

2019 DRAFTING REQUEST

Bill

For: Daniel Knodl (608) 266-3796 Drafter: agary
 By: Mark Secondary Drafters:
 Date: 4/4/2019 May Contact:
 Same as LRB: -4611

Submit via email: YES
 Requester's email: Rep.Knodl@legis.wisconsin.gov
 Carbon copy (CC) to: aaron.gary@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Credit restriction for fermented malt beverages; changing from 15 days to 30 days

Instructions:

Change the maximum credit period in s. 125.33 (7) from 15 days to 30 days to match period for liquor

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	agary 5/8/2019	wjackson 5/10/2019	dwalker 4/10/2019		
/P2	agary 10/10/2019	wjackson 10/10/2019	lparisi 5/10/2019		
/1			lparisi 10/10/2019	dwalker 10/10/2019	

FE Sent For:


<END>



State of Wisconsin
2019 - 2020 LEGISLATURE

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LRB-2669/P1
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in 4/9

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

SA
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Can

1 AN ACT ...; relating to: credit transactions between beer retailers and beer
2 wholesalers.

Analysis by the Legislative Reference Bureau

This bill extends, from 15 days to 30 days, the maximum period of credit that a wholesaler of fermented malt beverages (beer) may extend to a beer retailer.

Under current law, a beer retailer may not purchase or acquire beer from a beer wholesaler except upon payment of cash or extension of credit for not more than 15 days. A beer retailer indebted for beer purchased or acquired more than 15 days previously may not purchase or acquire beer from any beer wholesaler and may not be issued another retail license or permit for the sale of beer.

This bill extends the maximum permissible credit period from 15 days to 30 days.

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

3 SECTION 1. 125.33 (7) (a) 1. a. of the statutes is amended to read:

1 ~~125.33 (7)~~ (a) 1. a. Receive, purchase, or acquire fermented malt beverages from
2 any wholesale permittee or from any brewpub acting under authority of s. 125.295
3 (1) (g), except for cash or credit for a period of not more than 15 30 days.

History: 1981 c. 79, 202; 1983 a. 26, 67, 68, 182, 192, 538; 1985 a. 15, 135; 1987 a. 308; 1989 a. 31, 253; 1991 a. 39; 1993 a. 112, 301; 1995 a. 320; 1997 a. 132, 166; 2001 a. 16, 38, 105; 2003 a. 303; 2005 a. 103; 2007 a. 9, 20; 2011 a. 32.

Cross-reference: See also s. Tax 7.23, Wis. adm. code.

4 **SECTION 2.** 125.33 (7) (a) 1. b. of the statutes is amended to read:

5 125.33 (7) (a) 1. b. Receive, purchase, or acquire fermented malt beverages from
6 any wholesale permittee, or from any brewpub acting under authority of s. 125.295
7 (1) (g), if at the time of the receipt, purchase, or acquisition he or she is indebted to
8 any wholesale permittee or brewpub for fermented malt beverages received,
9 purchased, acquired, or delivered more than 15 30 days earlier.

History: 1981 c. 79, 202; 1983 a. 26, 67, 68, 182, 192, 538; 1985 a. 15, 135; 1987 a. 308; 1989 a. 31, 253; 1991 a. 39; 1993 a. 112, 301; 1995 a. 320; 1997 a. 132, 166; 2001 a. 16, 38, 105; 2003 a. 303; 2005 a. 103; 2007 a. 9, 20; 2011 a. 32.

Cross-reference: See also s. Tax 7.23, Wis. adm. code.

10 **SECTION 3.** 125.33 (7) (b) of the statutes is amended to read:

11 125.33 (7) (b) *Restrictions on issuance of licenses and permits.* No Class "A" or
12 Class "B" license or permit may be issued to a person having an indebtedness for
13 fermented malt beverages outstanding for more than 15 30 days. In each application
14 for a Class "A" or Class "B" license or permit, the applicant shall state whether he
15 or she has indebtedness for fermented malt beverages to any licensee, permittee, or
16 brewpub which has been outstanding for more than 15 30 days.

