

HOUSE OF REPRESENTATIVES

Unofficial Engrossment

House Engrossment of a Senate File

NINETY-FIRST SESSION

S. F. No. 2130

04/05/2019Companion to House File No. 2290. (Authors:Halverson; Carlson, A., and O'Driscoll)
Read First Time and Sent for Comparison

04/08/2019Substituted for H. F. No. 2290
Read for the Second Time

05/20/2019Pursuant to Rule 4.20, returned to the Committee on Commerce

05/05/2020Adoption of Report: Placed on the General Register as Amended
Pursuant to Joint Rule 2.03, re-referred to the Committee on Rules and Legislative Administration

05/07/2020Adoption of Report: Placed on the General Register
Joint Rule 2.03 has been waived for any subsequent committee action on this bill
Read for the Second Time

05/16/2020Calendar for the Day
Read for the Third Time
Passed by the House and transmitted to the Senate

A bill for an act

relating to liquor; modifying various provisions relating to the sale and delivery of intoxicating liquor; providing for an accounting adjustment; authorizing various local licenses; amending Minnesota Statutes 2018, sections 340A.404, subdivisions 1, 2; 340A.504, subdivision 4; 340A.5041; 340A.602; Laws 1999, chapter 202, section 13, as amended; Laws 2017, First Special Session chapter 4, article 5, section 17.

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

Section 1. Minnesota Statutes 2018, section 340A.404, subdivision 1, is amended to read:

Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to the following establishments located within its jurisdiction:

(1) hotels;

(2) restaurants;

(3) bowling centers;

(4) clubs or congressionally chartered veterans organizations with the approval of the commissioner, provided that the organization has been in existence for at least three years and liquor sales will only be to members and bona fide guests, except that a club may permit the general public to participate in a wine tasting conducted at the club under section 340A.419;

(5) sports facilities, restaurants, clubs, or bars located on land owned or leased by the Minnesota Sports Facilities Authority;

(6) sports facilities located on land owned by the Metropolitan Sports Commission; and

2.1 (7) exclusive liquor stores.

2.2 (b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or
2.3 an on-sale malt liquor license to a theater within the city, notwithstanding any law, local
2.4 ordinance, or charter provision. A license issued under this paragraph authorizes sales on
2.5 all days of the week to persons attending events at the theater.

2.6 (c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or
2.7 an on-sale malt liquor license to a convention center within the city, notwithstanding any
2.8 law, local ordinance, or charter provision. A license issued under this paragraph authorizes
2.9 sales on all days of the week to persons attending events at the convention center. This
2.10 paragraph does not apply to convention centers located in the seven-county metropolitan
2.11 area.

2.12 (d) A city may issue an on-sale wine license and an on-sale malt liquor license to a
2.13 person who is the owner of a summer collegiate league baseball team, or to a person holding
2.14 a concessions or management contract with the owner, for beverage sales at a ballpark or
2.15 stadium located within the city for the purposes of summer collegiate league baseball games
2.16 and any other events at the ballpark or stadium, notwithstanding any law, local ordinance,
2.17 or charter provision. A license issued under this paragraph authorizes sales on all days of
2.18 the week to persons attending baseball games and any other events at the ballpark or stadium.

2.19 Sec. 2. Minnesota Statutes 2018, section 340A.404, subdivision 2, is amended to read:

2.20 Subd. 2. **Special provision; city of Minneapolis.** (a) The city of Minneapolis may issue
2.21 an on-sale intoxicating liquor license to the Guthrie Theater, the Cricket Theatre, the
2.22 Orpheum Theatre, the State Theatre, and the Historic Pantages Theatre, notwithstanding
2.23 the limitations of law, or local ordinance, or charter provision relating to zoning or school
2.24 or church distances. The licenses authorize sales on all days of the week to holders of tickets
2.25 for performances presented by the theaters and to members of the nonprofit corporations
2.26 holding the licenses and to their guests.

2.27 (b) The city of Minneapolis may issue an intoxicating liquor license to 510 Groveland
2.28 Associates, a Minnesota cooperative, for use by a restaurant on the premises owned by 510
2.29 Groveland Associates, notwithstanding limitations of law, or local ordinance, or charter
2.30 provision.

