

Presented to the governor May 20, 1993

Signed by the governor May 24, 1993, 5:46 p.m.

CHAPTER 348—H.F.No. 1415

VETOED

CHAPTER 349—S.F.No. 811

VETOED

CHAPTER 350—S.F.No. 429

An act relating to alcoholic beverages; authorizing possession of alcoholic beverages by passengers in certain vehicles; allowing certain shipments of wine into the state and exempting them from taxation; defining terms; prohibiting issuance of retail licenses to certain persons; revising authority for suspensions and civil penalties; providing for proof of age; authorizing license issuance in certain political subdivisions; amending Minnesota Statutes 1992, sections 169.122, by adding a subdivision; 297C.07; 297C.09; 340A.101, subdivisions 15, 25, and 29; 340A.301, subdivision 3; 340A.302, subdivision 3; 340A.402; 340A.410, subdivision 7; 340A.415; 340A.503, subdivision 6; 340A.904, subdivision 1; Laws 1969, chapter 783, section 1, as amended; Laws 1983, chapter 259, section 8; Laws 1991, chapter 249, section 30; Laws 1992, chapter 486, section 11; proposing coding for new law in Minnesota Statutes, chapter 340A; repealing Minnesota Statutes 1992, section 340A.903.

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

Section 1. Minnesota Statutes 1992, section 169.122, is amended by adding a subdivision to read:

Subd. 5. EXCEPTION. This section does not apply to the possession or consumption of alcoholic beverages by passengers in:

(1) a bus operated under a charter as defined in section 221.011, subdivision 20; or

(2) a limousine as defined in section 168.011, subdivision 35.

Sec. 2. Minnesota Statutes 1992, section 297C.07, is amended to read:

297C.07 EXCEPTIONS.

New language is indicated by underline, deletions by ~~strikeout~~.

The following are not subject to the excise tax:

(1) Sales by a manufacturer, brewer, or wholesaler for shipment outside the state in interstate commerce.

(2) Sales of wine for sacramental purposes under section 340A.316.

(3) Fruit juices naturally fermented or beer naturally brewed in the home for family use.

(4) Malt beverages served by a brewery for on-premise consumption at no charge, or distributed to brewery employees for on-premise consumption under a labor contract.

(5) Alcoholic beverages sold to authorized manufacturers of food products or pharmaceutical firms. The alcoholic beverage must be used exclusively in the manufacture of food products or medicines. For purposes of this part, "manufacturer" means a manufacturer of food products intended for sale to wholesalers or retailers for ultimate sale to the consumer.

(6) Sales to common carriers engaged in interstate transportation of passengers and qualified approved military clubs, except as provided in section 297C.17.

(7) Alcoholic beverages sold or transferred between Minnesota wholesalers.

(8) Sales to a federal agency, that the state of Minnesota is prohibited from taxing under the constitution or laws of the United States or under the constitution of Minnesota.

(9) Shipments of wine to Minnesota residents under section 340A.417.

Sec. 3. Minnesota Statutes 1992, section 297C.09, is amended to read:

297C.09 IMPORTATION BY INDIVIDUALS.

A person, other than a person under the age of 21 years, entering Minnesota from another state may have in possession one liter of intoxicating liquor or 288 ounces of malt liquor and a person entering Minnesota from a foreign country may have in possession four liters of intoxicating liquor or ten quarts (320 ounces) of malt liquor without the required payment of the Minnesota excise tax. A collector of commemorative bottles, other than a person under the age of 21 years, entering Minnesota from another state may have in possession 12 or fewer commemorative bottles without the required payment of the Minnesota excise tax. A person entering Minnesota from another state who imports or has in possession ~~untaxed~~ intoxicating liquor or malt liquor in excess of the quantities provided for in this section is guilty of a misdemeanor. A person entering Minnesota from a foreign country who imports or has in possession untaxed intoxicating liquor or malt liquor in excess of the quantities provided for in this section is guilty of a misdemeanor. This section does not apply to the consign-

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ments of alcoholic beverages shipped into this state by holders of Minnesota import licenses or Minnesota manufacturers and wholesalers when licensed by the commissioner of public safety or to common carriers with licenses to sell intoxicating liquor in more than one state. A peace officer, the commissioner, or their authorized agents, may seize untaxed liquor.

