

1.1 **Senator Klein from the Committee on Commerce and Consumer Protection, to**
1.2 **which was referred**

1.3 **S.F. No. 2511:** A bill for an act relating to liquor; permitting persons that are 17 years
1.4 of age to serve alcoholic beverages; amending Minnesota Statutes 2024, section 340A.412,
1.5 subdivision 10.

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

1.7 Delete everything after the enacting clause and insert:

1.8 "Section 1. Minnesota Statutes 2024, section 340A.404, subdivision 2b, is amended to
1.9 read:

1.10 Subd. 2b. **Special provision; city of St. Paul.** (a) The city of St. Paul may issue an
1.11 on-sale intoxicating liquor license to the Fitzgerald Theatre, the Great American History
1.12 Theater at 30 East 10th Street, and the Brave New Workshop at the Palace Theater at 17
1.13 West Seventh Place, notwithstanding the limitations of law, or local ordinance, or charter
1.14 provision relating to zoning or school or church distances. The license authorizes sales on
1.15 all days of the week to holders of tickets for performances presented by the theatre and to
1.16 members of the nonprofit corporation holding the license and to their guests.

1.17 (b) Notwithstanding any other law, local ordinance, or charter provision, the city of St.
1.18 Paul may issue an on-sale intoxicating liquor license to the Science Museum of Minnesota,
1.19 or its concessionaire or operator, for use on the premises of the Science Museum of Minnesota
1.20 at 120 West Kellogg Boulevard. The license authorizes sales on all days of the week.

1.21 (c) Notwithstanding any other law, local ordinance, or charter provision, the city of St.
1.22 Paul may issue an on-sale intoxicating liquor license to the Union Depot, or its concessionaire
1.23 or operator, for use on the premises of the Union Depot at 214 Fourth Street East. The
1.24 license authorizes sales on all days of the week.

1.25 **EFFECTIVE DATE.** This section is effective upon approval by the St. Paul City
1.26 Council and compliance with Minnesota Statutes, section 645.021.

1.27 Sec. 2. Minnesota Statutes 2024, section 340A.404, subdivision 4a, is amended to read:

1.28 Subd. 4a. **Publicly owned recreation; entertainment facilities.** (a) Notwithstanding
1.29 any other law, local ordinance, or charter provision, the commissioner may issue on-sale
1.30 intoxicating liquor licenses:

1.31 (1) to the state agency administratively responsible for, or to an entity holding a
1.32 concession or facility management contract with such agency for beverage sales at, the

premises of any Giants Ridge Recreation Area building or recreational improvement area owned by the state in the city of Biwabik, St. Louis County;

(2) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Ironworld Discovery Center building or facility owned by the state at Chisholm;

(3) to the Board of Regents of the University of Minnesota or to an entity holding a concessions contract with the Board of Regents of the University of Minnesota for events at Northrop Auditorium, the intercollegiate football stadium, including any games played by the Minnesota Vikings at the stadium, and ~~at no more than seven~~ for other locations within the boundaries of the University of Minnesota that are described in the approved license applications, provided that the Board of Regents has approved an application for a license for the specified location and provided that a license for an intercollegiate football stadium is void unless it meets the conditions of paragraph (b). Licenses may be issued for space that is not compact and contiguous, provided that all space is included in the description of the licensed premises on the approved license applications. It is solely within the discretion of the Board of Regents to choose the manner in which to carry out these conditions consistent with the requirements of paragraph (b); and

(4) to the Duluth Entertainment and Convention Center Authority for beverage sales on the premises of the Duluth Entertainment and Convention Center Arena during intercollegiate hockey games.

The commissioner shall charge a fee for licenses issued under this subdivision in an amount comparable to the fee for comparable licenses issued in surrounding cities.

(b) No alcoholic beverage may be sold or served at ~~TCF~~ Huntington Bank Stadium unless the Board of Regents holds an on-sale intoxicating liquor license for the stadium as provided in paragraph (a), clause (3), that provides for the sale of intoxicating liquor at a location in the stadium that is convenient to the general public attending an intercollegiate football game at the stadium. On-sale liquor sales to the general public must be available at that location through half-time of an intercollegiate football game at ~~TCF~~ Huntington Bank Stadium, and sales at the stadium must comply with section 340A.909.

