



State of Wisconsin  
2011 - 2012 LEGISLATURE



LRB-2361/2  
ARG&RCT:nwn:jf

## 2011 SENATE BILL 155

July 19, 2011 – Introduced by Senators MOULTON, SCHULTZ, HOLPERIN, LASEE, LASSA and TAYLOR, cosponsored by Representatives BERNIER, BALLWEG, BEWLEY, BIES, BROOKS, ENDSLEY, NERISON, A. OTT, PETROWSKI, RIPP, SPANBAUER, STRACHOTA and TRANEL. Referred to Committee on Financial Institutions and Rural Issues.

1     **AN ACT to amend** 93.23 (1) (e), 125.51 (10), 125.53 (1) and 125.69 (1) (b) 1.; and  
2             **to create** 125.69 (1) (b) 5. of the statutes; **relating to:** temporary alcohol  
3             beverages licenses issued for fairgrounds and eligibility for state aid for fairs.

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### *Analysis by the Legislative Reference Bureau*

Current law authorizes municipalities to issue temporary “Class B” licenses to certain clubs, fair associations, agricultural societies, churches, veterans organizations, lodges, and societies that authorize the retail sale of wine (including cider) 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. A temporary “Class B” license authorizes the retail sale of wine by the glass or in an original package, container, or bottle. A license issued to a fair association licenses the entire fairgrounds where the fair is being conducted and all persons engaged in retail sales of wine from leased stands on the fairgrounds.

Current law generally prohibits a winery holding a winery permit from having a direct or indirect interest in a “Class B” retail license or establishment. However, a winery may hold one “Class B” retail license, authorizing the sale of wine only, issued for the winery premises or for real estate owned or leased by the winery.

This bill authorizes a winery to make retail sales and provide taste samples of wine on fairgrounds, under the “Class B” license issued to the fair association, if the wine is purchased from a wholesaler. Under the bill, if a fair leases a stand to a winery, the winery may make retail sales of wine from the leased stand and may

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provide taste samples anywhere on the fairgrounds of wine manufactured by the winery.

Also, under current law, the Department of Agriculture, Trade and Consumer Protection (DATCP) distributes aid to county fairs and certain other fairs. One condition for receiving this aid is that intoxicating beverages, except for malt beverages, be excluded from the fairgrounds.

This bill changes the condition relating to beverages at fairs so that DATCP may distribute aid to an otherwise eligible fair at which wine is available.

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

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

1           **SECTION 1.** 93.23 (1) (e) of the statutes is amended to read:

2           93.23 (1) (e) Not later than 30 days after the close of the fair each year the  
3 county clerk, or the person appointed to file the statements under this paragraph by  
4 the county board, agricultural society, association, or board claiming state aid, shall  
5 file with the department, on forms provided by the department, an itemized  
6 statement verified on oath, showing net premiums actually paid or to be paid at the  
7 preceding fair, which must correspond with uniform premium lists and other  
8 requirements under par. (a). The statement shall also include a statement that at  
9 the fair all gambling devices whatsoever, the sale of intoxicating liquors, excepting  
10 fermented malt beverage, as defined in s. 125.02 (6), and wine, as defined in s. 125.02  
11 (22), and exhibitions of immoral character were prohibited and excluded from the  
12 fairgrounds and all adjacent grounds under the authority or control of the county  
13 board, agricultural society, association, or board claiming state aid. On or before  
14 December 31 of the year in which the fair is held, the person filing the statements  
15 under this paragraph shall furnish the department a statement of receipts and  
16 disbursements, attendance, and any other information that the department

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1 requires. Upon receipt of the required report, each fair shall be paid 100%, or the  
2 prorated percentage, of the aid due the preceding year.