Sec. 4. Minnesota Statutes 1992, section 340A.101, subdivision 15, is amended to read:

Subd. 15. **LICENSED PREMISES.** "Licensed premises" is the premises described in the approved license application, subject to the provisions of section 340A.410, subdivision 7. In the case of a restaurant, club, or exclusive liquor store licensed for on-sales of alcoholic beverages and located on a golf course, "licensed premises" means the entire golf course except for areas where motor vehicles are regularly parked or operated.

Sec. 5. Minnesota Statutes 1992, section 340A.101, subdivision 25, is amended to read:

Subd. 25. **RESTAURANT.** "Restaurant" is an establishment, other than a hotel, under the control of a single proprietor or manager, where meals are regularly prepared on the premises and served at tables to the general public, and having seating capacity for guests in the following minimum numbers:

- (a) First class cities 50
- (b) Second and third class cities
and statutory cities of over
10,000 population 30
- (c) Unincorporated or unorganized
territory other than in Cook,
Itasca, Lake, Lake of the Woods,
and St. Louis counties 100
- (d) Unincorporated or unorganized
territory in Cook, Itasca, Lake,
Lake of the Woods, and St. Louis
counties 50

In the case of classes (b) and (c) above, the governing body of a city or county may prescribe a higher minimum number. In fourth class cities and statutory cities under 10,000 population, minimum seating requirements are those prescribed by the governing body of the city.

Sec. 6. Minnesota Statutes 1992, section 340A.101, subdivision 29, is amended to read:

Subd. 29. **WINE.** "Wine" is the product made from the normal alcoholic fermentation of grapes, including still wine, sparkling and carbonated wine, wine made from condensed grape must, wine made from other agricultural products than sound, ripe grapes, imitation wine, compounds sold as wine, vermouth,

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cider, perry and sake, in each instance containing not less than ~~seven~~ one-half of one percent nor more than 24 percent alcohol by volume for nonindustrial use. Wine does not include distilled spirits as defined in subdivision 9.

Sec. 7. Minnesota Statutes 1992, section 340A.301, subdivision 3, is amended to read:

Subd. 3. **APPLICATION.** An application for a license under this section must be made to the commissioner on a form the commissioner prescribes and must be accompanied by the fee specified in subdivision 6. If an application is denied, \$100 of the amount of any fee exceeding that amount shall be retained by the commissioner to cover costs of investigation.

Sec. 8. Minnesota Statutes 1992, section 340A.302, subdivision 3, is amended to read:

Subd. 3. **FEES.** Annual fees for licenses under this section, which must accompany the application, are as follows:

Importers of distilled spirits, wine, or ethyl alcohol	\$420
Importers of malt liquor	\$800

If an application is denied, \$100 of the fee shall be retained by the commissioner to cover costs of investigation.

Sec. 9. Minnesota Statutes 1992, section 340A.402, is amended to read:

340A.402 PERSONS ELIGIBLE.

No retail license may be issued to:

- (1) a person not a citizen of the United States or a resident alien;
- (2) a person under 21 years of age;
- (3) a person who has had an intoxicating liquor or nonintoxicating liquor license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested;
- (4) a person not of good moral character and repute; or
- (5) a person who has a direct or indirect interest in a manufacturer, brewer, or wholesaler.

In addition, no new retail license may be issued to, and the governing body of a municipality may refuse to renew the license of, a person who, within five

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years of the license application, has been convicted of a felony or a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage.

Sec. 10. Minnesota Statutes 1992, section 340A.410, subdivision 7, is amended to read:

Subd. 7. LICENSE LIMITED TO SPACE SPECIFIED. A licensing authority may issue a retail alcoholic beverage license only for a space that is compact and contiguous. A retail alcoholic beverage license to sell any alcoholic beverage is only effective for the compact and contiguous space licensed premises specified in the approved license application.

