

2009 DRAFTING REQUEST

Bill

Received: **11/13/2009**

Received By: **agary**

Wanted: **As time permits**

Identical to LRB:

For: **Judith Robson (608) 266-2253**

By/Representing: **Helen Dicks**

This file may be shown to any legislator: **NO**

Drafter: **agary**

May Contact:

Addl. Drafters:

Subject: **Beverages**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Robson@legis.wisconsin.gov**

Carbon copy (CC:) to: **aaron.gary@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Temporary retail licenses for nonprofit organizations to provide alcohol beverages at fund-raising events and exception to other business restriction

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	agary 11/19/2009	kfollett 11/20/2009		_____			Local
/P1			jfrantze 11/23/2009	_____	sbasford 11/23/2009		Local
/P2	agary 01/12/2010	csicilia 01/12/2010	rschluet 01/12/2010	_____	cduerst 01/12/2010		Local

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	agary 01/15/2010	kfollett 01/15/2010	jfrantze 01/15/2010	_____	sbasford 01/15/2010	mbarman 02/10/2010	

FE Sent For:

*cut
intro*

<END>

2009 DRAFTING REQUEST

Bill

Received: 11/13/2009

Received By: agary

Wanted: As time permits

Identical to LRB:

For: Judith Robson (608) 266-2253

By/Representing: Helen Dicks

This file may be shown to any legislator: NO

Drafter: agary

May Contact:

Addl. Drafters:

Subject: Beverages

Extra Copies:

Submit via email: YES

Requester's email: Sen.Robson@legis.wisconsin.gov

Carbon copy (CC:) to: aaron.gary@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Temporary retail licenses for nonprofit organizations to provide alcohol beverages at fund-raising events and exception to other business restriction

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	agary 11/19/2009	kfollett 11/20/2009		_____			Local
/P1			jfrantze 11/23/2009	_____	sbasford 11/23/2009		Local
/P2	agary 01/12/2010	csicilia 01/12/2010	rschluet 01/12/2010	_____	cduerst 01/12/2010		Local

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	agary 01/15/2010	kfollett 01/15/2010	jfrantze 01/15/2010	_____	sbasford 01/15/2010		

FE Sent For:

<END>

2009 DRAFTING REQUEST

Bill

Received: 11/13/2009

Received By: agary

Wanted: As time permits

Identical to LRB:

For: Judith Robson (608) 266-2253

By/Representing: Helen Dicks

This file may be shown to any legislator: NO

Drafter: agary

May Contact:

Addl. Drafters:

Subject: Beverages

Extra Copies:

Submit via email: YES

Requester's email: Sen.Robson@legis.wisconsin.gov

Carbon copy (CC:) to: aaron.gary@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Temporary retail licenses for nonprofit organizations to provide alcohol beverages at fund-raising events and exception to other business restriction

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	agary 11/19/2009	kfollett 11/20/2009		_____			Local
/P1			jfrantze 11/23/2009	_____	sbasford 11/23/2009		Local
/P2	agary 01/12/2010	csicilia 01/12/2010 11/13	rschlue 01/12/2010	_____	cduerst 01/12/2010		

11/13
J6 1/12

FE Sent For:

<END>

2009 DRAFTING REQUEST

Bill

Received: 11/13/2009

Received By: agary

Wanted: As time permits

Identical to LRB:

For: Judith Robson (608) 266-2253

By/Representing: Helen Dicks

This file may be shown to any legislator: NO

Drafter: agary

May Contact:

Addl. Drafters:

Subject: Beverages

Extra Copies:

Submit via email: YES

Requester's email: Sen.Robson@legis.wisconsin.gov

Carbon copy (CC:) to: aaron.gary@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Temporary retail licenses for nonprofit organizations to provide alcohol beverages at fund-raising events and exception to other business restriction

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	agary 11/19/2009	kfollett 11/20/2009		_____			Local
/P1			jfrantze 11/23/2009	_____	sbasford 11/23/2009		

FE Sent For:

P2 gjs 1/12
10
11/23/09

<END>

2009 DRAFTING REQUEST

Bill

Received: 11/13/2009

Received By: **agary**

Wanted: **As time permits**

Identical to LRB:

For: **Judith Robson (608) 266-2253**

By/Representing: **Helen Dicks**

This file may be shown to any legislator: **NO**

Drafter: **agary**

May Contact:

Addl. Drafters:

Subject: **Beverages**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Robson@legis.wisconsin.gov**

Carbon copy (CC:) to: **aaron.gary@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Temporary retail licenses for nonprofit organizations to provide alcohol beverages at fundraising events and exception to other business restriction

OK

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1/?	agary	<i>1P/KJF 11/20</i>	<i>Jb</i>	<i>11/23</i>			Local

