.26 licensee or to the licensee's estate.

2.27 Sec. 2. Minnesota Statutes 2005 Supplement, section 340A.301, subdivision 7, is
 2.28 amended to read:

2.29 Subd. 7. **Interest in other business.** (a) Except as provided in this subdivision,
 2.30 a holder of a license as a manufacturer, brewer, importer, or wholesaler may not have
 2.31 any ownership, in whole or in part, in a business holding a retail intoxicating liquor or
 2.32 3.2 percent malt liquor license. The commissioner may not issue a license under this
 2.33 section to a manufacturer, brewer, importer, or wholesaler if a retailer of intoxicating

3.1 liquor has a direct or indirect interest in the manufacturer, brewer, importer, or wholesaler.
3.2 A manufacturer or wholesaler of intoxicating liquor may use or have property rented
3 for retail intoxicating liquor sales only if the manufacturer or wholesaler has owned the
3.4 property continuously since November 1, 1933. A retailer of intoxicating liquor may not
3.5 use or have property rented for the manufacture or wholesaling of intoxicating liquor.

3.6 (b) A brewer licensed under subdivision 6, clause (d), may be issued an on-sale
3.7 intoxicating liquor or 3.2 percent malt liquor license by a municipality for a restaurant
3.8 operated in the place of manufacture. Notwithstanding section 340A.405, a brewer
3.9 who holds an on-sale license issued pursuant to this paragraph or a brewer who
3.10 manufactures fewer than 3,500 barrels of malt liquor in a year may, with the approval
3.11 of the commissioner, be issued a license by a municipality for off-sale of malt liquor
3.12 produced and packaged on the licensed premises. Off-sale of malt liquor shall be limited
3.13 to the legal hours for off-sale at exclusive liquor stores in the jurisdiction in which the
3.14 brewer is located, and the malt liquor sold off-sale must be removed from the premises
3.15 before the applicable off-sale closing time at exclusive liquor stores. The malt liquor shall
3.16 be packaged in 64-ounce containers commonly known as "growlers." The containers
3.17 shall bear a twist-type closure, cork, stopper, or plug. At the time of the sale, a paper
3.18 or plastic adhesive band, strip, or sleeve shall be applied to the container and extend
3.19 over the top of the twist-type closure, cork, stopper, or plug forming a seal that must be
3.20 broken upon opening of the container. The adhesive band, strip, or sleeve shall bear
3.21 the name and address of the brewer. The containers shall be identified as malt liquor,
3.22 contain the name of the malt liquor, bear the name and address of the brewer selling
3.23 the malt liquor, and shall be considered intoxicating liquor unless the alcoholic content
24 is labeled as otherwise in accordance with the provisions of Minnesota Rules, part
3.25 7515.1100. A brewer's total retail sales at on- or off-sale under this paragraph may not
3.26 exceed 3,500 barrels per year, provided that off-sales may not total more than 500 barrels.
3.27 A brewer licensed under subdivision 6, clause (d), may distribute its own products to other
3.28 restaurants in which it has an ownership interest or through licensed wholesalers to other
3.29 retail licensees. A brewer licensed under subdivision 6, clause (d), may hold or have an
3.30 interest in other retail on-sale licenses, but may not have an ownership interest in whole or
3.31 in part, or be an officer, director, agent, or employee of, any other manufacturer, brewer,
3.32 importer, or wholesaler, or be an affiliate thereof whether the affiliation is corporate or by
3.33 management, direction, or control. Notwithstanding this prohibition, a brewer licensed
3.34 under subdivision 6, clause (d), may be an affiliate or subsidiary company of a brewer
3.35 licensed in Minnesota or elsewhere if that brewer's only manufacture of malt liquor is:
3.36 (i) manufacture licensed under subdivision 6, clause (d);

4.1 (ii) manufacture in another state for consumption exclusively in a restaurant located
4.2 in the place of manufacture; or

4.3 (iii) manufacture in another state for consumption primarily in a restaurant located
4.4 in or immediately adjacent to the place of manufacture if the brewer was licensed under
4.5 subdivision 6, clause (d), on January 1, 1995.

4.6 (c) Except as provided in subdivision 7a, no brewer as defined in subdivision 7a or
4.7 importer may have any interest, in whole or in part, directly or indirectly, in the license,
4.8 business, assets, or corporate stock of a licensed malt liquor wholesaler.