Sec. 11. Minnesota Statutes 1992, section 340A.415, is amended to read:

340A.415 LICENSE REVOCATION OR SUSPENSION.

The authority issuing ~~or approving~~ any retail license or permit under this chapter ~~or the commissioner~~ shall either suspend for up to 60 days or revoke the license or permit or impose a civil ~~fine~~ penalty not to exceed \$2,000 for each violation on a finding that the license or permit holder has ~~failed to comply with an applicable statute, rule, or ordinance relating to alcoholic beverages. No suspension or revocation takes effect until the license or permit holder has been afforded an opportunity for a hearing under sections 14.57 to 14.69 of the administrative procedure act. This section does not require a political subdivision to conduct the hearing before an employee of the office of administrative hearing. The issuing authority or the commissioner may impose the penalties provided in this section on a retail licensee who knowingly (1) sells sold alcoholic beverages to another retail licensee for the purpose of resale, (2) purchases purchased alcoholic beverages from another retail licensee for the purpose of resale, (3) conducts or permits conducted or permitted the conduct of gambling on the licensed premises in violation of the law, or (4) fails failed to remove or dispose of alcoholic beverages when ordered by the commissioner to do so under section 340A.508, subdivision 3, or (5) failed to comply with an applicable statute, rule, or ordinance relating to alcoholic beverages. No suspension or revocation takes effect until the license or permit holder has been given an opportunity for a hearing under sections 14.57 to 14.69 of the administrative procedure act. This section does not require a political subdivision to conduct the hearing before an employee of the office of administrative hearings. Imposition of a penalty or suspension by either the issuing authority or the commissioner does not preclude imposition of an additional penalty or suspension by the other so long as the total penalty or suspension does not exceed the state maximum.~~

Sec. 12. [340A.417] SHIPMENTS INTO MINNESOTA.

(a) Notwithstanding section 297C.09 or any provision of this chapter, a winery licensed in a state which affords Minnesota wineries an equal reciprocal shipping privilege may ship, for personal use and not for resale, not more than two cases of wine, containing a maximum of nine liters per case, in any calendar

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year to any resident of Minnesota age 21 or over. Delivery of a shipment under this section may not be deemed a sale in this state.

(b) The shipping container of any wine sent into or out of Minnesota under this section must be clearly labeled to indicate that the package cannot be delivered to a person under the age of 21 years.

(c) No person may (1) advertise shipments authorized under this section, or (2) by advertisement or otherwise, solicit shipments authorized by this section. No shipper located outside Minnesota may advertise such interstate reciprocal wine shipments in Minnesota.

(d) It is not the intent of this section to impair the distribution of wine through distributors or importing distributors, but only to permit shipments of wine for personal use.

Sec. 13. Minnesota Statutes 1992, section 340A.503, subdivision 6, is amended to read:

Subd. 6. **PROOF OF AGE; DEFENSE.** (a) Proof of age for purchasing or consuming alcoholic beverages may be established only by one of the following:

(1) a valid driver's license or identification card issued by Minnesota, another state, or a province of Canada, and including the photograph and date of birth of the licensed person;

(2) a valid Minnesota identification card;

(3) a valid ~~Canadian~~ military identification card ~~with the photograph and date of birth of the person~~, issued by a ~~Canadian province~~ the United States Department of Defense; or

(4) (3) in the case of a foreign national, from a nation other than Canada, by a valid passport.

(b) In a prosecution under subdivision 2, clause (1), it is a defense for the defendant to prove by a preponderance of the evidence that the defendant reasonably and in good faith relied upon representations of proof of age authorized in paragraph (a) in selling, bartering, furnishing, or giving the alcoholic beverage.

