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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. 1154

February 26, 2009

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The bill was read for the first time and referred to the Committee on Commerce and Labor

1.1 A bill for an act
1.2 relating to liquor; authorizing artisan distilleries; amending Minnesota Statutes
1.3 2008, section 340A.101, by adding a subdivision; proposing coding for new law
1.4 in Minnesota Statutes, chapter 340A.

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

1.6 Section 1. Minnesota Statutes 2008, section 340A.101, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 3a. **Artisan distillery.** "Artisan distillery" is a distillery operated within the
1.9 state producing distilled spirits in total quantity not to exceed 25,000 gallons in a calendar
1.10 year, produced with not less than 50 percent Minnesota produced or grown agricultural
1.11 products, subject to the provisions of section 340A.3155.

1.12 Sec. 2. [340A.3155] ARTISAN DISTILLERY LICENSE.

1.13 Subdivision 1. **Licenses.** The commissioner may issue an artisan distillery license to
1.14 the owner or operator of an artisan distillery located within the state. Licenses may be
1.15 issued and renewed for an annual fee of \$250, which is in lieu of all other license fees
1.16 required by this chapter.

1.17 Subd. 2. **Sales.** An artisan distillery may sell at on-sale or provide without charge,
1.18 for consumption on the artisan distillery premises, not more than two ounces of distilled
1.19 spirits to any person on any day. An artisan distillery may sell at off-sale in a face-to-face
1.20 transaction not more than one liter of distilled spirits to any person on any day. Labels for
1.21 each type of brand of distilled spirits produced must be registered with the commissioner,
1.22 without fee, prior to sale. Distilled spirits produced by an artisan distillery may not be

2.1 sold to another manufacturer licensed under this chapter or further processed at any
2.2 other facility.

2.3 Subd. 3. **Scope.** Except as expressly provided in this section, all provisions of
2.4 this chapter govern the production, sale, possession, and consumption of distilled spirits
2.5 produced by an artisan distillery.

2.6 Subd. 4. **Minnesota products.** Distilled spirits produced under an artisan distillery
2.7 license under this section must be made from not less than 50 percent Minnesota produced
2.8 or grown agricultural products. If Minnesota produced or grown agricultural products
2.9 are not available in sufficient quantities to meet this threshold, the holder of an artisan
2.10 distillery license may file an affidavit stating this fact with the commissioner. If the
2.11 commissioner, after consultation with the commissioner of agriculture, determines this
2.12 to be true, the artisan distillery may use imported products. The affidavit is effective for
2.13 a period of one year, after which the artisan distillery must use the required amount of
2.14 Minnesota produced or grown agricultural products unless the holder files a new affidavit
2.15 with the commissioner.

2.16 Subd. 5. **On-sale licenses allowed.** Nothing in this section or any other provision of
2.17 law prevents an artisan distillery from obtaining a separate on-sale license and operating a
2.18 business establishment that utilizes that license in conjunction with and within the physical
2.19 facilities of the distillery and its buildings.