1.1 Senator moves to amend S.F. No. 3230 as follows:

1.2 Pages 1 to 4, delete sections 1 and 2 and insert:

1.3 "Section 1. Minnesota Statutes 2005 Supplement, section 340A.301, subdivision 6,
1.4 is amended to read:

1.5 Subd. 6. Fees. The annual fees for licenses under this section are as follows:

| | | |
|------|--|-----------|
| 1.6 | (a) Manufacturers (except as provided in clauses | |
| 1.7 | (b) and (c)) | \$ 30,000 |
| 1.8 | Duplicates | \$ 3,000 |
| 1.9 | (b) Manufacturers of wines of not more than 25 | |
| 1.10 | percent alcohol by volume | \$ 500 |
| 1.11 | (c) Brewers who manufacture more than 3,500 | |
| 1.12 | barrels of malt liquor in a year | \$ 4,000 |
| 1.13 | (d) Brewers who also hold one or more retail | |
| 1.14 | on-sale licenses and who manufacture fewer | |
| 1.15 | than 3,500 barrels of malt liquor in a year, | |
| 1.16 | at any one licensed premises, the entire | |
| 1.17 | production of which is solely for consumption | |
| 1.18 | on tap on <u>the any licensed premises or owned</u> | |
| 1.19 | <u>by the brewer, for off-sale from that those</u> | |
| 1.20 | <u>licensed premises, or for distribution through</u> | |
| 1.21 | <u>licensed wholesalers to other retail licensees.</u> | |
| 1.22 | A brewer licensed under this clause must | |
| 1.23 | obtain a separate license for each licensed | |
| 1.24 | premises where the brewer brews malt liquor. | |
| 1.25 | A brewer licensed under this clause may not | |
| 1.26 | be licensed as an importer under this chapter | \$ 500 |
| 1.27 | (e) Wholesalers (except as provided in clauses | |
| 1.28 | (f), (g), and (h)) | \$ 15,000 |
| 1.29 | Duplicates | \$ 3,000 |
| 1.30 | (f) Wholesalers of wines of not more than 25 | |
| 1.31 | percent alcohol by volume | \$ 3,750 |
| 1.32 | (g) Wholesalers of intoxicating malt liquor | \$ 1,000 |
| 1.33 | Duplicates | \$ 25 |
| 1.34 | (h) Wholesalers of 3.2 percent malt liquor | \$ 10 |
| 1.35 | (i) Brewers who manufacture fewer than 2,000 | |
| 1.36 | barrels of malt liquor in a year | \$ 150 |
| 1.37 | (j) Brewers who manufacture 2,000 to 3,500 | |
| 1.38 | barrels of malt liquor in a year | \$ 500 |

1.39 If a business licensed under this section is destroyed, or damaged to the extent that
1.40 it cannot be carried on, or if it ceases because of the death or illness of the licensee, the
1.41 commissioner may refund the license fee for the balance of the license period to the
1.42 licensee or to the licensee's estate."

1.43 Amend the title accordingly

Sec 11

Senator Dibble introduced-

S.F. No. 2835: Referred to the Committee on Commerce.

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A bill for an act
relating to liquor; license restrictions; making a technical change; amending
Minnesota Statutes 2005 Supplement, section 340A.412, subdivision 4.

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

Section 1. Minnesota Statutes 2005 Supplement, section 340A.412, subdivision 4,
is amended to read:

Subd. 4. **Licenses prohibited in certain areas.** (a) No license to sell intoxicating
liquor may be issued within the following areas:

(1) where restricted against commercial use through zoning ordinances and other
proceedings or legal processes regularly had for that purpose, except licenses may be
issued to restaurants in areas which were restricted against commercial uses after the
establishment of the restaurant;

(2) within the Capitol or on the Capitol grounds, except as provided under Laws
1983, chapter 259, section 9, or Laws 1999, chapter 202, section 13;

(3) on the State Fairgrounds or at any place in a city of the first class within one-half
mile of the fairgrounds, except as otherwise provided by charter;

(4) on the campus of the College of Agriculture of the University of Minnesota or at
any place in a city of the first class within one-half mile of the campus, provided that a city
may issue one on-sale wine license and one off-sale intoxicating liquor license in this area
that is not included in the area described in clause (3), except as provided by charter;