2.31 (c) The city of Minneapolis may issue an on-sale intoxicating liquor license to Zuhrah
2.32 Shrine Temple for use on the premises owned by Zuhrah Shrine Temple at 2540 Park Avenue

South in Minneapolis, notwithstanding limitations of law, or local ordinances, or charter provision relating to zoning or school or church distances.

(d) The city of Minneapolis may issue an on-sale intoxicating liquor license to the American Association of University Women, Minneapolis branch, for use on the premises owned by the American Association of University Women, Minneapolis branch, at 2115 Stevens Avenue South in Minneapolis, notwithstanding limitations of law, or local ordinances, or charter provisions relating to zoning or school or church distances.

(e) The city of Minneapolis may issue an on-sale wine license and an on-sale 3.2 percent malt liquor license to a restaurant located at 5000 Penn Avenue South, and an on-sale wine license and an on-sale malt liquor license to a restaurant located at 1931 Nicollet Avenue South, notwithstanding any law or local ordinance or charter provision.

(f) The city of Minneapolis may issue an on-sale wine license and an on-sale malt liquor license to the Brave New Workshop Theatre located at 3001 Hennepin Avenue South, the Theatre de la Jeune Lune, the Illusion Theatre located at 528 Hennepin Avenue South, the Hollywood Theatre located at 2815 Johnson Street Northeast, the Loring Playhouse located at 1633 Hennepin Avenue South, the Jungle Theater located at 2951 Lyndale Avenue South, Brave New Institute located at 2605 Hennepin Avenue South, the Guthrie Lab located at 700 North First Street, and the Southern Theatre located at 1420 Washington Avenue South, notwithstanding any law or local ordinance or charter provision. The license authorizes sales on all days of the week.

(g) The city of Minneapolis may issue an on-sale intoxicating liquor license to University Gateway Corporation, a Minnesota nonprofit corporation, for use by a restaurant or catering operator at the building owned and operated by the University Gateway Corporation on the University of Minnesota campus, notwithstanding limitations of law, or local ordinance or charter provision. The license authorizes sales on all days of the week.

(h) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Walker Art Center's concessionaire or operator, for a restaurant and catering operator on the premises of the Walker Art Center, notwithstanding limitations of law, or local ordinance or charter provisions. The license authorizes sales on all days of the week.

(i) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Guthrie Theater's concessionaire or operator for a restaurant and catering operator on the premises of the Guthrie Theater, notwithstanding limitations of law, local ordinance, or charter provisions. The license authorizes sales on all days of the week.

(j) The city of Minneapolis may issue an on-sale wine license and an on-sale malt liquor license to the Minnesota Book and Literary Arts Building, Inc.'s concessionaire or operator for a restaurant and catering operator on the premises of the Minnesota Book and Literary Arts Building, Inc. (dba Open Book), notwithstanding limitations of law, or local ordinance or charter provision. The license authorizes sales on all days of the week.

(k) The city of Minneapolis may issue an on-sale intoxicating liquor license to a restaurant located at 5411 Penn Avenue South, notwithstanding any law or local ordinance or charter provision.

(l) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Museum of Russian Art's concessionaire or operator for a restaurant and catering operator on the premises of the Museum of Russian Art located at 5500 Stevens Avenue South, notwithstanding any law or local ordinance or charter provision.

(m) The city of Minneapolis may issue an on-sale intoxicating liquor license to the American Swedish Institute or to its concessionaire or operator for use on the premises owned by the American Swedish Institute at 2600 Park Avenue South, notwithstanding limitations of law, or local ordinances, or charter provision relating to zoning or school or church distances.

(n) Notwithstanding any other law, local ordinance, or charter provision, the city of Minneapolis may issue one or more on-sale intoxicating liquor licenses to the Minneapolis Society of Fine Arts (dba Minneapolis Institute of Arts), or to an entity holding a concessions or catering contract with the Minneapolis Institute of Arts for use on the premises of the Minneapolis Institute of Arts. The licenses authorized by this subdivision may be issued for space that is not compact and contiguous, provided that all such space is included in the description of the licensed premises on the approved license application. The licenses authorize sales on all days of the week.

(o) The city of Minneapolis may issue an on-sale intoxicating liquor license to Norway House or to its concessionaire or operator for use on the premises owned by Norway House at 913 East Franklin Avenue, notwithstanding limitations of law, or local ordinances, or charter provision relating to zoning or school or church distances.