History: 1981 c. 79, 202; 1983 a. 26, 67, 68, 182, 192, 538; 1985 a. 15, 135; 1987 a. 308; 1989 a. 31, 253; 1991 a. 39; 1993 a. 112, 301; 1995 a. 320; 1997 a. 132, 166; 2001 a. 16, 38, 105; 2003 a. 303; 2005 a. 103; 2007 a. 9, 20; 2011 a. 32.

Cross-reference: See also s. Tax 7.23, Wis. adm. code.

17 **SECTION 4. Initial applicability.**

18 (1) This act first applies to transactions occurring on the effective date of this
19 subsection.

20

(END)



State of Wisconsin
2019 - 2020 LEGISLATURE

wanted
Fri.
5/10

in 5/8

LRB-2669/P1 P2
ARG:amn
FWLj

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

alcohol beverage

1 AN ACT to amend 125.33 (7) (a) 1. a., 125.33 (7) (a) 1. b. and 125.33 (7) (b) of the
2 statutes; relating to: credit transactions between beer retailers and beer
3 wholesalers.

Analysis by the Legislative Reference Bureau

This bill extends, from 15 days to 30 days, the maximum period of credit that a wholesaler of fermented malt beverages (beer) may extend to a beer retailer.

Under current law, a beer retailer may not purchase or acquire beer from a beer wholesaler except upon payment of cash or extension of credit for not more than 15 days. A beer retailer indebted for beer purchased or acquired more than 15 days previously may not purchase or acquire beer from any beer wholesaler and may not be issued another retail license or permit for the sale of beer.

This bill extends the maximum permissible credit period from 15 days to 30 days.

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

SECTION 1. 125.33 (7) (a) 1. a. of the statutes is amended to read:

insert
ANAL

1 **125.33 (7) (a) 1. a.** Receive, purchase, or acquire fermented malt beverages from
2 any wholesale permittee or from any brewpub acting under authority of s. 125.295
3 (1) (g), except for cash or credit for a period of not more than 15 30 days.

4 **SECTION 2.** 125.33 (7) (a) 1. b. of the statutes is amended to read:

5 **125.33 (7) (a) 1. b.** Receive, purchase, or acquire fermented malt beverages from
6 any wholesale permittee, or from any brewpub acting under authority of s. 125.295
7 (1) (g), if at the time of the receipt, purchase, or acquisition he or she is indebted to
8 any wholesale permittee or brewpub for fermented malt beverages received,
9 purchased, acquired, or delivered more than 15 30 days earlier.

10 **SECTION 3.** 125.33 (7) (b) of the statutes is amended to read:

11 **125.33 (7) (b) *Restrictions on issuance of licenses and permits.*** No Class "A" or
12 Class "B" license or permit may be issued to a person having an indebtedness for
13 fermented malt beverages outstanding for more than 15 30 days. In each application
14 for a Class "A" or Class "B" license or permit, the applicant shall state whether he
15 or she has indebtedness for fermented malt beverages to any licensee, permittee, or
16 brewpub which has been outstanding for more than 15 30 days.

17 **SECTION 4. Initial applicability.**

18 (1) This act first applies to transactions occurring on the effective date of this
19 subsection.

20 (END)

1 **INSERT ANAL:**

This bill eliminates restrictions on the maximum period of credit that a wholesaler may extend to a retailer in connection with the purchase of alcohol beverages.

Under current law, a retailer of fermented malt beverages (beer) may not purchase or acquire beer from a wholesaler except upon payment of cash or extension of credit for not more than 15 days. A retailer of intoxicating liquor, which includes wine and distilled spirits, may not purchase or acquire intoxicating liquor from a wholesaler except upon payment of cash or extension of credit for not more than 30 days. A retailer that remains indebted to a wholesaler beyond the applicable period is precluded from purchasing more alcohol beverages from any wholesaler and may not be issued another retail license.

This bill eliminates these 15-day and 30-day maximum permissible credit periods.