FE Sent For:

<END>

Gary, Aaron

From: Dicks, Helen
Sent: Friday, November 13, 2009 9:15 AM
To: Gary, Aaron
Subject: Drafting request

Attachments: classblicensegoals&language.doc; CORRECTION OF NONPROFIT ALOCHOL PROVISIONS.doc

I have attached the memo I put together for the budget and the memo I received from the Beloit Chamber of Commerce. Hopefully we can get this drafted as stand alone legislation. Thanks



classblicensegoals&I CORRECTION OF
anguage.do... NPROFIT ALOCHO

Helen Marks Dicks
Office of Senator Judy Robson
608 266-2253

Wisconsin Not for Profit entities that wish to serve beer or wine at fundraising events are subject to restrictions and regulations set forth in Section 125 of the Wisconsin State Statutes. The Wisconsin Department of Revenue is the agency responsible for enforcement of the regulations. Wisconsin municipalities issue the licenses.

Not for Profit entities such as Chambers of Commerce regularly hold "business after hours" events at member business locations.

Recently, event locations where "other business is being conducted" have been denied a Class B temporary license by the municipality. The intent of these events is not to profit from the sale of alcohol or to compete with other Class A or Class B license holders. The intent is to raise funds for a non-profit organization and to provide quality of life and business-enhancement opportunities for attendees.

Finally, the limit of two temporary Class B licenses per year allowing the sale is not practical for organizations such as the Chamber of Commerce that host monthly events. Increasing the limit from two to five would allow all host locations the same options.

The following mark-up of the statutes is intended to accomplish the following:

1. Include a definition for a "Not for Profit Entity" as an entity that is organized under section 501(c)(3) or 501(c)(6) of the Internal Revenue Code – s. 125.02
2. Allow Not for Profit entities to be included among the entities that qualify for a temporary Class B license – s. 125.26 (6) and 125.51(10)
3. Include a premises being used by a Not For Profit entity as an exception to the restriction on locations where "any other business is conducted" for a temporary Class B license – s. 125.32(3m)
4. In 125.51(10) change the maximum number of wine licenses issued per year to five.

125.02

125.02 Definitions. Except as otherwise provided, in this chapter:

INSERT - "Non for Profit Entity" – means an entity that is organized under section 501(c)(3) or 501(c)(6) of Internal Revenue Code

125.26(6)

(6) Temporary Class "B" licenses may be issued to bona fide INSERT Not for Profit entities, clubs, to county or local fair associations or agricultural societies, to churches, lodges or societies that have been in existence for at least 6 months before the date of application and to posts of veterans organizations authorizing the sale of fermented malt beverages at a particular picnic or ██████ ██████ gathering, at a meeting of the post, or during a fair conducted by the fair association or agricultural society. The amount of the fee for the license shall be determined by the municipal governing body issuing the license but may not exceed \$10. An official or body authorized by a municipal governing body to issue temporary Class "B" licenses may, upon issuance of any temporary Class "B" license, authorize the licensee to permit underage persons to be on the premises for which the license is issued. A license issued to a county or district fair licenses the entire fairgrounds where the fair is being conducted and all persons engaging in retail sales of fermented malt beverages from leased stands on the fairgrounds. The county or district fair to which the license is issued may lease stands on the fairgrounds to persons who may engage in retail sales of fermented malt beverages from the stands while the fair is being held. A municipal governing body may issue a temporary Class "B" license for premises that are covered by a "Class B" permit issued under s. 125.51 (5) (b) 2. if the applicant meets the requirements of this subsection.

125.32(3m)

(3m) Limitations on other business; Class "B" premises. No Class "B" license or permit may be granted for any premises where any other business is conducted in connection with the premises, except that this restriction does not apply if the premises for which the Class "B" license or permit is issued is connected to premises where other business is conducted by a secondary doorway that serves as a safety exit and is not the primary entrance to the Class "B" premises. No other business may be conducted on premises operating under a Class "B" license or permit. These restrictions do not apply to any of the following:

125.32(3m)(a)

(a) A hotel.

125.32(3m)(b)

(b) A restaurant, whether or not it is a part of or located in any mercantile establishment.

125.32(3m)(c)

(c) A combination grocery store and tavern.

125.32(3m)(d)

(d) A combination sporting goods store and tavern in towns, villages and 4th class cities.

125.32(3m)(e)

(e) A combination novelty store and tavern.

125.32(3m)(f)

(f) A bowling center or recreation premises.

125.32(3m)(g)

(g) A club, society or lodge that has been in existence for 6 months or more prior to the date of filing application for the Class "B" license or permit.

INSERT 125.32(3m)(h)

(h) A premises for which a temporary license under s.125.51(10) is obtained by a Not for Profit Entity.

