

a sum of money as shall in its judgment be necessary and sufficient. *The Executive Council shall not expend or borrow, under authority of this act, more than \$200,000 during any fiscal year.*

Approved April 15, 1943.

CHAPTER 458—S. F. No. 960.

(AMENDING SECTION 168.031 MINNESOTA STATUTES 1941.)

An act relating to exemption of taxation of certain motor vehicles; and amending Laws 1941, Chapter 7, Section 1.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Law amended—certain motor vehicles exempt.**—Laws 1941, Chapter 7, Section 1, is amended to read as follows:

“The motor vehicle of any person who engages in active service in time of war or other emergency declared by proper authority in any of the military or naval forces of the United States shall be exempt from the motor vehicle registration tax during the period of such active service and for 40 days immediately thereafter if the owner has filed with the registrar of motor vehicles a written application for exemption with such proof of military service as the registrar may have required and if the motor vehicle is not operated on a public highway within the state, *except by the owner while on furlough or leave of absence.*”

Approved April 16, 1943.

CHAPTER 459—S. F. No. 997.

(AMENDING SECTION 340.02 MINNESOTA STATUTES 1941.)

An act relating to the sale of non-intoxicating malt liquors amending Mason's Supplement 1940, Section 3200-6.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Law amended.**—Mason's Supplement 1940, Section 3200-6, is hereby amended to read as follows:

“3200-6. **Unlawful to sell unless licensed.**—It shall be unlawful to sell non-intoxicating malt liquors, at retail, or wholesale,

except when licensed as hereinafter provided. There shall be two kinds of licenses, viz:

“(a) ‘On-sale’ licenses shall permit the licensee to sell such non-intoxicating malt liquors for consumption on the licensed premises, and the license fee therefor shall be \$10.00 per annum, unless the county, city, village or borough wherein the premises are situated shall fix a higher fee to be paid to such county, city, village or borough. ‘On-sale’ licenses shall be granted only to drug stores, restaurants, and hotels and Bona Fide clubs; provided, however, that no manufacturer or wholesaler of such non-intoxicating malt liquors shall have any ownership, in whole or in part, in the business of any licensee holding an ‘On-sale’ license. A Bona Fide Club under this Act is an organization for social or business purposes or for intellectual improvement, or for the promotion of sports, where the serving of such non-intoxicating malt liquors is incidental and not the major purpose of the Club.

“(b) ‘Off-sale’ licenses shall permit the licensee to sell non-intoxicating malt liquors in original packages for consumption off the premises only, and the license fee therefor shall be \$5.00 per annum.

“(c) The Secretary of State may issue an ‘On-sale’ license to any railroad company operating within the state which shall permit such railroad company to sell non-intoxicating malt liquors in its dining cars, buffet cars, cafe cars and observation cars; such company shall keep a duplicate of such license posted in each car where such malt liquors are served. Each railroad company applying for such license shall pay to the Secretary of State a fee of \$25.00 for such license and Twenty-five cents for each duplicate thereof, which fee shall be paid into the State Treasury.

“A manufacturer of non-intoxicating malt liquor may, without license, sell such liquor to licensed dealers holding either ‘On-sale’ or ‘Off-sale’ licenses, and may sell and deliver the same in quantities of not less than two gallons, direct to consumers at their homes.

“No manufacturer of non-intoxicating malt liquor, nor any affiliate or subsidiary company of such manufacturer, shall sell such liquor except as herein restricted. An affiliate or subsidiary company shall be one in which such manufacturer or its stockholders own a majority of the stock.

“(d) Licenses hereunder shall be issued only to persons who are citizens of the United States and who are of good moral character and repute.

