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State of Minnesota  
**HOUSE OF REPRESENTATIVES**  
NINETIETH SESSION

**H. F. No. 4344**

04/09/2018 Authored by Drazkowski  
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; modifying requirements for operation of a municipal liquor  
1.3 store; amending Minnesota Statutes 2016, sections 340A.601, subdivision 2;  
1.4 340A.602.

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

1.6 Section 1. Minnesota Statutes 2016, section 340A.601, subdivision 2, is amended to read:

1.7 Subd. 2. **Population change.** A city which has established a municipal liquor store may  
1.8 continue to operate it notwithstanding a subsequent change in population: if within one year  
1.9 after the effective date of the census by which the municipality exceeds 10,000 in population,  
1.10 the question, "Shall the city continue to operate its municipal liquor store?" is submitted to  
1.11 the voters of the city at a general or special municipal election and a majority of the voters  
1.12 voting on the question at the election vote in the affirmative on the question. The notice of  
1.13 the election shall state the question to be submitted to the electors at the election.

1.14 Sec. 2. Minnesota Statutes 2016, section 340A.602, is amended to read:

1.15 **340A.602 CONTINUATION.**

1.16 In any city in which the report of the operations of a municipal liquor store has shown  
1.17 a net loss for the year, prior to interfund transfer ~~in any two of three consecutive years,~~ the  
1.18 city council shall, not more than 45 days prior to the end of the fiscal year following the  
1.19 ~~three-year period~~ year showing a net loss, hold a public hearing on the question of whether  
1.20 the city shall continue to operate a municipal liquor store. Two weeks' notice, written in  
1.21 clear and easily understandable language, of the hearing must be printed in the city's official  
1.22 newspaper. Following the hearing the city council may on its own motion or shall upon

2.1 petition of five percent or more of the registered voters of the city, submit to the voters at  
2.2 a general or special municipal election the question of whether the city shall continue or  
2.3 discontinue municipal liquor store operations by a date which the city council shall designate.  
2.4 The date designated by the city council must not be more than 30 months following the date  
2.5 of the election. The form of the question shall be: "Shall the city of (name) discontinue  
2.6 operating the municipal liquor store on (Month xx, 2xxx)?".

2.7 Sec. 3. **EFFECTIVE DATE; APPLICATION.**

2.8 Section 1 is effective retroactively from May 5, 1990, and applies to any city that (1)  
2.9 currently has a population exceeding 10,000, and (2) exceeded 10,000 in population since  
2.10 that date. Section 2 is effective the day following final enactment.