A bill for an act
relating to liquor; farm wineries; increasing annual production limit; amending Minnesota Statutes 2009 Supplement, section 340A.315, subdivisions 2, 7.

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

Section 1. Minnesota Statutes 2009 Supplement, section 340A.315, subdivision 2, is amended to read:

Subd. 2. **Sales.** A license authorizes the sale, on the farm winery premises, of table, sparkling, or fortified wines produced by that farm winery at on-sale or off-sale, in retail, or wholesale lots in total quantities not in excess of ~~50,000~~ 150,000 gallons in a calendar year, glassware, wine literature and accessories, cheese and cheese spreads, other wine-related food items, and the dispensing of free samples of the wines offered for sale. Sales at on-sale and off-sale may be made on Sundays between 10:00 a.m. and 12:00 midnight. Labels for each type or brand produced must be registered with the commissioner, without fee prior to sale. A farm winery may provide samples of distilled spirits manufactured pursuant to subdivision 7, on the farm winery premises, but may sell the distilled spirits only through a licensed wholesaler. Samples of distilled spirits may not exceed 15 milliliters per variety.

Sec. 2. Minnesota Statutes 2009 Supplement, section 340A.315, subdivision 7, is amended to read:

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

(1) no farm winery or firm owning multiple farm wineries may manufacture more than 5,000 gallons of distilled spirits in a given year, and this 5,000 gallon limit is part of the ~~50,000~~ 150,000 gallon limit found in subdivision 2;

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

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