(5) within 1,000 feet of a state hospital, training school, reformatory, prison, or other
institution under the supervision or control, in whole or in part, of the commissioner of
human services or the commissioner of corrections;

2.1 (6) in a town or municipality in which a majority of votes at the last election
2.2 at which the question of license was voted upon were not in favor of license under
2.3 section 340A.416, or within one-half mile of any such town or municipality, except that
2.4 intoxicating liquor manufactured within this radius may be sold to be consumed outside it;

2.5 (7) at any place on the east side of the Mississippi River within one-tenth of a mile
2.6 of the main building of the University of Minnesota unless (i) the licensed establishment
2.7 is on property owned or operated by a nonprofit corporation organized prior to January
2.8 1, 1940, for and by former students of the University of Minnesota, or (ii) the licensed
2.9 premises is Northrop Auditorium;

2.10 (8) within 1,500 feet of a state university, except that:

2.11 (i) the minimum distance in the case of Winona and Southwest State University is
2.12 1,200 feet, measured by a direct line from the nearest corner of the administration building
2.13 to the main entrance of the licensed establishment;

2.14 (ii) within 1,500 feet of St. Cloud State University one on-sale wine and two off-sale
2.15 intoxicating liquor licenses may be issued, measured by a direct line from the nearest
2.16 corner of the administration building to the main entrance of the licensed establishment;

2.17 (iii) at Mankato State University the distance is measured from the front door of
2.18 the student union of the Highland campus;

2.19 (iv) a temporary license under section 340A.404, subdivision 10, may be issued to
2.20 a location on the grounds of a state university for an event sponsored or approved by
2.21 the state university; and

2.22 (v) this restriction does not apply to the area surrounding the premises leased by
2.23 Metropolitan State University at ~~730~~ 1501 Hennepin Avenue South in Minneapolis; and

2.24 (9) within 1,500 feet of any public school that is not within a city.

2.25 (b) The restrictions of this subdivision do not apply to a manufacturer or wholesaler
2.26 of intoxicating liquor or to a drugstore or to a person who had a license originally issued
2.27 lawfully prior to July 1, 1967.

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State of Minnesota

S.F. No. 2981 - Liquor Sale Hours Modification

Author: Senator Sandra L. Pappas

Prepared by: Matthew S. Grosser, Senate Research (651/296-1890) *MB*

Date: March 17, 2006

The bill would permit municipalities to impose more restrictive sale hours for intoxicating liquor than for 3.2 percent malt beverages

MG:rdr



Open Book

1011 Washington Avenue South, Suite 200
Minneapolis, MN 55415
(612) 215-2572

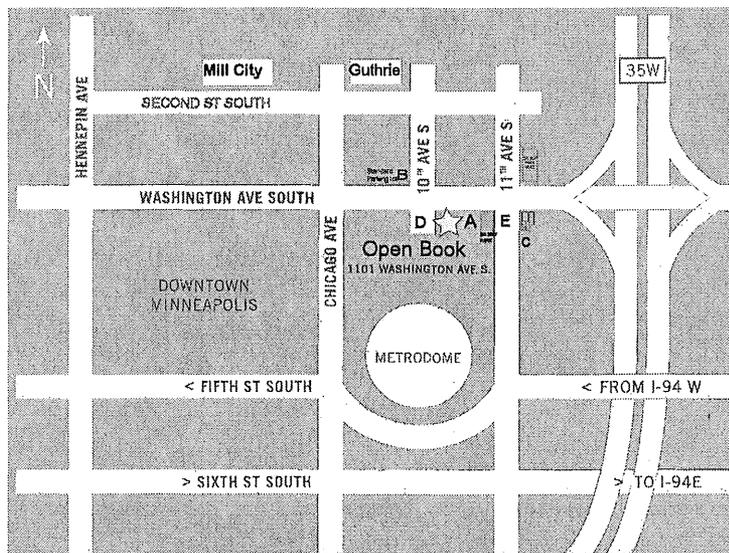
Minnesota's center for reading, writing & book arts

Open Book, which opened in May 2000, is the first facility in the nation devoted to the literary arts. A nonprofit organization founded by the Loft Literary Center, Milkweed Editions and the Minnesota Center for Book Arts, Open Book is a focal point for the flourishing creative writing, publishing, and printing arts activity in the Twin Cities, which is home to more such organizations than anywhere but New York City.