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

Sec. 3. Minnesota Statutes 2024, 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, except as provided under section 37.21, subdivision 2;

~~(4) on the campus of the College of Agriculture of the University of Minnesota;~~

~~(5)~~ (4) 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 Direct Care and Treatment executive board or the commissioner of corrections;

~~(6)~~ (5) in a town or municipality in which a majority of votes at the last election at which the question of license was voted upon were not in favor of license under section 340A.416, or within one-half mile of any such town or municipality, except that intoxicating liquor manufactured within this radius may be sold to be consumed outside it; and

~~(7)~~ (6) within 1,500 feet of any public school that is not within a city.

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

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

Sec. 4. Minnesota Statutes 2024, section 340A.417, is amended to read:

340A.417 WINE SHIPMENTS INTO MINNESOTA.

(a) Notwithstanding section 297G.07, subdivision 2, or any provision of this chapter, a winery licensed in a state other than Minnesota, or a winery located in Minnesota, may ship, for personal use and not for resale, not more than ~~two~~ four cases of wine, containing a maximum of nine liters per case, in any calendar year to any resident of Minnesota age 21 or over. ~~Delivery of a shipment under this section may not be deemed a sale in this state.~~

(b) The shipping container of any wine sent under this section must be clearly marked "Alcoholic Beverages: adult signature (over 21 years of age) required."

(c) It is not the intent of this section to impair the distribution of wine through distributors or importing distributors, but only to permit shipments of wine for personal use.

(d) no criminal penalty may be imposed on a person for a violation of this section other than a violation described in paragraph (e) or (f). Whenever it appears to the commissioner that any person has engaged in any act or practice constituting a violation of this section, and the violation is not within two years of any previous violation of this section, the commissioner shall issue and cause to be served upon the person an order requiring the person to cease and desist from violating this section. The order must give reasonable notice of the rights of the person to request a hearing and must state the reason for the entry of the order. Unless otherwise agreed between the parties, a hearing shall be held not later than seven days after the request for the hearing is received by the commissioner after which and within 20 days after the receipt of the administrative law judge's report and subsequent exceptions and argument, the commissioner shall issue an order vacating the cease and desist order, modifying it, or making it permanent as the facts require. If no hearing is requested within 30 days of the service of the order, the order becomes final and remains in effect until modified or vacated by the commissioner. All hearings shall be conducted in accordance with the provisions of chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true.

(e) Any person who violates this section within two years of a violation for which a cease and desist order was issued under paragraph (d), is guilty of a misdemeanor.

(f) Any person who commits a third or subsequent violation of this section within any subsequent two-year period is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 5. [340A.911] SOCIAL DISTRICT LICENSE.

Subdivision 1. Social district; consumption allowed. A city may issue a social district license to any holder of an on-sale license whose on-sale premises is contiguous with the premises of the social district designated in subdivision 2. The license authorizes consumption, but not sales or service, of alcoholic beverages sold by the on-sale licensee within the social district.

5.1 Subd. 2. **Designation of social district.** (a) Prior to issuing the license in subdivision 1,
5.2 a city must designate and describe the premises of the social district. The district may not
5.3 include any area under the ownership or control of a person that objects to the extension of
5.4 the social district to that area.

5.5 (b) The designation must include the specific premises where consumption of alcoholic
5.6 beverages is allowed and also include the proposed hours and days in which consumption
5.7 of alcoholic beverages is allowed in the social district. The city must adopt the designation
5.8 by ordinance prior to issuing the license in subdivision 1.

5.9 Subd. 3. **Boundaries clearly defined.** The social district must be clearly defined with
5.10 signs posted in a conspicuous location indicating the area included in the social district and
5.11 the days and hours during which alcoholic beverages may be consumed in the district. In
5.12 addition, signs must include:

5.13 (1) the local law enforcement agency with jurisdiction over the area comprising the
5.14 social district; and

5.15 (2) a clear statement that an alcoholic beverage purchased for consumption in the social
5.16 district shall:

5.17 (i) only be consumed in the social district; and

5.18 (ii) be disposed of before the person in possession of the alcoholic beverage exits the
5.19 social district unless the person is reentering the licensed premises where the alcoholic
5.20 beverage was purchased.

5.21 Subd. 4. **Management and maintenance.** A city must establish management and
5.22 maintenance plans for the social district and post these plans, along with a rendering of the
5.23 boundaries of the social district and days and hours during which alcoholic beverages may
5.24 be consumed in the district, on the website for the city. The social district must be maintained
5.25 in a manner that protects the health and safety of the general public.