125.51(10)

(10) Temporary licenses. Notwithstanding s. 125.68 (3), temporary "Class B" licenses may be issued to bona fide **INSERT Not for Profit Entities**, clubs, to county or local fair associations or agricultural societies, to churches, lodges or societies that have been in existence for at least 6 months before the date of application and to posts of veterans' organizations authorizing the sale of wine in an original package, container or bottle or by the glass if the wine is dispensed directly from an original package, container or bottle at a particular picnic or **██████████** gathering, at a meeting of the post, or during a fair conducted by the fair association or agricultural society. The amount of the fee for the license shall be \$10, except that no fee may be charged to a person who at the same time applies for a temporary Class "B" license under s. 125.26 (6) for the same event. A license issued to a county or district fair licenses the entire fairgrounds where the fair is being conducted and all persons engaging in retail sales of wine from leased stands on the fairgrounds. The county or district fair to which the license is issued may lease stands on the fairgrounds to persons who may engage in retail sales of wine from the stands while the fair is being held. Not more than **██████████** **INSERT** five licenses may be issued under this subsection to any club, **INSERT Not for Profit Entity**, county or local fair association, agricultural association, church, lodge, society or veterans post in any 12-month period.

LANGUAGE CORRECTION IN JFC SUBSTITUTE FOR NON-PROFIT ORGANIZATIONS
SERVING ALOCHOL AT FUNDRAISERS

A problem for non-profits trying to hold fundraising events was brought to our attention by the Beloit Angel Museum and the Beloit Arts Incubator. They were denied a permit for an event because it was being held in a car dealership or at the art s incubator building. Small nonprofits who host fund raisers where beer and wine is served are restricted in where they can hold those events. The language included in the JFC budget was drafted in too broad a manner and did not achieve the technical clarifications I was seeking. The language suggested by DOR would provide a strict definition of nonprofit limited to 501 3 c organizations. It would allow these nonprofits to hold events in venues which could not normally get a class B license such as car dealerships, an art incubator, a museum or a host of business who host "business after 5 meet and greets". We have discussed this remedy with the Tavern League, the beer distributors, Richard Stadelman from the Towns Association and Ed Huck from the League of Municipalities.

DOR suggested remedy:

They suggest making the following changes to the statutes:

1. Allow non-profits to be included among the entities that qualify for a picnic beer and wine license (s. 125.26(6) and 125.51(10).
2. Section 125.32(3m) prohibits a Class "B" license or permit from being issued for a premises where other business activity occurs. There are seven exceptions. Add an eighth exception, which is a premises for which a temporary Class "B" license is issued for a fundraising event.
3. In DOR Chapter 125, define a non-profit as a 501(3)(c) organization.

With these changes, municipalities can maintain control of who is serving alcohol in their communities. All restrictions/requirements of Ch 125 that apply to Class B licenses apply (since it will be a licensed premises) - closing hours, unaccompanied underage not allowed on licensed premises, required to have licensed bartenders, etc. The non-profit would still have to buy wine/beer from licensed wholesalers.



soon

PI
EJ
CJS

in 11/19

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

LPS: Fix request sheet pls

D-Note

Gen

1 AN ACT ...; relating to: the issuance of temporary alcohol beverages licenses to
2 nonprofit organizations authorizing the sale of beer or wine at fund-raising
3 events.

Analysis by the Legislative Reference Bureau

Current law authorizes municipalities to issue temporary Class "B" and "Class B" licenses to certain clubs, fair associations, agricultural societies, churches, veterans organizations, lodges, and societies that authorize the retail sale of, respectively, fermented malt beverages (beer) and wine at fairs, meetings, picnics, and similar gatherings hosted by these organizations. A municipality may not issue to one of these organizations more than two temporary "Class B" licenses in any 12-month period.

This bill authorizes municipalities to issue temporary Class "B" and "Class B" licenses to nonprofit organizations authorizing the sale of, respectively, beer and wine, including the provision of beer and wine free of charge, at fund-raising events. For purposes of the bill, a nonprofit organization is an organization described in certain provisions of the Internal Revenue Code as exempt from federal income tax. The bill also increases, from two to five, the number of temporary "Class B" licenses that a municipality may issue to an eligible applicant in any 12-month period.

Current law also prohibits, with certain exceptions, the issuance of a Class "B" license or permit for any premises where another business is conducted.

This bill creates an exception to this prohibition allowing a nonprofit organization holding a temporary license to serve beer or wine at a fund-raising event on premises where other business is conducted.

For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1
2
3

ADD INSERT here

(END)

A-Note



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBb1210/2
ARC/cjs:md

LFB:.....Moran - Modifications to nonprofit provision of alcohol at fundraising events

FOR 2009-11 BUDGET - NOT READY FOR INTRODUCTION
SENATE AMENDMENT,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2009 ASSEMBLY BILL 75

INSERT

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 1276, line 12: delete lines 12 to 15.