The 52,000-square-foot center, designed by the award-winning firm of Meyer, Scherer, & Rockcastle, is a renovation of three contiguous turn-of-the-century brick buildings. Elements of the building's history have been retained, including patches of original wallpaper, fragments of now derelict stairs, and vintage windows and doors that have been re-used throughout the building. Complementing the center's architectural setting are many original works by Minnesota artists celebrating the book.

Situated midway between the Mill City Museum and the new Guthrie Theater to the west and Seven Corners theater and restaurant district on the east, Open Book has also been a pivotal link in the redevelopment of the St. Anthony Falls Historic District corridor between downtown Minneapolis and the University of Minnesota's West Bank.

Open Book is also home to Coffee Gallery Café and Rosalux Art Gallery. First established at the corners of Franklin and Lyndale Avenues South, Coffee Gallery is one of the Twin Cities oldest independent coffee houses. Coffee Gallery offers a variety of delicious home-made soups and sandwiches, as well as a wide assortment of beverages and baked goods. Coffee Gallery caters many of the numerous meetings, literary readings and lectures, arts receptions, and other events held at Open Book.



*Sec 13
subd 6*

Senator Pappas introduced-

S.F. No. 2981: Referred to the Committee on Commerce.

1. A bill for an act
1.2 relating to liquor; clarifying certain on-sale restrictions; amending Minnesota
1.3 Statutes 2004, section 340A.504, subdivision 6.

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

1.5 Section 1. Minnesota Statutes 2004, section 340A.504, subdivision 6, is amended to
1.6 read:

1.7 Subd. 6. **Municipalities may limit hours.** A municipality may further limit the
1.8 hours of ~~sale~~ on and off sales of alcoholic beverages, provided that further restricted
1.9 on-sale hours for intoxicating liquor must apply equally to ~~sales~~ on-sale hours of 3.2
1.10 percent malt liquor ~~and intoxicating liquor~~. A city may not permit the sale of alcoholic
1.11 beverages during hours when the sale is prohibited by this section.

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State of Minnesota

S.F. No. 3256 - Alcohol Without Liquid Devices

Author: Senator Jane B. Ranum

Prepared by: Christopher B. Stang, ^{CBS} Senate Counsel (651/296-0539)

Date: March 16, 2006

This bill bans alcohol without liquid devices in the state. An alcohol without liquid device is a machine that mixes an alcoholic beverage with pure or diluted oxygen to produce an alcohol vapor that may be inhaled by an individual. Bona fide research is exempt from the prohibition.

CBS:cs

Senator Ranum introduced-

S.F. No. 3256: Referred to the Committee on Commerce.

1.1 A bill for an act
1.2 relating to liquor; prohibiting alcohol without liquid devices; proposing coding
1.3 for new law in Minnesota Statutes, chapter 340A.

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

1.5 Section 1. [340A.706] ALCOHOL WITHOUT LIQUID DEVICES PROHIBITED.

1.6 Subdivision 1. Definition. For purposes of this section, an "alcohol without liquid
1.7 device" is a device, machine, apparatus, or appliance that mixes an alcoholic beverage
1.8 with pure or diluted oxygen to produce an alcohol vapor that may be inhaled by an
1.9 individual. An "alcohol without liquid device" does not include an inhaler, nebulizer,
1.10 atomizer, or other device that is designed and intended specifically for medical purposes
1.11 to dispense prescribed or over-the-counter medications.

1.12 Subd. 2. Prohibition. Except as provided in subdivision 3, it is unlawful for any
1.13 person or business establishment to possess, purchase, sell, offer to sell, or use an alcohol
1.14 without liquid device.

1.15 Subd. 3. Research exemption. This section does not apply to a hospital that
1.16 operates primarily for the purpose of conducting scientific research, a state institution
1.17 conducting bona fide research, a private college or university conducting bona fide
1.18 research, or to a pharmaceutical company or biotechnology company conducting bona
1.19 fide research.