5.26 Subd. 5. **Requirements for on-sale licensees.** An on-sale licensee holding a social
5.27 district license may only sell and serve alcoholic beverages on the premises specified in the
5.28 licensee's on-sale license. The licensee must not allow a person to enter or reenter its on-sale
5.29 licensed premises with an alcoholic beverage not sold by the on-sale licensee. Sales for
5.30 consumption in the social district must meet the following container requirements:

5.31 (1) the container clearly identifies the on-sale licensee from which the alcoholic beverage
5.32 was purchased;

(2) the container clearly displays a logo or some other mark that is unique to the social district in which it will be consumed;

(3) the container is not comprised of glass;

(4) the container displays, in no less than 12-point font, the statement, "Drink Responsibly - Be 21."; and

(5) the container shall not hold more than 16 fluid ounces.

Subd. 6. **Additional social district requirements.** The possession and consumption of an alcoholic beverage in a social district is subject to all of the following requirements:

(1) only alcoholic beverages purchased from an on-sale licensee holding a social district license located in or contiguous to the social district may be possessed and consumed in the district;

(2) alcoholic beverages shall only be in containers meeting the requirements set forth in subdivision 5;

(3) alcoholic beverages shall only be possessed and consumed during the days and hours set by the city as specified in subdivision 2; and

(4) a person shall dispose of any alcoholic beverage in the person's possession prior to exiting the social district unless the person is reentering the on-sale licensed premises where the alcoholic beverage was purchased.

Subd. 7. **Prohibition.** A city is prohibited from issuing a cannabis event organizer license under section 342.39 or from authorizing a cannabis event under section 342.40, if the cannabis event would occur in the same place as a social district and at the same time that consumption of alcoholic beverages are allowed in the social district.

Subd. 8. **Report required.** Within 24 months from the first issuance of a social district license, a city must provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over liquor regulation. The report must include a discussion of the following subjects:

(1) the process used by the city in designating the social district;

(2) the community response to the social district, with a concentration on residents living and businesses operating within a one-mile radius of the district;

(3) the response to the social district from both on-sale licensees holding a social district license and not holding a social district license;

(4) the problems or challenges encountered in establishing and overseeing the social district and social district licenses;

(5) any public safety concerns that arose due to the operation of the social district;

(6) the benefits and drawbacks to the city of continuing the social district; and

(7) recommendations for modifications to the social district special law established in this section.

Sec. 6. Laws 2017, First Special Session chapter 4, article 5, section 12, is amended to read:

Sec. 12. FOOD HALL LICENSE; MINNEAPOLIS.

Notwithstanding Minnesota Statutes, section 340A.101, subdivision 25, 340A.401, or 340A.410, subdivision 7, or any other law or ordinance to the contrary, the city of Minneapolis may issue an on-sale intoxicating liquor license for a licensee serving as an anchor tenant for a food hall ~~to be located at 501 30th Avenue Southeast~~. The license may allow service and consumption anywhere within the licensee establishment, and anywhere within the larger food hall, provided that the larger premises is specified in the on-sale license. Multiple independent food vendors will be able to utilize a common seating area under the control of the liquor license holder to allow the public to purchase and consume food from third parties while also consuming licensed beverages sold by the license holder. Licenses may only be issued for food halls at the following locations:

(1) 501 30th Avenue Southeast; and

(2) 800 LaSalle Avenue.

EFFECTIVE DATE. This section is effective upon approval by the city of Minneapolis and compliance with Minnesota Statutes, section 645.021.

Sec. 7. MINNESOTA STATE UNIVERSITY, MANKATO; SPECIAL LICENSE.

Notwithstanding any other law, local ordinance, or charter provision to the contrary, the city of Mankato may issue an on-sale wine and malt liquor intoxicating liquor license to Minnesota State University, Mankato. A license authorized by this section may be issued for space that is not compact and contiguous, provided that all the space is within the boundaries of the campus of Minnesota State University, Mankato, and is included in the description of the licensed premises on the approved license application. The license under this section authorizes sales on all days of the week to persons attending events at the Taylor

Center, subject to the hours and days of sale restrictions in Minnesota Statutes, and any reasonable license conditions or restrictions imposed by the licensing authority. All other provisions of Minnesota Statutes not inconsistent with this section apply to the license authorized under this section.

EFFECTIVE DATE. This section is effective upon approval by the Mankato City Council in the manner provided by Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 8. SPECIAL LIQUOR LAW; CITY OF ROCHESTER.

Notwithstanding any other law, ordinance, or charter provision to the contrary, the city of Rochester may issue an on-sale intoxicating liquor license to the Historic Chateau Theater, located in the city at 15 1st Street Southwest. The license authorizes sales on all days of the week to persons attending performances, exhibitions, or any other events at the theater. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to a license issued under this section.