3 **SECTION 2.** 125.51 (10) of the statutes is amended to read:

4 125.51 (10) TEMPORARY LICENSES. Notwithstanding s. 125.68 (3), temporary  
5 “Class B” licenses may be issued to bona fide clubs, to county or local fair associations  
6 or agricultural societies, to churches, lodges or societies that have been in existence  
7 for at least 6 months before the date of application and to posts of veterans’  
8 organizations authorizing the sale of wine in an original package, container or bottle  
9 or by the glass if the wine is dispensed directly from an original package, container  
10 or bottle at a particular picnic or similar gathering, at a meeting of the post, or during  
11 a fair conducted by the fair association or agricultural society. The amount of the fee  
12 for the license shall be \$10, except that no fee may be charged to a person who at the  
13 same time applies for a temporary Class “B” license under s. 125.26 (6) for the same  
14 event. A license issued to a county or district fair licenses the entire fairgrounds  
15 where the fair is being conducted and all persons engaging in retail sales of wine from  
16 leased stands on the fairgrounds. The county or district fair to which the license is  
17 issued may lease stands on the fairgrounds to persons who may engage in retail sales  
18 of wine from the stands while the fair is being held. If a county or district fair leases  
19 any stand to a winery holding a permit under s. 125.53, in addition to making retail  
20 sales of wine from the leased stand, the winery may provide taste samples anywhere  
21 on the fairgrounds of wine manufactured by the winery. Not more than 2 licenses  
22 may be issued under this subsection to any club, county or local fair association,  
23 agricultural association, church, lodge, society or veterans post in any 12-month  
24 period.

25 **SECTION 3.** 125.53 (1) of the statutes is amended to read:

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1           125.53 (1) The department shall issue only to a manufacturing winery in this  
2 state that holds a valid certificate issued under s. 73.03 (50) a winery permit  
3 authorizing the manufacture and bottling of wine on the premises covered by the  
4 permit for sale to wholesalers holding a permit under s. 125.54. A winery permit also  
5 authorizes the permittee to, on the winery premises and without obtaining a  
6 rectifier's permit, possess intoxicating liquor and mix or blend intoxicating liquor to  
7 produce wine sold to wholesalers holding a permit under s. 125.54. A winery holding  
8 a permit under this section may offer on the premises taste samples of wine  
9 manufactured on the premises to persons who have attained the legal drinking age.  
10 A permittee under this section may also have either one "Class A" license or one  
11 "Class B" license, but not both. The "Class A" license or "Class B" license may either  
12 be issued for the winery premises or for real estate owned or leased by the winery.  
13 If a "Class A" or "Class B" liquor license has also been issued to the winery, the winery  
14 may provide wine manufactured, mixed, or blended on the winery premises directly  
15 to the "Class A" or "Class B" premises and may offer the taste samples on the "Class  
16 A" or "Class B" premises. A winery holding a permit under this section may also  
17 make retail sales and provide taste samples on county or district fair fairgrounds as  
18 provided in s. 125.51 (10), but this wine sold at retail or provided as taste samples  
19 shall be purchased from a wholesaler holding a permit under s. 125.54.

20           **SECTION 4.** 125.69 (1) (b) 1. of the statutes is amended to read:

21           125.69 (1) (b) 1. Except as provided under ~~subd.~~ subds. 4. and 5., no intoxicating  
22 liquor manufacturer, rectifier, winery, out-of-state shipper permittee, or wholesaler  
23 may hold any direct or indirect interest in any "Class B" license or permit or  
24 establishment or "Class C" license or establishment and no "Class B" licensee or  
25 permittee or "Class C" licensee may hold any direct or indirect interest in a

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1 manufacturer, rectifier, winery, out-of-state shipper, or wholesale permit or  
2 establishment.

3 **SECTION 5.** 125.69 (1) (b) 5. of the statutes is created to read:

4 125.69 (1) (b) 5. A winery that has a permit under s. 125.53 may make retail  
5 sales and provide taste samples on county or district fair fairgrounds, as provided in  
6 s. 125.51 (10), under a "Class B" license issued under s. 125.51 (10) to a county or local  
7 fair association.

8 (END)