Sec. 14. Minnesota Statutes 1992, section 340A.904, subdivision 1, is amended to read:

Subdivision 1. **DISPOSAL ALTERNATIVES.** Contingent on the final determination of any action pending in a court, the commissioner shall dispose of alcoholic beverages, material, apparatus, or vehicle seized by inspectors or employees of the department by:

(1) delivering alcoholic beverages to the bureau of criminal apprehension or state patrol for use in chemical testing programs;

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- (2) delivering on written requests of the commissioner of administration any material, apparatus, or vehicle for use by a state department;
- (3) selling intoxicating liquor to licensed retailers within the state;
- (4) selling any material, apparatus, or vehicle; ~~or~~
- (5) destroying alcoholic beverages or contraband articles that have no lawful use; or
- (6) donation to a charity registered under section 309.52.

Sec. 15. Laws 1969, chapter 783, section 1, as amended by Laws 1971, chapter 498, section 1, as amended by Laws 1973, chapter 396, is further amended by adding a subdivision to read:

Subd. 2. The civic center authority may delegate to its chief administrator any powers granted to the authority under subdivision 1.

Sec. 16. Laws 1983, chapter 259, section 8, is amended to read:

Sec. 8. ST. PAUL; PARK CLUB HOUSES AND PAVILION; LIQUOR.

Notwithstanding any contrary provision of law, charter or ordinance, the city of St. Paul may by ordinance authorize any holder of an "on-sale" liquor license issued by the city to dispense intoxicating liquor at any event of definite duration on the public premises known as the Phalen Park club house, the Como Park club house, and the Como Park lakeside pavilion. The event may not be profit making except as a fund raising event for a nonprofit organization or a political committee as defined in Minnesota Statutes, section ~~210A.01, sub-division~~ 211A.01, subdivision 4. The licensee must be engaged to dispense liquor at the event by a person or organization permitted to use the premises and may dispense liquor only to persons attending the event. A licensee's authority shall expire upon termination of the event. The authority to dispense liquor shall be granted in accordance with the statutes applicable to the issuance of "on-sale" liquor licenses in cities of the first class consistent with this act. The dispensing of liquor shall be subject to all laws and ordinances governing the dispensing of intoxicating liquor that are consistent with this act. All dispensing of liquor shall be in accordance with the conditions prescribed by the city. The conditions may limit the dispensing of liquor to designated areas of the facility. The city may fix and assess a fee to be paid to the city by an "on-sale" licensee for each event for which the licensee is engaged to dispense liquor. The authority granted by this subdivision shall not count as an additional "on-sale" intoxicating liquor license for purposes of determining the number of liquor licenses permitted to be issued under the provisions of Minnesota Statutes, section ~~340.14~~ 340A.413.

Sec. 17. Laws 1991, chapter 249, section 30, is amended to read:

Sec. 30. ON-SALE LICENSES; CITY OF HIBBING.

New language is indicated by underline, deletions by ~~strikeout~~.

Notwithstanding Minnesota Statutes, section 340A.413, subdivision 1, the city of Hibbing may issue not more than ~~20~~ 22 on-sale intoxicating liquor licenses. All other provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to licenses issued under this section.

Sec. 18. Laws 1992, chapter 486, section 11, is amended to read:

Sec. 11. NATIONAL SPORTS CENTER; SALES OF ALCOHOLIC BEVERAGES.

Subdivision 1. AUTHORIZATION. The Blaine city council may by ordinance authorize a holder of a retail on-sale intoxicating liquor license issued by the city of Blaine or a ~~contiguous~~ another city within Anoka, Hennepin, or Ramsey county to dispense alcoholic beverages at the National Sports Center to persons attending a social event at the center. The licensee must be engaged to dispense alcoholic beverages at a social event held by a person or organization permitted to use the National Sports Center. Nothing in this section authorizes a licensee to dispense alcoholic beverages at any youth amateur athletic event held at the center.

Subd. 2. EFFECTIVE DATE. This section is effective the day following final enactment. Under Minnesota Statutes, section 645.023, subdivision 1, paragraph (a), this section takes effect without local approval.