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

Sec. 9. CITY OF BLOOMINGTON; ON-SALE BEER AND WINE LICENSE.

Notwithstanding any other law or ordinance to the contrary, the city of Bloomington may issue an on-sale intoxicating liquor license for the Bloomington Dwan Golf Course that is located at 3301 West 110th Street. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license issued under this section. The city of Bloomington is deemed the licensee under this section, and the provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply to the license as if the establishment were a municipal liquor store.

EFFECTIVE DATE. This section is effective upon approval by the city of Bloomington and compliance with Minnesota Statutes, section 645.021.

Sec. 10. TEMPORARY LICENSES; LAKE OF THE WOODS COUNTY.

Lake of the Woods County may issue temporary licenses pursuant to law for premises of the Baudette Arena Association, without regard to the restriction set forth in Minnesota Statutes, section 340A.412, subdivision 4, paragraph (a), clause (7).

EFFECTIVE DATE. This section is effective upon approval by the Lake of the Woods County Board of Commissioners and compliance with Minnesota Statutes, section 645.021.

Sec. 11. **SPECIAL LAW; CITY OF ST. LOUIS PARK.**

Notwithstanding Minnesota Statutes, section 340A.101, subdivision 25; 340A.401; or 340A.410, subdivision 7, or any other law or ordinance to the contrary, the city of St. Louis Park may issue an on-sale intoxicating liquor license to a licensee serving as an anchor tenant for a food hall located in any portion of the mall commonly known as The Shops at West End. The license may allow service and consumption anywhere within the licensee establishment, and anywhere within the larger food hall, provided that the larger premises is specified in the on-sale license. Multiple independent food vendors will be able to utilize a common seating area under the control of the liquor license holder to allow the public to purchase and consume food from third parties while also consuming licensed beverages sold by the license holder.

EFFECTIVE DATE. This section is effective upon approval by the St. Louis Park City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 12. **SPECIAL LICENSE; CITY OF SPRINGFIELD.**

The city of Springfield may issue an on-sale intoxicating liquor license, an on-sale wine and strong beer license, or an on-sale including Sunday intoxicating liquor license for the city-owned facility known as the Springfield Area Community Center, notwithstanding any law, local ordinance, or charter provision. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license issued under this section. The city of Springfield is deemed the licensee under this section, and the provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply to the license as if the facility was a municipal liquor store.

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

Sec. 13. **SPECIAL LAW; DOUGLAS COUNTY.**

(a) Douglas County may issue a temporary license to a food truck for the on-sale of intoxicating liquor at a private event that the food truck has entered into a contract with a person to offer food and beverage services. For purposes of this section, "food truck" means a business that is licensed or permitted by the licensing authority to prepare and sell food from a motorized vehicle or trailer within the municipality.

(b) A license under this section must specify the conditions under which the intoxicating liquor must be dispensed and consumed and shall not be issued unless the licensee demonstrates that it has liability insurance as prescribed by Minnesota Statutes, section 340A.409, to cover the event. The license under this section authorizes sales on all days of the week only to the person who has entered into a contract to offer food and beverage services with the food truck, and the person's guests.

(c) A license under this section is subject to the terms, including a license fee, imposed by the issuing municipality and all laws and ordinances governing the sale of intoxicating liquor. A license under this section authorizes the on-sale of intoxicating liquor for not more than four consecutive days and not more than 12 days per year. No sale under this license may be made outside the hours established by the municipality for on-premises consumption. Licenses under this section are not valid unless first approved by the commissioner of public safety.

(d) The licensee shall notify prior to any private event:

(1) the police chief of the city where the event will take place, if the event will take place within the corporate limits of a city; or

(2) the Douglas County sheriff, if the event will be outside the corporate limits of any city.

EFFECTIVE DATE. This section is effective upon approval by the Douglas County Board of Commissioners and compliance with Minnesota Statutes, section 645.021. This section expires one year from the date of approval."

Delete the title and insert:

"A bill for an act

relating to liquor; authorizing various municipalities to issue liquor licenses; modifying wine transfer provisions; establishing a social district license; establishing a food truck license pilot program; amending Minnesota Statutes 2024, sections 340A.404, subdivisions 2b, 4a; 340A.412, subdivision 4; 340A.417; Laws 2017, First Special Session chapter 4, article 5, section 12; proposing coding for new law in Minnesota Statutes, chapter 340A."

And when so amended the bill do pass. Amendments adopted. Report adopted.

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(Committee Chair)

March 20, 2025.....
(Date of Committee recommendation)