2

3 **INSERT 2-1:**

4 **SECTION 1.** 125.33 (7) (title) of the statutes is repealed and recreated to read:

5 125.33 (7) (title) BONA FIDE SALE. ✓

6 **SECTION 2.** 125.33 (7) (a) (title) of the statutes is repealed and recreated to read:

7 125.33 (7) (a) (title) *Consignment prohibited.*

8 **SECTION 3.** 125.33 (7) (a) 1. of the statutes is repealed. ✓

9 **SECTION 4.** 125.33 (7) (a) 2. of the statutes is renumbered 125.33 (7) (a). ✓

10 **SECTION 5.** 125.33 (7) (b) of the statutes is repealed. ✓

11 **SECTION 6.** 125.69 (4) (title) of the statutes is repealed and recreated to read:

12 125.69 (4) (title) BONA FIDE SALE.

13 **SECTION 7.** 125.69 (4) (a) (title) of the statutes is repealed and recreated to read:

14 125.69 (4) (a) (title) *Consignment prohibited.* ✓

15 **SECTION 8.** 125.69 (4) (a) 1. of the statutes is repealed. ✓

16 **SECTION 9.** 125.69 (4) (a) 2. of the statutes is renumbered 125.69 (4) (a). ✓

1 **SECTION 10.** 125.69 (4) (b) of the statutes is repealed.

2 **SECTION 11.** 125.69 (4) (e) of the statutes is repealed.

3

2019 LRB-2669/P2

5/8/19

Telephone conference w/ Mark Austinson

Wants to eliminate the credit restriction period entirely, for both beer and liquor.
Leave in place current law provision allowing usual and customary commercial credit.

ARG

Gary, Aaron

From: Austinson, Mark
Sent: Thursday, October 10, 2019 10:00 AM
To: Gary, Aaron
Cc: Duerkop, Nathan
Subject: RE: LRB 2669 P1

Aaron,

That is correct, we want to move forward with the P1 version.

Mark

Mark Austinson | Policy Advisor | Office of Representative Dan Knodl
24th Assembly District | 608.237.9124 | www.RepKnodl.com



From: Gary, Aaron <Aaron.Gary@legis.wisconsin.gov>
Sent: Thursday, October 10, 2019 9:45 AM
To: Austinson, Mark <Mark.Austinson@legis.wisconsin.gov>
Cc: Duerkop, Nathan <Nathan.Duerkop@legis.wisconsin.gov>
Subject: RE: LRB 2669 P1

Hi Mark and Nathan,

The senate companion will be LRB-4611.

I also want to confirm that it is the "/P1" draft, not the "/P2" draft, that you want me to turn into an introducible "/1" draft.

Thanks. Aaron

Aaron R. Gary
Senior Attorney, Legislative Reference Bureau
608.504.5850 (voice)
608.264.6948 (fax)
aaron.gary@legis.state.wi.us

From: Austinson, Mark <Mark.Austinson@legis.wisconsin.gov>
Sent: Thursday, October 10, 2019 9:09 AM
To: Gary, Aaron <Aaron.Gary@legis.wisconsin.gov>
Cc: Duerkop, Nathan <Nathan.Duerkop@legis.wisconsin.gov>
Subject: LRB 2669 P1

Aaron,

We are ready to move forward with the attached draft. Senator Bernier's office is copied on this email as they'll be the Senate lead. Could you provide a Senate version for their office as well?

Thanks,

Mark

Mark Austinson | Policy Advisor | Office of Representative Dan Knodl
24th Assembly District | 608.237.9124 | www.RepKnodl.com





Today

LRB-2669/P 1
ARG:amn

in
10/10

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

No changes

Editors: Note
that 1/1 is
based on P1 not
1/2

1 AN ACT to amend 125.33 (7) (a) 1. a., 125.33 (7) (a) 1. b. and 125.33 (7) (b) of the
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This bill extends the maximum permissible credit period from 15 days to 30 days.

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

4 SECTION 1. 125.33 (7) (a) 1. a. of the statutes is amended to read:

Walker, Dan

From: Rep.Knodl
Sent: Thursday, October 10, 2019 11:24 AM
To: LRB.Legal
Subject: Draft Review: LRB -2669/1

Please Jacket LRB -2669/1 for the ASSEMBLY.