

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

S.F. No. 978

(SENATE AUTHORS: HOUSLEY and Coleman)

DATE
02/01/2023

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Introduction and first reading
Referred to Commerce and Consumer Protection

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to liquor; authorizing food retailers to sell wine and beer; amending
1.3 Minnesota Statutes 2022, sections 340A.101, by adding a subdivision; 340A.405,
1.4 subdivision 1; 340A.412, subdivision 3, by adding a subdivision; 340A.413,
1.5 subdivision 5; 340A.503, subdivision 4.

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

1.7 Section 1. Minnesota Statutes 2022, section 340A.101, is amended by adding a subdivision
1.8 to read:

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

1.16 Sec. 2. Minnesota Statutes 2022, section 340A.405, subdivision 1, is amended to read:

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

1.21 (b) A city of the first class may issue an off-sale license to an exclusive liquor store, a
1.22 food retailer, a general food store to which an off-sale license had been issued on August

2.1 1, 1989, or a drugstore to which an off-sale license had been issued on or prior to May 1,
2.2 1994.

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

2.6 Sec. 3. Minnesota Statutes 2022, section 340A.412, subdivision 3, is amended to read:

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

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

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

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

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

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

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

2.20 Sec. 4. Minnesota Statutes 2022, section 340A.412, is amended by adding a subdivision
2.21 to read:

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

2.24 Sec. 5. Minnesota Statutes 2022, section 340A.413, subdivision 5, is amended to read:

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

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

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

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

3.3 Sec. 6. Minnesota Statutes 2022, section 340A.503, subdivision 4, is amended to read:

3.4 Subd. 4. **Entering licensed premises.** (a) It is unlawful for a person under the age of
3.5 21 years to enter an establishment licensed for the sale of alcoholic beverages or any
3.6 municipal liquor store for the purpose of purchasing or having served or delivered any
3.7 alcoholic beverage.

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

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

3.13 (2) consume meals; and

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

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

3.19 Sec. 7. **EFFECTIVE DATE.**

3.20 Sections 1 to 6 are effective the day following final enactment.