“(e) *No manufacturer or wholesaler shall, directly or indirectly, or through a subsidiary or affiliate corporation, or by any*

officer, director, stockholder or partner thereof, give, lend or advance any money, credit or other thing of value to any retailer or to any person for the benefit or relief of any retailer, nor furnish, give, lend, lease or sell to any person any furniture, fixtures, fittings or equipment; nor shall any manufacturer or wholesaler, directly or indirectly, have any interest in, or pay for, any retail licenses, or advance, furnish, lend or give money for the payment of retail license fees or any expense incident to the obtaining of such license; nor shall any manufacturer or wholesaler become bound in any manner, directly or indirectly, for the repayment of any loan made to, or the fulfillment of any financial obligation of, any retailer; except that manufacturers or wholesalers may: (1) extend to retailers the usual and customary commercial credits for products of the industry actually sold and delivered; (2) furnish to retailers the containers of consumable products of the industry actually sold and delivered and may recover the same, or the value thereof, if such containers are not returned; (3) furnish, lend or rent outside signs to retailers, provided the cost of such signs, in the aggregate, furnished, lent or rented by any manufacturer or wholesaler to any retailer shall not exceed \$100.00 exclusive of erection, installation and repair charges; but nothing herein shall be construed as affecting signs owned and located in the state on the effective date hereof by any such manufacturer or wholesaler; (4) furnish inside signs, miscellaneous advertising matter and other items not to exceed, in the aggregate, a cost of \$25.00 in any calendar year to any one retailer; (5) furnish or maintain for retailers such equipment as is designed and intended to preserve and maintain the sanitary dispensing of non-intoxicating malt liquors, provided the expense incurred thereby does not exceed the sum of \$25.00 per tap per calendar year, no part of which shall be paid in cash to any retailer; (6) acquire within ten days after the effective date hereof any furniture, fixtures, fittings and equipment, or any valid lien thereon or interest therein, which were actually installed on the premises of any retailer prior to the effective date hereof; (7) lease or lend to the owner of premises, or to any retailer now or hereafter occupying the premises, any furniture, fixtures, fittings and equipment actually located on said premises on the effective date hereof. Any such manufacturer or wholesaler who, within ten days after the effective date hereof, owns any furniture, fixtures, fittings or equipment in possession of any retailer on the effective date hereof may, within 90 days after said effective date, sell the same to such retailer only for cash on delivery and deliver a bill of sale to the same.

“(f) No manufacturer or wholesaler shall hereafter, directly or indirectly, or through a subsidiary or affiliate corporation, or by any officer, director, stockholder or partner enter into any

agreement, oral or written, whether or not incorporated in any chattel mortgage, conditional sales contract, bill of sale, lease, land contract, mortgage, deed or other instrument, wherein and whereby any retailer is required to purchase the non-intoxicating malt liquor of any manufacturer to the exclusion, in whole or in part, of the products of other manufacturers.

“(g) Any retailer who shall be a party to any violation of subsection (e) or subsection (f), or who shall receive the benefits thereof, shall be equally guilty of a violation of the provisions thereof and shall be subject to the penalty hereinafter provided.

“(h) Any person who shall violate the provisions of subsection (e) or subsection (f) hereof shall be guilty of a gross misdemeanor and each violation shall constitute a separate offense.”

Sec. 2. This Act shall take effect and be in force from and after its passage.

Approved April 16, 1943.

CHAPTER 460—S. F. No. 1172.

An act relating to the manufacture and sale at wholesale of intoxicating malt liquors as herein defined; providing for the licensing and regulation thereof; prohibiting such licensees from owning or having any interest in, furnishing financial aid to, or entering into certain agreements with, any retail business engaged in selling such liquor; prohibiting retailers of such liquor from accepting financial aid from, or entering into certain agreements with, manufacturers or wholesalers of intoxicating malt liquor; prescribing penalties for the violation of this act, and repealing all acts, or parts of acts, inconsistent with the provisions hereof.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Definitions.**—Terms used in this Act, unless the context otherwise plainly requires, shall mean:

(a) “Intoxicating Malt Liquor”, any liquor capable of being used for beverage purposes and which is produced wholly or in part from brewing of any grain or grains, or malt or malt substitute, containing in excess of 3.2 per cent of alcohol by weight.

(b) “Brewer”, any person who shall manufacture for the purpose of sale, barter, exchange or transportation any intoxicating malt liquor.