

**SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION**

**S.F. No. 2064**

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DATE  
03/07/2019

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687 Introduction and first reading  
Referred to Jobs and Economic Growth Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to liquor; permitting taprooms to offer limited sale of collaboration malt  
1.3 liquor; modifying brewer off-sale requirements; requiring a study; amending  
1.4 Minnesota Statutes 2018, sections 340A.101, by adding a subdivision; 340A.26,  
1.5 subdivision 1; 340A.28, subdivision 2; 340A.285.

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

1.7 Section 1. Minnesota Statutes 2018, section 340A.101, is amended by adding a subdivision  
1.8 to read:

1.9 Subd. 5a. **Collaboration.** "Collaboration" means malt liquor produced by two or more  
1.10 brewers or brew pubs that have jointly engaged in the process of crafting, brewing,  
1.11 promoting, or marketing the product. Malt liquor is still considered to be a collaboration  
1.12 even if the commercial production of the malt liquor occurs on a single licensed premises.

1.13 Sec. 2. Minnesota Statutes 2018, section 340A.26, subdivision 1, is amended to read:

1.14 Subdivision 1. **Brewer taproom license.** (a) A municipality, including a city with a  
1.15 municipal liquor store, may issue the holder of a brewer's license under section 340A.301,  
1.16 subdivision 6, clause (c), (i), or (j), a brewer taproom license. A brewer taproom license  
1.17 authorizes on-sale of malt liquor produced by the brewer for consumption on the premises  
1.18 of or adjacent to one brewery location owned by the brewer. In addition to malt liquor  
1.19 produced by the brewer, the holder of a brewer taproom license may also sell collaboration  
1.20 malt liquor so long as malt liquor produced by the brewer utilizes a minimum of 80 percent  
1.21 of all draft lines. Nothing in this subdivision precludes the holder of a brewer taproom  
1.22 license from also holding a license to operate a restaurant at the brewery. Section 340A.409  
1.23 shall apply to a license issued under this subdivision. All provisions of this chapter that

2.1 apply to a retail liquor license shall apply to a license issued under this subdivision unless  
 2.2 the provision is explicitly inconsistent with this subdivision.

2.3 (b) A brewer may only have one taproom license under this subdivision, and may not  
 2.4 have an ownership interest in a brew pub.

2.5 Sec. 3. Minnesota Statutes 2018, section 340A.28, subdivision 2, is amended to read:

2.6 Subd. 2. **Prohibition.** A municipality may not issue a license under this section to a  
 2.7 brewer if the brewer seeking the license, or any person having an economic interest in the  
 2.8 brewer seeking the license or exercising control over the brewer seeking the license, is a  
 2.9 ~~brewer that brews more than 20,000 barrels of its own brands of malt liquor annually or a~~  
 2.10 winery that produces more than 250,000 gallons of wine annually.

2.11 Sec. 4. Minnesota Statutes 2018, section 340A.285, is amended to read:

2.12 **340A.285 GROWLERS CONTAINERS.**

2.13 (a) Malt liquor authorized for off-sale pursuant to section 340A.24 or 340A.28 shall be  
 2.14 packaged in 64-ounce containers commonly known as "growlers" or in ~~750 milliliter bottles~~  
 2.15 any container sized between 350 milliliters and two liters. The containers ~~or bottles~~ shall  
 2.16 bear a twist-type closure, cork, stopper, or plug. At the time of sale, a paper or plastic  
 2.17 adhesive band, strip, or sleeve shall be applied to the container ~~or bottle~~ and extended over  
 2.18 the top of the twist-type closure, cork, stopper, or plug forming a seal that must be broken  
 2.19 upon opening the container ~~or bottle~~. The adhesive band, strip, or sleeve shall bear the name  
 2.20 and address of the brewer. The containers ~~or bottles~~ shall be identified as malt liquor, contain  
 2.21 the name of the malt liquor, bear the name and address of the brew pub or brewer selling  
 2.22 the malt liquor, and shall be considered intoxicating liquor unless the alcoholic content is  
 2.23 labeled as otherwise in accordance with the provisions of Minnesota Rules, part 7515.1100.

2.24 (b) A brew pub ~~or~~ brewer, or exclusive liquor store may, but is not required to, refill  
 2.25 any container ~~or bottle~~ with malt liquor for off-sale at the request of the customer. A brew  
 2.26 pub ~~or~~ brewer, or exclusive liquor store refilling a container ~~or bottle~~ must do so at its  
 2.27 licensed premises and the container ~~or bottle~~ must be filled at the tap at the time of sale. A  
 2.28 container ~~or bottle~~ refilled under this paragraph must be sealed and labeled in the manner  
 2.29 described in paragraph (a).

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

3.1 Sec. 5. **ECONOMIC IMPACT STUDY OF SURLY BILL.**

3.2 The commissioner of employment and economic development shall conduct a study  
3.3 that examines the economic development and job creation impacts of Laws 2011, chapter  
3.4 55, section 4, commonly referred to as the "Surly Bill." The study must include an analysis  
3.5 of trends in brewery establishment, brewery production levels, and employment and wage  
3.6 levels in the brewing industry in this state. The commissioner must report the findings to  
3.7 the chairs and ranking minority members of the legislative committees with jurisdiction  
3.8 over alcohol policy by February 15, 2020.

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