(p) Notwithstanding any other law, local ordinance, or charter provision, the city of Minneapolis may issue one or more on-sale intoxicating liquor licenses to any entity holding a concessions or catering contract with the Minneapolis Park and Recreation Board for use on the premises of the Downtown Commons Park, the Minneapolis Sculpture Garden, or at Boom Island Park. The licenses authorized by this subdivision may be used for space

specified within the park property, provided all such space is included in the description of the licensed premises on the approved license application. The licenses authorize sales on the dates on the approved license application.

EFFECTIVE DATE. This section is effective upon approval by the Minneapolis City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 3. Minnesota Statutes 2018, section 340A.504, subdivision 4, is amended to read:

Subd. 4. **Intoxicating liquor; off-sale.** (a) No sale of intoxicating liquor may be made by an off-sale licensee:

(1) on Sundays, except between the hours of 11:00 a.m. and 6:00 p.m.;

(2) before 8:00 a.m. or after 10:00 p.m. on Monday through Saturday;

(3) on Thanksgiving Day;

(4) on Christmas Day, December 25; or

(5) after 8:00 p.m. on Christmas Eve, December 24.

(b) No delivery of alcohol to an off-sale or on-sale licensee may be made by a wholesaler or accepted by an off-sale or on-sale licensee on a Sunday. No order solicitation or merchandising may be made by a wholesaler on a Sunday.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. Minnesota Statutes 2018, section 340A.5041, is amended to read:

340A.5041 AIRPORT COMMISSION; EXTENDED HOURS.

Notwithstanding any law, rule, or ordinance to the contrary, the Metropolitan Airports Commission may ~~allow extended hours of sale~~ set the hours of sale at on-sale locations within the security areas of the Lindbergh and Humphrey Terminals. ~~Extended hours are allowed for sales during the hours between 6:00 a.m. and 2:00 a.m. Monday through Sunday.~~

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 5. Minnesota Statutes 2018, section 340A.602, is amended to read:

340A.602 CONTINUATION.

In any city in which the report of the operations of a municipal liquor store has shown a net loss prior to interfund transfer and without regard to costs related to pension obligations of store employees, as required by Statement 68 of the Governmental Accounting Standards

Board, in any two of three consecutive years, the city council shall, not more than 45 days prior to the end of the fiscal year following the three-year period, hold a public hearing on the question of whether the city shall continue to operate a municipal liquor store. Two weeks' notice, written in clear and easily understandable language, of the hearing must be printed in the city's official newspaper. Following the hearing the city council may on its own motion or shall upon petition of five percent or more of the registered voters of the city, submit to the voters at a general or special municipal election the question of whether the city shall continue or discontinue municipal liquor store operations by a date which the city council shall designate. The date designated by the city council must not be more than 30 months following the date of the election. The form of the question shall be: "Shall the city of (name) discontinue operating the municipal liquor store on (Month xx, 2xxx)?".

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 6. Laws 1999, chapter 202, section 13, as amended by Laws 2013, chapter 42, section 8, and Laws 2017, First Special Session chapter 4, article 5, section 10, is amended to read:

Sec. 13. CITY OF ST. PAUL; LICENSES AUTHORIZED.

(a) The city of St. Paul may issue temporary intoxicating liquor licenses under Minnesota Statutes, section 340A.404, subdivision 10, to Macalester college for the Macalester Scottish fair, Springfest, and for the annual alumni reunion weekend without regard to the limitation in Minnesota Statutes, section 340A.410, subdivision 10, paragraph (b).

(b) Notwithstanding Minnesota Statutes, section 340A.412, subdivision 4, the city of St. Paul may issue a temporary on-sale intoxicating liquor license to Twin Cities in Motion, or its successor organization, if any. The license may authorize the sale of intoxicating liquor on the grounds of the state capitol on both days of the day weekend of the Twin Cities Marathon. Any malt liquor and 3.2 percent malt liquor sold must be produced by a Minnesota brewery. All provisions of Minnesota Statutes, section 340A.404, subdivision 10, not inconsistent with this section, apply to the license authorized by this section.

EFFECTIVE DATE. This section is effective upon approval by the St. Paul City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 7. Laws 2017, First Special Session chapter 4, article 5, section 17, is amended to read:

Sec. 17. SPECIAL LICENSE; SARTELL.