Sec. 19. STEARNS COUNTY; COMBINATION OFF-SALE AND ON-SALE LICENSE.

Notwithstanding Minnesota Statutes, section 340A.405, the Stearns county board may issue a combination off-sale and on-sale intoxicating liquor license to an establishment in Fair Haven township that is currently licensed to sell alcoholic beverages for consumption on the licensed premises but does not qualify as a restaurant under Minnesota Statutes, section 340A.101, subdivision 25. The license may be issued only after the Fair Haven town board adopts a resolution supporting the issuance of the license.

Sec. 20. INTOXICATING LIQUOR LICENSE; TOWN OF SCHROEDER.

Subdivision 1. AUTHORITY. The town board of Schroeder in Cook county may, with the approval of the commissioner of public safety, issue an off-sale intoxicating liquor license to an exclusive liquor store located within the town. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the license.

Subd. 2. EFFECTIVE DATE. This section is effective on approval of the Schroeder town board and compliance with Minnesota Statutes, section 645.021, subdivision 2.

Sec. 21. APPLE VALLEY LICENSES.

New language is indicated by underline, deletions by ~~strikeout~~.

Subdivision 1. AUTHORIZATION. (a) In addition to other licenses authorized by law, the city of Apple Valley may issue one or more on-sale intoxicating liquor licenses to an entity holding a concessions contract with the Minnesota zoological board for use on the premises of the Minnesota zoological gardens. Licenses authorized under this paragraph authorize sales on all days of the week. Licenses authorized by this paragraph may be issued for licensed premises that are not compact and contiguous, provided that the licensed premises must be (1) entirely included within the premises of the Minnesota zoological gardens, and (2) described in the approved license application.

(b) The city of Apple Valley may (1) authorize the holder of a retail on-sale intoxicating liquor license issued by the city to dispense intoxicating liquor at any convention, banquet, conference, meeting, or social affair conducted on the premises owned by Dakota county located at 14955 Galaxie Avenue in Apple Valley, or (2) may issue an on-sale intoxicating liquor license to any entity holding a concessions contract with the owner for use on the premises. The licensee must be engaged to dispense intoxicating liquor at an event held by a person or organization permitted to use the premises and may dispense intoxicating liquor only to persons attending the event.

(c) All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the licensing, sale, and serving of alcoholic beverages under this section.

Subd. 2. LOCAL APPROVAL. This section is effective on approval by the Apple Valley city council and compliance with Minnesota Statutes, section 645.021.

Sec. 22. HOUSTON COUNTY; ON-SALE LIQUOR LICENSE.

Subdivision 1. AUTHORIZATION. (a) The county board of Houston county may, with the approval of the commissioner of public safety, issue an on-sale intoxicating liquor license to an establishment located in Crooked Creek township notwithstanding the fact that the establishment is not a restaurant as defined in Minnesota Statutes, section 340A.101, subdivision 25.

(b) The county board of Houston county may, with the approval of the commissioner of public safety, issue an on-sale intoxicating liquor license to an establishment located in Brownsville township notwithstanding the fact that the establishment is not a restaurant as defined in Minnesota Statutes, section 340A.101, subdivision 25.

(c) All other provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the licenses authorized by this section.

Subd. 2. LOCAL APPROVAL. This section is effective on approval by the Houston county board and compliance with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 23. ON-SALE LICENSE; ISANTI COUNTY.

Subdivision 1. AUTHORIZATION. The Isanti county board may issue an on-sale intoxicating liquor license to a premises located in Dalbo township without regard to whether the licensed premises meets the definition of a "restaurant" in Minnesota Statutes, section 340A.101, subdivision 25. All other provisions in Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the license authorized by this section.

Subd. 2. LOCAL APPROVAL. This section is effective on approval by the Isanti county board and compliance with Minnesota Statutes, section 645.021.

Sec. 24. AITKIN COUNTY; OFF-SALE LICENSE.