3 2. Page 1277, line 7: after that line insert:

4 SECTION 2312.11. 125.26 (6) of the statutes is amended to read:

5 125.26 (6) Temporary Class "B" licenses may be issued to bona fide clubs, to
6 county or local fair associations or agricultural societies, to churches, lodges or
7 societies that have been in existence for at least 6 months before the date of
8 application and to posts of veterans organizations authorizing the sale of fermented
9 malt beverages at a particular picnic or similar gathering, at a meeting of the post,
10 or during a fair conducted by the fair association or agricultural society. Temporary

1 Class "B" licenses may also be issued to nonprofit organizations, as defined in s.
 2 134.695 (1) (am), authorizing the sale of fermented malt beverages, including the
 3 provision of fermented malt beverages free of charge, at fund-raising events. The
 4 amount of the fee for the license shall be determined by the municipal governing body
 5 issuing the license but may not exceed \$10. An official or body authorized by a
 6 municipal governing body to issue temporary Class "B" licenses may, upon issuance
 7 of any temporary Class "B" license, authorize the licensee to permit underage
 8 persons to be on the premises for which the license is issued. A license issued to a
 9 county or district fair licenses the entire fairgrounds where the fair is being
 10 conducted and all persons engaging in retail sales of fermented malt beverages from
 11 leased stands on the fairgrounds. The county or district fair to which the license is
 12 issued may lease stands on the fairgrounds to persons who may engage in retail sales
 13 of fermented malt beverages from the stands while the fair is being held. A municipal
 14 governing body may issue a temporary Class "B" license for premises that are
 15 covered by a "Class B" permit issued under s. 125.51 (5) (b) 2. if the applicant meets
 16 the requirements of this subsection.

17 SECTION ~~234~~²³⁴ 125.32 (3m) (h) of the statutes is created to read:

18 125.32 (3m) (h) Any premises for which a nonprofit organization applies for,
 19 or is issued, a license under s. 125.26 (6) or 125.51 (10) for a fund-raising event.

20 **3.** Page 1278, line 21: after that line insert:

21 SECTION ~~234~~²³⁴ 125.51 (10) of the statutes is amended to read:

22 125.51 (10) TEMPORARY LICENSES. Notwithstanding s. 125.68 (3), temporary
 23 "Class B" licenses may be issued to bona fide clubs, to county or local fair associations
 24 or agricultural societies, to churches, lodges or societies that have been in existence

1 for at least 6 months before the date of application and to posts of veterans'
 2 organizations authorizing the sale of wine in an original package, container or bottle
 3 or by the glass if the wine is dispensed directly from an original package, container
 4 or bottle at a particular picnic or similar gathering, at a meeting of the post, or during
 5 a fair conducted by the fair association or agricultural society. Notwithstanding s.
 6 125.68 (3). temporary "Class B" licenses may also be issued to nonprofit
 7 organizations, as defined in s. 134.695 (1) (am), authorizing the sale of wine,
 8 including the provision of wine free of charge, in an original package, container, or
 9 bottle, or by the glass if the wine is dispensed directly from an original package,
 10 container, or bottle, at fund-raising events. The amount of the fee for the license
 11 shall be \$10, except that no fee may be charged to a person who at the same time
 12 applies for a temporary Class "B" license under s. 125.26 (6) for the same event. A
 13 license issued to a county or district fair licenses the entire fairgrounds where the
 14 fair is being conducted and all persons engaging in retail sales of wine from leased
 15 stands on the fairgrounds. The county or district fair to which the license is issued
 16 may lease stands on the fairgrounds to persons who may engage in retail sales of
 17 wine from the stands while the fair is being held. Not more than ^{strike 2} 5 licenses may be
 18 issued under this subsection to any club, county or local fair association, agricultural
 19 association, church, lodge, society ~~or~~, veterans post, or nonprofit organization in any
 20 12-month period. *Be*

(END)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3851/Pdn
ARG:.....

P1
gf

Date

ATTN: Helen Dicks

Please review the attached draft carefully to ensure that it is consistent with your intent.

X The attached draft is very similar to the provisions I drafted for the budget bill that appeared in SA1 to SSA1 to AB75, pages 108 to 111.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "/1" draft.

Aaron R. Gary
Legislative Attorney
Phone: (608) 261-6926
E-mail: aaron.gary@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3851/P1dn
ARG:kjf:jf

November 23, 2009

ATTN: Helen Dicks

Please review the attached draft carefully to ensure that it is consistent with your intent.

