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State of Minnesota  
HOUSE OF REPRESENTATIVES  
NINETIETH SESSION

H. F. No. 2696

05/19/2017 Authored by Nornes  
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 the holder of a brewer license to also have an ownership  
1.3 interest in a business with an on-sale license; amending Minnesota Statutes 2016,  
1.4 section 340A.301, subdivision 8.

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

1.6 Section 1. Minnesota Statutes 2016, section 340A.301, subdivision 8, is amended to read:

1.7 Subd. 8. **Interest in other business.** (a) Except as provided in this subdivision, a holder  
1.8 of a license as a manufacturer, brewer, importer, or wholesaler may not have any ownership,  
1.9 in whole or in part, in a business holding a retail intoxicating liquor or 3.2 percent malt  
1.10 liquor license. The commissioner may not issue a license under this section to a manufacturer,  
1.11 brewer, importer, or wholesaler if a retailer of intoxicating liquor has a direct or indirect  
1.12 interest in the manufacturer, brewer, importer, or wholesaler. A manufacturer or wholesaler  
1.13 of intoxicating liquor may use or have property rented for retail intoxicating liquor sales  
1.14 only if the manufacturer or wholesaler has owned the property continuously since November  
1.15 1, 1933. A retailer of intoxicating liquor may not use or have property rented for the  
1.16 manufacture or wholesaling of intoxicating liquor.

1.17 (b) Except as provided in subdivision 9, no brewer as defined in subdivision 9 or importer  
1.18 may have any interest, in whole or in part, directly or indirectly, in the license, business,  
1.19 assets, or corporate stock of a licensed malt liquor wholesaler.

1.20 (c) Notwithstanding any other law to the contrary, a holder of a license as a brewer under  
1.21 subdivision 6, clause (c), (i), or (j), may have an ownership interest, in whole or in part, in  
1.22 a business holding an on-sale license provided that:

2.1 (1) no more than one on-sale license other than a brewer taproom license is held by a  
2.2 holder of a brewer's license;

2.3 (2) if the brewer owns or has an interest in a wholesaler under subdivision 9, paragraph  
2.4 (g), it must not sell any of its products to the business owned by the on-sale licensee through  
2.5 the wholesaler; and

2.6 (3) the premises described in the on-sale license are not adjacent to the premises of the  
2.7 brewer.

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