The city of Sartell may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license to a person or entity holding a concessions or management contract with the city or its agent for the city-owned facilities known as Sartell Community Center, located at 850 19th Street South; Pinecone Central Park, located at 1105 Central Park Blvd; and ~~Champion Field St.~~ Cloud Orthopedics Field, located at ~~710~~ 802 12th Street North, notwithstanding any law, local ordinance, or charter provision. A license issued under this section authorizes sales on all days of the week to persons attending events at these facilities. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the licenses issued under this section. ~~The city of Sartell is deemed the licensee under this section, and the provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply to the licenses as if the facilities were a municipal liquor store.~~

EFFECTIVE DATE. This section is effective upon approval by the Sartell City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 8. CHASKA ATHLETIC PARK LIQUOR LICENSE.

Notwithstanding any law or ordinance to the contrary, the city of Chaska may issue an on-sale intoxicating liquor license for events, other than high school amateur events, occurring each year between May 1 and August 30, at Athletic Park located at 725 West 1st Street in the city of Chaska. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license issued under this section. The city of Chaska is deemed the licensee under this section, and the provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply to the license as if the establishment were a municipal liquor store. The license authorized by this section may be issued for space that is not compact and contiguous, provided that all such space is included in the description of the licensed premises on the approved license application. The license authorizes sales on all days of the week.

EFFECTIVE DATE. This section is effective upon approval by the Chaska City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 9. FOOD HALL LICENSE; ST. PAUL.

Notwithstanding Minnesota Statutes, section 340A.101, subdivision 25; 340A.401; or 340A.410, subdivision 7, or any other law or ordinance to the contrary, the city of St. Paul

may issue an on-sale intoxicating liquor license for a licensee serving as an anchor tenant or umbrella operator for a distinct, compact, and contiguous premises which contains restaurants and closes by midnight. The license may allow service and consumption anywhere within the defined premises as long as consumption of licensed beverages sold by the license holder is within a food establishment area or common areas within the licensed premises.

EFFECTIVE DATE. This section is effective upon approval by the St. Paul City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 10. **TEMPORARY LICENSES; LAKE OF THE WOODS COUNTY.**

Lake of the Woods County may issue temporary licenses pursuant to law for premises of the Baudette Arena Association, without regard to the restriction set forth in Minnesota Statutes, section 340A.412, subdivision 4, paragraph (a), clause (7).

EFFECTIVE DATE. This section is effective upon approval by the Lake of the Woods County Board of Commissioners and compliance with Minnesota Statutes, section 645.021.

Sec. 11. **SPECIAL LICENSE; MAPLE LAKE.**

Wright County may issue, and the commissioner of public safety may approve, a temporary on-sale license to the Maple Lake Ice Fishing Derby, Inc., notwithstanding the prohibition under Minnesota Statutes, section 340A.404, subdivision 10, paragraph (a), clause (1), on issuing a temporary on-sale license to a nonprofit organization that has not been in existence for at least three years. The authority to issue and approve the on-sale license under this section expires May 1, 2022.

EFFECTIVE DATE. This section is effective upon approval by the Wright County Board of Commissioners and compliance with Minnesota Statutes, section 645.021.

Sec. 12. **FOREST LAKE; ON-SALE LICENSE.**

Notwithstanding any law or ordinance to the contrary, the city of Forest Lake may issue an on-sale intoxicating liquor license for a golf course known as Castlewood Golf Course, which is located at 7050 Scandia Trail North in the city of Forest Lake, and is owned by the city. The on-sale intoxicating liquor license shall permit the on-sale of intoxicating liquor and other alcoholic beverages anywhere on the property constituting the Castlewood Golf Course, other than the parking lot, including inside the pro shop, on the golf course grounds, and inside any future structures, including a potential clubhouse or restaurant, that may be constructed on the premises. The license may be issued to the city of Forest Lake or to any person or entity under contract or agreement with the city with respect to operation of the

golf course. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license issued under this section. The city of Forest Lake is deemed the licensee under this section, and the provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply to the licenses as if the facilities were a municipal liquor store.