The attached draft is very similar to the provisions I drafted for the budget bill that appeared in SA1 to SSA1 to AB 75, pages 108 to 111.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "/1" draft.

Aaron R. Gary
Legislative Attorney
Phone: (608) 261-6926
E-mail: aaron.gary@legis.wisconsin.gov

Gary, Aaron

From: Gary, Aaron
Sent: Monday, January 11, 2010 4:07 PM
To: Dicks, Helen
Subject: RE: draft

Hi Helen,

I don't know about the floodgates, as I don't know how many nonprofits operate as "(c) (6)" entities as opposed to "(c) (3)" entities.

I have an odd drafting dilemma with this bill. The reason I did not add a definition in s. 125.02 as requested is that there are already references to nonprofits (organizations, corporations, etc.) in ch. 125. To add a definition in s. 125.02 might change current law on matters unrelated to this bill and would risk unintended consequences (which I assume nobody wants). There is also no good place to put a narrower definition that applies only to ss. 125.26 (6) and 125.51 (10). So the cross-reference is the cleanest way to draft it. Unfortunately, there is no cross-reference to exactly what you want.

Would it work for you if I changed the cross-reference on p. 2, line 9 and page 3 line 18 from 134.695 (a) (am) to either 23.097 (1) or 94.10 (1) (b), which read ""Nonprofit organization" means an organization described in section 501 (c) of the Internal Revenue Code that is exempt from federal income tax under section 501 (a) of the Internal Revenue Code."

This definition would apply to both "(c) (3)" and "(c) (6)" entities, as well as any other "c) entity. [There is no definition in current law that only applies to "(c) (6)" entities.]

Please let me know. If you definitely want the bill to only apply to "(c) (6)" entities (or only "(c) (3)" and "(c) (6)" entities), also let me know that. I can fashion a solution, even if the text turns out to be a bit cumbersome.

Thanks. Aaron

1/12 Hc w/ Helen

needs it to apply only to (c)(3) & (c)(6)

Aaron R. Gary
 Attorney, Legislative Reference Bureau
 608.261.6926 (voice)
 608.264.6948 (fax)
 aaron.gary@legis.state.wi.us

From: Dicks, Helen
Sent: Monday, January 11, 2010 9:43 AM
To: Gary, Aaron
Subject: FW: draft

Please see the comments from the Beloit chamber of commerce. Can they be included without opening the flood gates? Thanks for checking.

Helen Marks Dicks
 Office of Senator Judy Robson
 608 266-2253

01/12/2010

From: Amy Loudenbeck [mailto:amyl@greaterbeloitichamber.com]
Sent: Wednesday, December 02, 2009 12:33 PM
To: Dicks, Helen
Cc: tim.weeden@hendricksgroup.net
Subject: RE: draft

Hi Helen – I just looked up the reference on Line 9 of the draft bill and the statutory definition of a Nonprofit organization does not apply to a Chamber of Commerce which is a 501(c)(6)
<http://www.irs.gov/charities/nonprofits/article/0,,id=96107,00.html>

134.695(1)(am) 
(am) "Nonprofit organization" means an organization described in section 501 (c) (3) of the Internal Revenue Code which is exempt from federal income tax under section 501 (a) of the Internal Revenue Code.

Can you check with LRB to see what options are available to correct this or would the chamber qualify as a bona fide club already allowed under the statute? There is no definition for bona fide club. Our assistant city attorney didn't seem to have an issue with the Chamber or other non-profits qualifying under the existing statute but agreed it wouldn't hurt to define it for clarification.

I do have one other question posed by the assistant city attorney a few days ago, prior to receiving your draft. I will forward that to you shortly.

Amy Loudenbeck

 **Please consider the environment. Do not print this e-mail unless you really need to.**

From: Dicks, Helen [mailto:Helen.Dicks@legis.wisconsin.gov]
Sent: Wednesday, December 02, 2009 9:02 AM
To: Amy Loudenbeck
Subject: draft

I have attached the draft of the legislation for your review. Feel free to share with others in Beloit and the Chamber. Once we are happy with the draft I will share with the lobbyist for the tavern league to see if I can get support there. If you have questions or want to chat feel free to call.

<<09-3851P1.pdf>>

Helen Marks Dicks

Office of Senator Judy Robson

608 266-2253



Soon

in 1/12

LRB-3851/PZ

ARG:kjf&cjs:jf

T
stays
KMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

SM

Gen Cat

1 AN ACT to *amend* 125.26 (6) and 125.51 (10); and *to create* 125.32 (3m) (h) of
2 the statutes; **relating to:** the issuance of temporary alcohol beverages licenses
3 to nonprofit organizations authorizing the sale of beer or wine at fund-raising
4 events.

