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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. **1014**

02/18/2015 Authored by Dill

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act  
1.2 relating to liquor; allowing limited credit extension to brewers; amending  
1.3 Minnesota Statutes 2014, section 340A.308.

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

1.5 Section 1. Minnesota Statutes 2014, section 340A.308, is amended to read:

1.6 **340A.308 PROHIBITED TRANSACTIONS.**

1.7 (a) Except as otherwise provided in section 340A.301, no brewer or malt liquor  
1.8 wholesaler may directly or indirectly, or through an affiliate or subsidiary company, or  
1.9 through an officer, director, stockholder, or partner:

1.10 (1) give, or lend money, credit, or other thing of value to a retailer, except as  
1.11 provided in paragraph (d);

1.12 (2) give, lend, lease, or sell furnishing or equipment to a retailer;

1.13 (3) have an interest in a retail license; or

1.14 (4) be bound for the repayment of a loan to a retailer, except as provided in  
1.15 paragraph (d).

1.16 (b) No retailer may solicit any equipment, fixture, supplies, money, or other thing of  
1.17 value from a brewer or malt liquor wholesaler if furnishing of these items by the brewer  
1.18 or wholesaler is prohibited by law and the retailer knew or had reason to know that the  
1.19 furnishing is prohibited by law.

1.20 (c) This section does not prohibit a manufacturer or wholesaler from:

1.21 (1) furnishing, lending, or renting to a retailer outside signs, of a cost of up to \$400  
1.22 excluding installation and repair costs;

1.23 (2) furnishing, lending, or renting to a retailer inside signs and other promotional  
1.24 material, of a cost of up to \$300 in a year;

2.1 (3) furnishing to or maintaining for a retailer equipment for dispensing malt liquor,  
2.2 including tap trailers, cold plates and other dispensing equipment, of a cost of up to \$100  
2.3 per tap in a year;

2.4 (4) using or renting property owned continually since November 1, 1933, for the  
2.5 purpose of selling intoxicating or 3.2 percent malt liquor at retail;

2.6 (5) extending customary commercial credit to a retailer in connection with a sale of  
2.7 nonalcoholic beverages only, or engaging in cooperative advertising agreements with a  
2.8 retailer in connection with the sale of nonalcoholic beverages only; or

2.9 (6) in the case of a wholesaler, with the prior written consent of the commissioner,  
2.10 selling beer on consignment to a holder of a temporary license under section 340A.403,  
2.11 subdivision 2, or 340A.404, subdivision 10.

2.12 (d) A brewer or malt liquor wholesaler may extend credit or lend money to a retailer  
2.13 for a period of 30 days, or until the next subsequent delivery, whichever period of time  
2.14 is shorter.

2.15 **EFFECTIVE DATE.** This section is effective July 1, 2015.