

TO: MAYOR AND CITY COUNCIL

FROM: DIANNE HOWARD, ZONING ADMINISTRATOR

SUBJECT: Approval of an Ordinance of the City of Cannon Falls, Minnesota Amending City Code, Chapter 111 Relating to Brewer Licensing

MEETING

DATE: Tuesday, June 21, 2022

BACKGROUND

The State of Minnesota recently passed a bill that will help support Minnesota's local breweries at all levels with the "Free the Growler" movement. This new language would allow Tilion Brewing Company to sell off-sale containers not to exceed 128 ounces per customer per day. To date, Tilion Brewing Company is the only off-sale business that could qualify for the terms of this new proposed ordinance. Off-sale of malt liquor would be limited to the legal hours for off-sale, which are before 8:00 a.m. or after 10:00 p.m. on Monday through Saturday; or before 8:00 a.m. or after 10:00 p.m. on Sunday. No sales will be made on Thanksgiving Day; after 8:00 p.m. on Christmas Eve, December 24; or on Christmas Day, December 25. Malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time. Packaging of malt liquor for off-sale under this license must comply with the provisions of Minnesota Rules, parts 7515.1080 to 7515.1120 (attached).

In addition, the brewer off-sale malt liquor license may also be issued with the approval of the Commission of Public Safety, to the holder of the brewer's license under Minn. Statute, meeting all criteria, which may be amended from time to time.

REQUESTED COUNCIL ACTION

I respectfully request a motion approving an Ordinance of the City of Cannon Falls, Minnesota Amending City Code Chapter 111 Relating to Brewer Licensing.

Minnesota Administrative Rules

7515.1080 MALT BEVERAGES GENERAL REQUIREMENTS.

Code of Federal Regulations for beer is hereby adopted as the rule for the standards of identity and labeling requirements for containers of malt beverages sold within the state, insofar as federal regulations or amendments thereto are not contrary to or inconsistent with the provisions of Minnesota Statutes, chapter 340A or parts [7515.1000](#) to [7515.1120](#), including standards of fill.

7515.1090 PACKAGING OF MALT BEVERAGES TO CONFORM TO FEDERAL REGULATIONS.

No person shall import, manufacture, transport, or sell within Minnesota any malt beverages in containers, unless the malt beverages are packaged, and the packages are marked, branded, or labeled in conformity with federal regulations as indicated and approved by the commissioner.

7515.1100 LABELING REQUIREMENTS AND ALCOHOLIC CONTENT.

0.5 to 3.2 percent alcohol.

For a product that contains more than one-half of one percent of alcohol by volume and not more than 3.2 percent by weight, the alcoholic content must be stated and the product labeled as follows: "contains not more than 3.2 percent of alcohol by weight" or similar expression of like meaning.

If the product is sold in cans, the words "contains not more than 3.2 percent of alcohol by weight," or similar expression of like meaning, must appear on one end of each can in a permanent medium. For cone-type cans, however, the indication must be placed on the side.

Copies instead of cans.

In place of submitting can containers for malt beverages, duplicate copies of each can and its lid must be submitted for both 3.2 percent and strong and the copies must clearly show the label and the alcoholic content statement for the 3.2 product only.

Under 0.5 percent alcohol.

The alcoholic content must be stated if the product contains less than one-half of one percent of alcohol by volume and must be labeled "contains less than one-half of one percent of alcohol by volume."

Confiscation.

A product not labeled in accordance with this part is subject to confiscation by the commissioner.

7515.1110 ALCOHOLIC CONTENTS TO BE INDICATED ON CONTAINERS

Kegs or barrels.

Kegs or barrels sold in Minnesota must have the contents identified by paper stickers or stencils affixed on the same surface as the brewer's identification stating "3.2 beer" or similar words that are appropriate to the content, or as an alternative the alcoholic contents of kegs or barrels may be identified with distinctive symbols that have been submitted to and approved by the commissioner.

Sealed, nonreturnable cases.

Nonreturnable and sealed cases of bottles or cans must have imprinted in ink on the top or one side of the case "3.2 beer" or similar words that are appropriate to the content, or identified by the use of distinctive symbols that have been submitted to and approved by the commissioner. This subpart applies to the shipping case but does not apply to smaller cartons that may be contained in the case. Each brewer and importer shall notify the commissioner whether identification will appear on the top or side of the case.

Unsealed, returnable cases.

An unsealed returnable case of bottles needs no external marking to identify alcoholic content, if opening the case without breaking furnishes a direct view of bottles that identify the alcoholic content pursuant to this part.

Confiscation.

A product not labeled in accordance with this part is subject to confiscation by the commissioner.

7515.1120 STANDARDS OF CONTENT FOR MALT BEVERAGES.

Code of Federal Regulations for malt beverages, title 27, chapter I, part 7.27, as amended, is adopted as the rule for the standards of identity and labeling requirements for containers of malt beverages sold within the state, insofar as federal regulations or amendments are not contrary to or inconsistent with this chapter or Minnesota Statutes, chapter 340A.

The regulations adopted by the secretary of the treasury pursuant to the Federal Alcohol Administration Act governing standards of content must be followed in all bottling or selling of malt beverages in Minnesota.

**CITY OF CANNON FALLS
GOODHUE COUNTY, MINNESOTA**

**ORDINANCE NUMBER 384
SECOND SERIES**

**AN ORDINANCE OF THE CITY OF CANNON FALLS, MINNESOTA AMENDING
CITY CODE CHAPTER 111 RELATING TO BREWER LICENSING**

THE CITY OF CANNON FALLS ORDAINS AS FOLLOWS:

Section 1. City Code Section 111.083 is amended to read as follows:

- A. A brewery taproom off-sale license authorizes retail off-sale of malt liquor produced by the brewer as provided by M.S. § 340.28.

- B. Brewer off-sale malt liquor licenses may also be issued, with approval of the commissioner of public safety, to a holder of a brewer’s license under Minn. Stat. § 340A.301, subd. 6(c), (i) or (j) and meeting the criteria established by Minn. Stat. § 340A.29 as may be amended from time to time. The amount of malt liquor sold at off-sale under a license issued pursuant to this subdivision (B) may not exceed 128 ounces per customer per day. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive liquor stores in the jurisdiction in which the brewer is located, and the malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores. Packaging of malt liquor for off-sale under this license must comply with the provisions of Minnesota Rules, parts 7515.1080 to 7515.1120.

Section 2. This ordinance shall become effective upon its passage and publication.

PASSED AND ADOPTED by the City Council of the City of Cannon Falls, Minnesota, this _____ day of _____, 2022.

John O. Althoff, Mayor

ATTEST:

Neil L. Jensen, City Administrator