Analysis by the Legislative Reference Bureau

Current law authorizes municipalities to issue temporary Class "B" and "Class B" licenses to certain clubs, fair associations, agricultural societies, churches, veterans organizations, lodges, and societies that authorize the retail sale of, respectively, fermented malt beverages (beer) and wine at fairs, meetings, picnics, and similar gatherings hosted by these organizations. A municipality may not issue to one of these organizations more than two temporary "Class B" licenses in any 12-month period.

This bill authorizes municipalities to issue temporary Class "B" and "Class B" licenses to nonprofit organizations authorizing the sale of, respectively, beer and wine, including the provision of beer and wine free of charge, at fund-raising events. For purposes of the bill, a nonprofit organization is an organization described in certain provisions of the Internal Revenue Code as exempt from federal income tax. The bill also increases, from two to five, the number of temporary "Class B" licenses that a municipality may issue to an eligible applicant in any 12-month period.

Current law also prohibits, with certain exceptions, the issuance of a Class "B" license or permit for any premises where another business is conducted.

This bill creates an exception to this prohibition allowing a nonprofit organization holding a temporary license to serve beer or wine at a fund-raising event on premises where other business is conducted.

For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Insent 2-1 →
1 **SECTION 1.** 125.26 (6) of the statutes is amended to read:

2 125.26 (6) Temporary Class "B" licenses may be issued to bona fide clubs, to
3 county or local fair associations or agricultural societies, to churches, lodges or
4 societies that have been in existence for at least 6 months before the date of
5 application and to posts of veterans organizations authorizing the sale of fermented
6 malt beverages at a particular picnic or similar gathering, at a meeting of the post,
7 or during a fair conducted by the fair association or agricultural society. Temporary

8 Class "B" licenses may also be issued to nonprofit organizations as defined in s.

9 134.695 (1) (am), authorizing the sale of fermented malt beverages, including the
10 provision of fermented malt beverages free of charge, at fund-raising events. The

11 amount of the fee for the license shall be determined by the municipal governing body
12 issuing the license but may not exceed \$10. An official or body authorized by a
13 municipal governing body to issue temporary Class "B" licenses may, upon issuance
14 of any temporary Class "B" license, authorize the licensee to permit underage
15 persons to be on the premises for which the license is issued. A license issued to a
16 county or district fair licenses the entire fairgrounds where the fair is being
17 conducted and all persons engaging in retail sales of fermented malt beverages from
18 leased stands on the fairgrounds. The county or district fair to which the license is
19 issued may lease stands on the fairgrounds to persons who may engage in retail sales

1 of fermented malt beverages from the stands while the fair is being held. A municipal
2 governing body may issue a temporary Class "B" license for premises that are
3 covered by a "Class B" permit issued under s. 125.51 (5) (b) 2. if the applicant meets
4 the requirements of this subsection.

5 **SECTION 2.** 125.32 (3m) (h) of the statutes is created to read:

6 125.32 (3m) (h) Any premises for which a nonprofit organization applies for,
7 or is issued, a license under s. 125.26 (6) or 125.51 (10) for a fund-raising event.

8 **SECTION 3.** 125.51 (10) of the statutes is amended to read:

9 125.51 (10) TEMPORARY LICENSES. Notwithstanding s. 125.68 (3), temporary
10 "Class B" licenses may be issued to bona fide clubs, to county or local fair associations
11 or agricultural societies, to churches, lodges or societies that have been in existence
12 for at least 6 months before the date of application and to posts of veterans'
13 organizations authorizing the sale of wine in an original package, container or bottle
14 or by the glass if the wine is dispensed directly from an original package, container
15 or bottle at a particular picnic or similar gathering, at a meeting of the post, or during
16 a fair conducted by the fair association or agricultural society. Notwithstanding s.
17 125.68 (3), temporary "Class B" licenses may also be issued to nonprofit
18 organizations as defined in s. 134.695 (1) (am), authorizing the sale of wine,
19 including the provision of wine free of charge, in an original package, container, or
20 bottle, or by the glass if the wine is dispensed directly from an original package,
21 container, or bottle, at fund-raising events. The amount of the fee for the license
22 shall be \$10, except that no fee may be charged to a person who at the same time
23 applies for a temporary Class "B" license under s. 125.26 (6) for the same event. A
24 license issued to a county or district fair licenses the entire fairgrounds where the
25 fair is being conducted and all persons engaging in retail sales of wine from leased

SECTION 3

stands on the fairgrounds. The county or district fair to which the license is issued may lease stands on the fairgrounds to persons who may engage in retail sales of wine from the stands while the fair is being held. Not more than 25 licenses may be issued under this subsection to any club, county or local fair association, agricultural association, church, lodge, society or veterans post, or nonprofit organization in any 12-month period.