1.1 Senator moves to amend S.F. No. 3256 as follows:

1.2 Page 1, line 12, before "Except" insert "(a)"

1.3 Page 1, after line 14, insert:

1.4 "(b) Except as provided in subdivision 3, it is unlawful for any person or business
1.5 establishment to utilize a nebulizer, inhaler, or atomizer or other device as described in
1.6 subdivision 1, for the purposes of inhaling alcoholic beverages."

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Senate

State of Minnesota

S.F. No. 3198 - Bed and Breakfast Regulation

Author: Senator Steve Murphy

Prepared by: Christopher B. Stang, ^{CBS} Senate Counsel (651/296-0539)

Date: March 16, 2006

Section 1 allows a bed and breakfast to serve wine to guests attending events at the facility under its on-sale wine license if the bed and breakfast has a licensed commercial kitchen.

Section 2 makes a bed and breakfast facility eligible for a consumption and display permit.

Section 3 makes the bill immediately effective.

CBS:cs

Sec 9

Senator Murphy introduced—

S.F. No. 3198: Referred to the Committee on Commerce.

1. A bill for an act
 1.2 relating to liquor; modifying terms of an on-sale wine license for certain bed and
 1.3 breakfast facilities; allowing a bed and breakfast facility to hold a consumption
 1.4 and display permit; amending Minnesota Statutes 2004, sections 340A.404,
 1.5 subdivision 5; 340A.414, subdivision 2.

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

1.7 Section 1. Minnesota Statutes 2004, section 340A.404, subdivision 5, is amended to
 1.8 read:

1.9 Subd. 5. **Wine licenses.** (a) A municipality may issue an on-sale wine license with
 1.10 the approval of the commissioner to a restaurant having facilities for seating at least 25
 1.11 guests at one time. A wine license permits the sale of wine of up to 14 percent alcohol by
 1.12 volume for consumption with the sale of food. A wine license authorizes the sale of wine
 1.13 on all days of the week unless the issuing authority restricts the license's authorization to
 1.14 the sale of wine on all days except Sundays.

1.15 (b) The governing body of a municipality may by ordinance authorize a holder of
 1.16 an on-sale wine license issued pursuant to paragraph (a) who is also licensed to sell 3.2
 1.17 percent malt liquors at on-sale pursuant to section 340A.411, and whose gross receipts
 1.18 are at least 60 percent attributable to the sale of food, to sell intoxicating malt liquors
 1.19 at on-sale without an additional license.

1.20 (c) A municipality may issue an on-sale wine license with the approval of the
 1.21 commissioner to a licensed bed and breakfast facility. A license under this paragraph
 1.22 authorizes a bed and breakfast facility to furnish wine only to registered guests of the
 1.23 facility and, if the facility contains a licensed commercial kitchen, also to guests attending
 1.24 events at the facility.

2.1 Sec. 2. Minnesota Statutes 2004, section 340A.414, subdivision 2, is amended to read:

2.2 Subd. 2. **Eligibility for permit.** (a) The commissioner may issue a permit under
2.3 this section only to:

2.4 (1) an applicant who has not, within five years prior to the application, been
2.5 convicted of a felony or of violating any provision of this chapter or rule adopted under
2.6 this chapter;

2.7 (2) a restaurant;

2.8 (3) a hotel;

2.9 (4) an establishment licensed for the sale of 3.2 percent malt liquor;

2.10 (5) a resort as defined in section 157.15; ~~and~~

2.11 (6) a club as defined in section 340A.101, subdivision 7, or an unincorporated club
2.12 otherwise meeting that definition.; and

2.13 (7) a bed and breakfast facility as defined in section 340A.411, subdivision 1.

2.14 (b) The commissioner may not issue a permit to a club holding an on-sale
2.15 intoxicating liquor license.

2.16 Sec. 3. **EFFECTIVE DATE.**

2.17 This act is effective the day following final enactment.

**Senate Counsel, Research,
and Fiscal Analysis**

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State of Minnesota

S.F. No. 2305 - Off-Sale Licenses Restriction Elimination

Author: Senator Sheila M. Kiscaden

Prepared by: Matthew S. Grosser, Senate Research (651/296-1890) *MB*

Date: March 17, 2006

The bill eliminates a restriction on the issuance of an off-sale intoxicating liquor license by a county board for an establishment within one mile of a statutory or home rule city that had a municipal liquor store prior to August 1, 1991, or within three miles of a nonmetro area city with a population greater than 5,000 that had a municipal liquor store prior to August 1, 1991.

