## DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRBs0166/1dn ARG:jld:pg

September 6, 2001

The attached draft reorganizes and makes two substantive changes to proposed s. 125.52 (1) (b) 2. as it appears in LRBs0130/1:

- 1. A sentence is added to clarify that the taste samples must be provided free of any direct or indirect charge.
- 2. A sentence is added restricting the privileges afforded by this provision (now paragraph (c)) to manufacturers or rectifiers that annually produce no more than 25,000 liters of the specified intoxicating liquor on the premises covered by the permit. As requested, this 25,000 liter limit is a per premises limit, not an aggregate limit. A manufacturer or rectifier with production volume approaching the limit could commence operations at another location and, between the two locations, produce an aggregate of more than 25,000 liters without forfeiting the privileges afforded by this provision. However, the language of the provision restricts the privileges to intoxicating liquor produced on the premises. Accordingly, a manufacturer or rectifier could not produce the specified intoxicating liquor from a second location and sell it at the first. In addition, each separate location must have its own permit issued by the department of revenue (DOR), and under s. 125.52 (7), DOR may not issue more than two such permits to any person.

The attached draft also makes a clarification change to amended s. 125.52 (1) (b) of the draft by inserting the term "to wholesalers" to avoid any confusion between those sales permissible to all intoxicating liquor manufacturers and rectifiers under par. (b) of the draft and those sales permissible only to specified and qualifying manufacturers and rectifiers under par. (c) of the draft.

If you have any questions, comments, or concerns, please call.

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