EFFECTIVE DATE. This section is effective upon approval by the Forest Lake City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 13. **CITY OF ST. CLOUD; ON-SALE LICENSE.**

Notwithstanding any law or ordinance to the contrary, in addition to the number of licenses authorized, the city of St. Cloud may issue an on-sale wine license and an on-sale malt liquor license to a person who is the owner of a junior league hockey team or to a person holding a concessions or management contract with the city or the team owner for beverage sales at the St. Cloud municipal ice arena. The licenses must authorize the dispensing of wine or malt liquor only to persons attending events at the arena for consumption on the premises. A license issued under this section authorizes sales on all days of the week to persons attending junior hockey league games or other events at the arena.

EFFECTIVE DATE. This section is effective upon approval by the St. Cloud City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 14. **CITY OF AUSTIN; ON-SALE LICENSE.**

Notwithstanding any law or ordinance to the contrary, in addition to the number of licenses authorized, the city of Austin may issue an on-sale wine license and an on-sale malt liquor license to a person who is the owner of a junior hockey league team or to a person holding a concessions or management contract with the city or the team owner, for beverage sales at the Riverside Arena. The licenses must authorize the dispensing of wine or malt liquor only to persons attending events at the arena for consumption on the premises. A license issued under this section authorizes sales on all days of the week to persons attending junior hockey league games at the arena.

EFFECTIVE DATE. This section is effective upon approval by the Austin City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 15. **CITY OF ROCHESTER; ON-SALE LICENSE.**

Notwithstanding any law or ordinance to the contrary, in addition to the number of licenses authorized, the city of Rochester may issue an on-sale wine license and an on-sale

malt liquor license to a person who is the owner of a junior hockey league team or to a person holding a concessions or management contract with the city or the team owner, for beverage sales at the Rochester Recreation Center. The licenses must authorize the dispensing of wine or malt liquor only to persons attending events at the arena for consumption on the premises. A license issued under this section authorizes sales on all days of the week to persons attending junior hockey league games at the arena.

EFFECTIVE DATE. This section is effective upon approval by the Rochester City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 16. **SPECIAL LICENSE; CITY OF PIERZ.**

The city of Pierz may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license for the city-owned Pierz Golf Course, notwithstanding any law, local ordinance, or charter provision. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license issued under this section. The city of Pierz is deemed the licensee under this section, and the provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply to the license as if the facility was a municipal liquor store.

EFFECTIVE DATE. This section is effective upon approval by the Pierz City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 17. **SPECIAL LICENSE; CITY OF PEMBERTON.**

The city of Pemberton may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license for the city-owned facility known as the Pemberton Community Center, notwithstanding any law, local ordinance, or charter provision. The license issued under this section authorizes sales on all days of the week to persons attending events at the Pemberton Community Center. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license issued under this section. The city of Pemberton is deemed the licensee under this section, and the provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply to the license as if the facility was a municipal liquor store.

EFFECTIVE DATE. This section is effective upon approval by the Pemberton City Council and compliance with Minnesota Statutes, section 645.021.

11.1 Sec. 18. **ROSEVILLE; GOLF COURSE LIQUOR LICENSE.**

11.2 Notwithstanding any law or ordinance to the contrary, the city of Roseville may issue
11.3 an on-sale intoxicating liquor license for the Roseville Cedarholm Golf Course that is located
11.4 at 2323 Hamline Avenue North and is owned by the city. The provisions of Minnesota
11.5 Statutes, chapter 340A, not inconsistent with this section, apply to the license issued under
11.6 this section. The city of Roseville is deemed the licensee under this section, and the provisions
11.7 of Minnesota Statutes, sections 340A.603 and 340A.604, apply to the license as if the
11.8 establishment were a municipal liquor store.

11.9 **EFFECTIVE DATE.** This section is effective upon approval by the Roseville City
11.10 Council and compliance with Minnesota Statutes, section 645.021.

11.11 Sec. 19. **TEMPORARY LICENSE; ALEXANDRIA.**

11.12 The city of Alexandria may issue temporary licenses pursuant to law to the Minnesota
11.13 Lakes Maritime Society, doing business as the Legacy of the Lakes Museum, without regard
11.14 to the restriction set forth in Minnesota Statutes, section 340A.410, subdivision 10, paragraph
11.15 (b).

11.16 **EFFECTIVE DATE.** This section is effective upon approval by the Alexandria City
11.17 Council and compliance with Minnesota Statutes, section 645.021.