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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 739

02/04/2021 Authored by Daudt
The bill was read for the first time and referred to the Committee on Commerce Finance and Policy

1.1 A bill for an act
1.2 proposing an amendment to the Minnesota Constitution by adding a section to
1.3 article XIII; authorizing food retailers to sell wine and beer; amending Minnesota
1.4 Statutes 2020, sections 340A.101, by adding a subdivision; 340A.405, subdivision
1.5 1; 340A.412, subdivision 3, by adding a subdivision; 340A.413, subdivision 5;
1.6 340A.503, subdivision 4.

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

1.8 ARTICLE 1
1.9 CONSTITUTIONAL AMENDMENT

1.10 Section 1. CONSTITUTIONAL AMENDMENT PROPOSED.

1.11 An amendment to the Minnesota Constitution is proposed to the people. If the amendment
1.12 is adopted, a section shall be added to article XIII, to read:

1.13 Sec. 13. The legislature may authorize grocery stores, convenience stores, and other
1.14 food retailers to sell wine and beer in a manner prescribed by law.

1.15 Sec. 2. SUBMISSION TO VOTERS.

1.16 The proposed amendment must be submitted to the people at the 2022 general election.
1.17 The question submitted must be:

1.18 "Shall the Minnesota Constitution be amended to permit the sale of wine and beer in
1.19 grocery stores, convenience stores, and other food retailers, in a manner prescribed by law?"

1.20 Yes .....
1.21 No ..... "

2.1 **ARTICLE 2**

2.2 **FOOD RETAILER LICENSES**

2.3 Section 1. Minnesota Statutes 2020, section 340A.101, is amended by adding a subdivision  
2.4 to read:

2.5 Subd. 10b. **Food retailer.** "Food retailer" is a for-profit, not-for-profit, or cooperative  
2.6 self-service retail establishment that sells, directly to consumers: bread and bakery items;  
2.7 meats, seafood, and poultry; fruits, vegetables, and other produce; dairy products; and dried,  
2.8 canned, and other packaged groceries and shelf-stable food products; and may also sell  
2.9 cleaning products, paper goods, and other household products and sundries. A food retailer  
2.10 includes large and midscale establishments such as supermarkets and grocery stores, but  
2.11 may also include small-scale establishments such as corner stores or convenience stores.

2.12 Sec. 2. Minnesota Statutes 2020, section 340A.405, subdivision 1, is amended to read:

2.13 Subdivision 1. **Cities.** (a) A city other than a city of the first class may issue with the  
2.14 approval of the commissioner, an off-sale intoxicating liquor license to an exclusive liquor  
2.15 store, a food retailer, or ~~to~~ a drugstore to which an off-sale license had been issued on or  
2.16 prior to May 1, 1994.

2.17 (b) A city of the first class may issue an off-sale license to an exclusive liquor store, a  
2.18 food retailer, a general food store to which an off-sale license had been issued on August  
2.19 1, 1989, or a drugstore to which an off-sale license had been issued on or prior to May 1,  
2.20 1994.

2.21 (c) With the approval of the commissioner, a city owning and operating a municipal  
2.22 liquor store under section 340A.601 may issue an off-sale intoxicating liquor license to a  
2.23 food retailer.

2.24 Sec. 3. Minnesota Statutes 2020, section 340A.412, subdivision 3, is amended to read:

2.25 Subd. 3. **Limitations on issuance of licenses to one person or place.** (a) A municipality  
2.26 may not issue more than one off-sale intoxicating liquor license to any one person or for  
2.27 any one place.

2.28 (b) A municipality may not allow the same business name to be used by more than one  
2.29 of its off-sale intoxicating liquor licensees.

2.30 (c) For purposes of this subdivision, "person" means:

2.31 (1) a holder of an off-sale intoxicating liquor license;

3.1 (2) an officer, director, agent, or employee of a holder of an off-sale intoxicating liquor  
3.2 license; or

3.3 (3) an affiliate of a holder of an off-sale intoxicating liquor license, regardless of whether  
3.4 the affiliation is corporate or by management, direction, or control.

3.5 (d) This subdivision does not apply to an off-sale license issued to a food retailer under  
3.6 section 340A.405.

3.7 Sec. 4. Minnesota Statutes 2020, section 340A.412, is amended by adding a subdivision  
3.8 to read:

3.9 Subd. 15. **Food retailers.** An off-sale intoxicating liquor license issued to a food retailer  
3.10 under section 340A.405 authorizes the food retailer to sell malt liquor and wine.

3.11 Sec. 5. Minnesota Statutes 2020, section 340A.413, subdivision 5, is amended to read:

3.12 Subd. 5. **Off-sale licenses.** (a) No off-sale intoxicating liquor license may be issued in  
3.13 any city, except as provided in this section, in excess of the following limits:

3.14 (1) in cities of the first class, not more than one off-sale license for each 5,000 population;  
3.15 and

3.16 (2) in all other cities the limit shall be determined by the governing body of the city.

3.17 (b) This subdivision does not apply to an off-sale license issued to a food retailer under  
3.18 section 340A.405.

3.19 Sec. 6. Minnesota Statutes 2020, section 340A.503, subdivision 4, is amended to read:

3.20 Subd. 4. **Entering licensed premises.** (a) It is unlawful for a person under the age of  
3.21 21 years to enter an establishment licensed for the sale of alcoholic beverages or any  
3.22 municipal liquor store for the purpose of purchasing or having served or delivered any  
3.23 alcoholic beverage.

3.24 (b) Notwithstanding section 340A.509, no ordinance enacted by a statutory or home  
3.25 rule charter city may prohibit a person 18, 19, or 20 years old from entering an establishment  
3.26 licensed under this chapter to:

3.27 (1) perform work for the establishment, including the serving of alcoholic beverages,  
3.28 unless otherwise prohibited by section 340A.412, subdivision 10;

3.29 (2) consume meals; and

4.1 (3) attend social functions that are held in a portion of the establishment where liquor  
4.2 is not sold.

4.3 (c) Notwithstanding section 340A.509, a local authority may not enact an ordinance that  
4.4 prohibits a person under the age of 21 years from entering a food retailer licensed for off-sale  
4.5 under section 340A.405.

4.6 Sec. 7. **EFFECTIVE DATE.**

4.7 Sections 1 to 6 are effective upon adoption by the people of the amendment in article 1.