MG:rdr

*Not
Heard*

Senators Kiscaden and Scheid introduced--

S.F. No. 2305: Referred to the Committee on Commerce.

1 A bill for an act

2 relating to liquor; regulating county off-sale
3 licenses; amending Minnesota Statutes 2004, section
4 340A.405, subdivision 2.

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

6 Section 1. Minnesota Statutes 2004, section 340A.405,
7 subdivision 2, is amended to read:

8 Subd. 2. [COUNTIES.] (a) A county may issue an off-sale
9 intoxicating license with the approval of the commissioner to
10 exclusive liquor stores located within unorganized territory of
11 the county.

12 (b) A county board of any county except Ramsey County
13 containing a town exercising powers under section 368.01,
14 subdivision 1, may issue an off-sale license to an exclusive
15 liquor store within that town with the approval of the
16 commissioner. No license may be issued under this paragraph
17 unless the town board adopts a resolution supporting the
18 issuance of the license.

19 (c) A county board of any county except Ramsey County
20 containing a town that may not exercise powers under section
21 368.01, subdivision 1, may issue an off-sale license to an
22 exclusive liquor store within that town, or a combination
23 off-sale and on-sale license to a restaurant within that town,
24 with the approval of the commissioner pursuant to section
25 340A.404, subdivision 6. No license may be issued under this

1 paragraph unless the town board adopts a resolution supporting
2 the issuance of the license.

3 (d) No license may be issued under this subdivision unless
4 a public hearing is held on the issuance of the license. Notice
5 must be given to all interested parties and to any city located
6 within three miles of the premises proposed to be licensed. At
7 the hearing the county board shall consider testimony and
8 exhibits presented by interested parties and may base its
9 decision to issue or deny a license upon the nature of the
10 business to be conducted and its impact upon any municipality,
11 the character and reputation of the applicant, and the propriety
12 of the location. Any hearing held under this paragraph is not
13 subject to chapter 14.

14 ~~(e) A county board may not issue a license under this~~
15 ~~subdivision to a person for an establishment located less than~~
16 ~~one mile by the most direct route from the boundary of any~~
17 ~~statutory or home rule city that had established a municipal~~
18 ~~liquor store before August 17, 1991, provided, that a county~~
19 ~~board may not issue a new license under this subdivision to a~~
20 ~~person for an establishment located less than three miles by the~~
21 ~~most direct route from the boundary of a city that (1) is~~
22 ~~located outside the metropolitan area as defined in section~~
23 ~~473.121, subdivision 2, (2) has a population over 5,000~~
24 ~~according to the most recent federal decennial census, and (3)~~
25 ~~had established a municipal liquor store before August 17, 1991.~~

26 (f) The town board may impose an additional license fee in
27 an amount not to exceed 20 percent of the county license fee.

28 (g) (f) Notwithstanding any provision of this subdivision
29 or Laws 1973, chapter 566, as amended by Laws 1974, chapter 200,
30 a county board may transfer or renew a license that was issued
31 by a town board under Minnesota Statutes 1984, section 340.11,
32 subdivision 10b, prior to January 1, 1985.

City Services Provided To Townships

The City of Cleveland provides fire protection by annual contract to surrounding townships. The fire dept. provides first response to accidents and illness, until an ambulance arrives.

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City of Browerville provides fire and ambulance services to several townships throughout Todd county as well as mutual aid to outlying townships in neighboring counties.

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City of Bertha provides fire & ambulance. In addition, since Bertha has a police dept., the city also provides mutual aid to county deputies and responds to accidents and emergencies outside of the city limits. Bertha serves both Todd and Ottertail counties with emergency services.

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The City of Hawley JOINTLY provides both FIRE and First Responder services to the City and 5 surrounding townships. The City pays 50% of FIRE and 75% of First Responder Cost AND pays all the bills up front...only billing the townships 1/4.

The City Police Force is backup to the County Sheriffs department. If a call is in this area, Hawley is often asked to respond and/or assist the County.

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The City of Braham helps area townships with fire protection and emergency (medical) response.

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We provide plowing of some township roads, ambulance services, fire services, and storage of some of their equipment. - Kenyon

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