(END)

**2009-2010 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3851/P2ins
ARG:.....

1
2
3
4
5
6
7

INSERT 2-1:

✓

SECTION 1. 125.02 (11m) of the statutes is created to read:

125.02 (11m) For purposes of ss. 125.26 (6), 125.32 (3m) (h), and 125.51 (10),
“nonprofit organization” means an organization described in section 501 (c) (3) or (6)
of the Internal Revenue Code which is exempt from federal income tax under section
501 (a) of the Internal Revenue Code.

Gary, Aaron

From: Dicks, Helen
Sent: Friday, January 15, 2010 7:55 AM
To: Gary, Aaron
Subject: FW: Draft of legislation - temp alcohol licenses for non-profits

I need to talk to Judy about the effective date but you might want to presume she will say yes and draft it that way. As for the other comments I would like your opinion on those. Thanks

Helen Marks Dicks
Office of Senator Judy Robson
608 266-2253

From: Gates-Hendrix, Sherrie L - DOR [<mailto:Sherrie.GatesHendrix@revenue.wi.gov>]
Sent: Thursday, January 14, 2010 5:14 PM
To: Dicks, Helen
Subject: FW: Draft of legislation - temp alcohol licenses for non-profits

Hi Helen --

Thanks again for sharing this with DOR. A couple of thoughts, suggestions:

The language: "including the provision of fermented malt beverages free of charge" found on lines 14-15 of Page 2 is unnecessary, and should be deleted. The provision of fermented malt beverages free of charge is authorized under current law, s. 125.02 (20), Wis. Stats., which defines "sale" or "selling" to mean the transfer of alcohol beverages with consideration or any transfer without consideration.

Likewise the language: "including the provision of wine free of charge" on lines 22 and 23 of Page 3 is unnecessary and should be deleted.

The legislation is effective the day after publication. DOR will need to revise several forms and publications after passage of the bill, so we would recommend that the legislation have an effective date of the first day of the third month after publication.

Just as an aside, the wine and beer sold or given away by temporary-licensed nonprofits at their fundraising events would need to be purchased from liquor and beer wholesalers just as any other liquor licensee would -- this draft does not change that current law requirement.

Sherrie

From: Dicks, Helen [<mailto:Helen.Dicks@legis.wisconsin.gov>]
Sent: Tuesday, January 12, 2010 12:36 PM
To: Gates-Hendrix, Sherrie L - DOR
Subject: Draft of legislation - temp alcohol licenses for non-profits

This is the bill I spoke with you about this morning. Can you have the staff look at it for problems and comment? Thanks.

<< File: 09-3851P2.pdf >> << File: divanleg .dot >>

Helen Marks Dicks
Office of Senator Judy Robson
608 266-2253

CONFIDENTIALITY NOTICE: This electronic mail transmission and any accompanying documents contain information belonging to the sender which may be confidential and legally privileged. This information is only for the use of the individual or entity to whom this electronic mail transmission was intended. If you are not the intended recipient, any disclosure, copying, distribution, or action taken in reliance on the contents of the information contained in this transmission is strictly prohibited. If you have received this transmission in error, please immediately contact the sender and delete the message. Thank you.

Gary, Aaron

From: Dicks, Helen
Sent: Friday, January 15, 2010 8:59 AM
To: Gary, Aaron
Subject: effective date

Judy is OK with the delayed effective date. Draft away! Thanks!

Helen Marks Dicks
Office of Senator Judy Robson
608 266-2253



500v

in 1/15
Stays KMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Regem

1 AN ACT to amend 125.26 (6) and 125.51 (10); and to create 125.02 (11m) and
2 125.32 (3m) (h) of the statutes; relating to: the issuance of temporary alcohol
3 beverages licenses to nonprofit organizations authorizing the sale of beer or
4 wine at fund-raising events.

Analysis by the Legislative Reference Bureau

Current law authorizes municipalities to issue temporary Class "B" and "Class B" licenses to certain clubs, fair associations, agricultural societies, churches, veterans organizations, lodges, and societies that authorize the retail sale of, respectively, fermented malt beverages (beer) and wine at fairs, meetings, picnics, and similar gatherings hosted by these organizations. A municipality may not issue to one of these organizations more than two temporary "Class B" licenses in any 12-month period.

* This bill authorizes municipalities to issue temporary Class "B" and "Class B" licenses to nonprofit organizations authorizing the sale of, respectively, beer and wine, ~~including the provision of beer and wine free of charge,~~ at fund-raising events. For purposes of the bill, a nonprofit organization is an organization described in certain provisions of the Internal Revenue Code as exempt from federal income tax. The bill also increases, from two to five, the number of temporary "Class B" licenses that a municipality may issue to an eligible applicant in any 12-month period.

Current law also prohibits, with certain exceptions, the issuance of a Class "B" license or permit for any premises where another business is conducted.