Subdivision 1. AUTHORIZED. Notwithstanding any provision of Minnesota Statutes, section 340A.405, subdivision 2, the Aitkin county board may issue one off-sale liquor license to a premises located in Farm Island township and designated at the time of initial licensing as the "Farm Island Store." All other provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section shall apply to this license.

Subd. 2. LOCAL APPROVAL. Subdivision 1 is effective on approval by the Aitkin county board and compliance with Minnesota Statutes, section 645.021.

Sec. 25. STILLWATER; LICENSE AUTHORIZED.

Subdivision 1. LICENSE AUTHORIZED. The city of Stillwater may issue one on-sale intoxicating liquor license in addition to the number authorized by law. All provisions of Minnesota Statutes, chapter 340A, not inconsistent herewith, apply to the license authorized by this section.

Subd. 2. LOCAL APPROVAL. Subdivision 1 is effective on approval by the Stillwater city council and compliance with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 26. PINE COUNTY ON-SALE LICENSE.

Subdivision 1. AUTHORITY. Notwithstanding Minnesota Statutes, section 340A.504, subdivision 3, paragraph (d), Pine county may issue one Sunday on-sale intoxicating liquor license to a licensed premises located in Barry township upon approval by the voters of the town at a special election under Minnesota Statutes, section 340A.504, subdivision 3, paragraph (d).

Subd. 2. LOCAL APPROVAL. Subdivision 1 is effective on approval by the Pine county board and compliance with Minnesota Statutes, section 645.021.

Sec. 27. REPEALER.

New language is indicated by underline, deletions by ~~strikeout~~.

Minnesota Statutes 1992, section 340A.903, is repealed.

Sec. 28. EFFECTIVE DATE.

(a) Section 1 is effective June 1, 1993. Sections 2 and 12 are effective the day following final enactment. Sections 4 to 10, 14, and 27 are effective July 1, 1993.

(b) Sections 15 and 16 are effective on approval by the St. Paul city council and compliance with Minnesota Statutes, section 645.021.

Presented to the governor May 20, 1993

Signed by the governor May 24, 1993, 5:47 p.m.

CHAPTER 351—H.F.No. 1245

An act relating to data practices; providing for the collection, classification, and dissemination of data; proposing classifications of data as not public; classifying certain licensing data, educational data, security service data, motor carrier operating data, retirement data and other forms of data; amending Minnesota Statutes 1992, sections 13.32, subdivisions 1, 3, and 6; 13.41, subdivision 4; 13.43, subdivision 2, and by adding a subdivision; 13.46, subdivisions 1, 2, and 4; 13.643; 13.692; 13.72, by adding a subdivision; 13.792; 13.82, subdivisions 4, 6, and 10; 13.99, subdivision 24, and by adding subdivisions; 115A.93, by adding a subdivision; 144.335, subdivision 3a, and by adding a subdivision; 169.09, subdivisions 7 and 13; 245A.04, subdivision 3; 260.161, subdivisions 1 and 3; 270B.12, by adding a subdivision; 270B.14, subdivisions 1, 8, and by adding a subdivision; 299L.03, by adding a subdivision; and 626.556, subdivisions 11 and 11c; proposing coding for new law in Minnesota Statutes, chapters 6; 13; and 144; repealing Minnesota Statutes 1992, section 13.644.

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

Section 1. **[6.715] CLASSIFICATION OF STATE AUDITOR'S DATA.**

Subdivision 1. DEFINITIONS. (a) For purposes of this section, "audit" means an examination, financial audit, compliance audit, or investigation performed by the state auditor.

(b) The definitions in section 13.02 apply to this section.

Subd. 2. CLASSIFICATION. Data relating to an audit are protected non-public data or confidential data on individuals, until the final report of the audit has been published or the audit is no longer being actively pursued. Data that support the conclusions of the report and that the state auditor reasonably believes will result in litigation are protected nonpublic data or confidential data on individuals, until the litigation has been completed or is no longer being actively pursued. Data on individuals that could reasonably be used to deter-

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