This bill creates an exception to this prohibition allowing a nonprofit organization holding a temporary license to serve beer or wine at a fund-raising event on premises where other business is conducted.

For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 125.02 (11m) of the statutes is created to read:

2 125.02 **(11m)** For purposes of ss. 125.26 (6), 125.32 (3m) (h), and 125.51 (10),
3 “nonprofit organization” means an organization described in section 501 (c) (3) or (6)
4 of the Internal Revenue Code which is exempt from federal income tax under section
5 501 (a) of the Internal Revenue Code.

6 **SECTION 2.** 125.26 (6) of the statutes is amended to read:

7 125.26 **(6)** Temporary Class “B” licenses may be issued to bona fide clubs, to
8 county or local fair associations or agricultural societies, to churches, lodges or
9 societies that have been in existence for at least 6 months before the date of
10 application and to posts of veterans organizations authorizing the sale of fermented
11 malt beverages at a particular picnic or similar gathering, at a meeting of the post,
12 or during a fair conducted by the fair association or agricultural society. Temporary
13 Class “B” licenses may also be issued to nonprofit organizations authorizing the sale
14 of fermented malt beverages, including the provision of fermented malt beverages
15 free of charge, at fund-raising events. The amount of the fee for the license shall be
16 determined by the municipal governing body issuing the license but may not exceed
17 \$10. An official or body authorized by a municipal governing body to issue temporary
18 Class “B” licenses may, upon issuance of any temporary Class “B” license, authorize
19 the licensee to permit underage persons to be on the premises for which the license

1 is issued. A license issued to a county or district fair licenses the entire fairgrounds
2 where the fair is being conducted and all persons engaging in retail sales of
3 fermented malt beverages from leased stands on the fairgrounds. The county or
4 district fair to which the license is issued may lease stands on the fairgrounds to
5 persons who may engage in retail sales of fermented malt beverages from the stands
6 while the fair is being held. A municipal governing body may issue a temporary
7 Class "B" license for premises that are covered by a "Class B" permit issued under
8 s. 125.51 (5) (b) 2. if the applicant meets the requirements of this subsection.

9 **SECTION 3.** 125.32 (3m) (h) of the statutes is created to read:

10 125.32 (3m) (h) Any premises for which a nonprofit organization applies for,
11 or is issued, a license under s. 125.26 (6) or 125.51 (10) for a fund-raising event.

12 **SECTION 4.** 125.51 (10) of the statutes is amended to read:

13 125.51 (10) TEMPORARY LICENSES. Notwithstanding s. 125.68 (3), temporary
14 "Class B" licenses may be issued to bona fide clubs, to county or local fair associations
15 or agricultural societies, to churches, lodges or societies that have been in existence
16 for at least 6 months before the date of application and to posts of veterans'
17 organizations authorizing the sale of wine in an original package, container or bottle
18 or by the glass if the wine is dispensed directly from an original package, container
19 or bottle at a particular picnic or similar gathering, at a meeting of the post, or during
20 a fair conducted by the fair association or agricultural society. Notwithstanding s.
21 125.68 (3), temporary "Class B" licenses may also be issued to nonprofit
22 organizations authorizing the sale of wine, including the provision of wine free of
23 charge, in an original package, container, or bottle, or by the glass if the wine is
24 dispensed directly from an original package, container, or bottle, at fund-raising
25 events. The amount of the fee for the license shall be \$10, except that no fee may be

1 charged to a person who at the same time applies for a temporary Class "B" license
2 under s. 125.26 (6) for the same event. A license issued to a county or district fair
3 licenses the entire fairgrounds where the fair is being conducted and all persons
4 engaging in retail sales of wine from leased stands on the fairgrounds. The county
5 or district fair to which the license is issued may lease stands on the fairgrounds to
6 persons who may engage in retail sales of wine from the stands while the fair is being
7 held. Not more than ~~2~~ 5 licenses may be issued under this subsection to any club,
8 county or local fair association, agricultural association, church, lodge, society or,
9 veterans post, or nonprofit organization in any 12-month period.

(END)

10

insert
4-10

**2009-2010 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3851/lins
ARG:.....

1

2

INSERT 4-10:

3

SECTION 1. Effective date.

4

(1) This act takes effect on the first day of the 3rd month beginning after

5

publication.

6

7

8

Barman, Mike

From: Dicks, Helen
Sent: Wednesday, February 10, 2010 2:22 PM
To: LRB.Legal
Subject: Draft Review: LRB 09-3851/1 Topic: Temporary retail licenses for nonprofit organizations to provide alcohol beverages at fund-raising events and exception to other business restriction

Please Jacket LRB 09-3851/1 for the SENATE.

Thank you.