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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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1 **AN ACT to renumber and amend** 125.12 (5); **to amend** 125.27 (4), 125.32 (3)
2 (c), 125.51 (5) (b) (title), 125.51 (5) (e) and 125.68 (4) (c) 4.; and **to create** 125.07
3 (3) (a) 17., 125.12 (5) (b), 125.20, 125.26 (2v), 125.27 (5), 125.27 (6), 125.32 (3)
4 (e), 125.32 (3m) (k), 125.51 (3) (bv), 125.51 (5) (b) 1. f., 125.51 (5) (b) 2m., 125.51
5 (5) (f) and 125.68 (4) (d) of the statutes; **relating to:** creating a private event
6 venue permit issued by the Department of Revenue; the issuance by the
7 Department of Revenue of retail alcohol beverage permits for motor vehicle
8 racetrack grounds and for the state fair park; authorizing caterers to make
9 retail sales of alcohol beverages on racetrack grounds; closing hours for certain
10 alcohol beverage retailers and hours for retail sales by brewers; and providing
11 a penalty.

Analysis by the Legislative Reference Bureau

This bill creates a private event venue permit issued by the Department of Revenue and generally prohibits the rental or lease of property for private events at which fermented malt beverages (beer) or intoxicating liquor, which includes wine and distilled spirits, is consumed without this permit. This bill also authorizes DOR

to issue retail alcohol beverage permits for motor vehicle racetrack grounds and for the state fair park. This bill authorizes caterers to make retail sales of alcohol beverages on racetrack grounds. The bill further establishes hours during which brewers may not make retail sales of alcohol beverages. This bill also creates an exception allowing southeast Wisconsin municipalities to authorize extended closing hours for certain alcohol beverage retailers and brewers during the time that the 2020 Democratic National Convention is held in Milwaukee.

Private event venue permits

Under this bill, DOR may issue to property owners private event venue permits that authorize the permittee to rent or lease property for use as a venue for a private event at which beer or intoxicating liquor is consumed. A permit does not authorize the sale of any alcohol beverages, but the host of the event may possess and consume, and allow the possession and consumption by others, on the premises, of beer and intoxicating liquor purchased from a retailer rather than a wholesaler. Upon the conclusion of the event, the host may remove from the premises any remaining beer and intoxicating liquor that is in an unopened, original container. The premises covered by the permit may not remain open after midnight. Requirements applicable to Class "B" and "Class B" retail licensees and licensed premises otherwise apply to private event venue permittees and premises covered by these permits, including the requirements that operations on the premises are supervised by a licensed bartender and that unaccompanied underage persons not be allowed on the premises. An applicant for a private event venue permit must provide proof of liability insurance and a permit may not be issued for property covered by a retail alcohol beverages license.

With exceptions, the bill prohibits a person from renting or leasing property to another for use as a venue for a private event at which beer or intoxicating liquor is consumed unless the person holds a private event venue permit and consumption of the beer or intoxicating liquor occurs on the premises covered by this permit. The bill provides exceptions to this prohibition for certain types of property, including property covered by a retail alcohol beverages license; hotel rooms and vacation rental property; property used primarily for parking; certain property used in connection with professional football or baseball games; and property used by a nonprofit organization.

New retail permits issued by DOR

Under current law, with limited exceptions, no person may sell alcohol beverages to a consumer unless the seller possesses a license or permit authorizing the sale. Municipalities may issue retail Class "B" licenses authorizing the sale of beer, and retail "Class B" licenses authorizing the sale of intoxicating liquor, which includes wine and distilled spirits, to consumers. Under certain circumstances, DOR may issue retail Class "B" and "Class B" permits authorizing the retail sale of beer and intoxicating liquor to consumers.

This bill also authorizes DOR to issue retail Class "B" and "Class B" permits for racetrack grounds. The bill defines "racetrack grounds" as property consisting of at least 300 acres containing a motor vehicle racetrack at least four miles in length capable of hosting professional racing events, and includes any building or other

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or amateur sporting events

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structure on this property associated with the racetrack or with services provided in connection with events held at the racetrack. Under the bill, DOR may issue Class "B" and "Class B" permits, for locations within racetrack grounds, to the owner or operator of the racetrack grounds or to any person designated by the owner or operator of the racetrack grounds to operate premises located within the racetrack grounds. Class "B" and "Class B" permits issued by DOR for racetrack grounds authorize the retail sale of beer and intoxicating liquor at the location within the racetrack grounds specified in the permit, for possession and consumption anywhere within the racetrack grounds. Class "B" and "Class B" permits do not authorize the sale of beer and intoxicating liquor for consumption away from the racetrack grounds and do not authorize the sale of beer and intoxicating liquor at any designated camping area on racetrack grounds while the area is in use for camping. The bill contains an exception allowing underage persons to be present on those locations at racetrack grounds for which Class "B" or "Class B" permits are issued.

This bill allows DOR to issue Class "B" and "Class B" permits to vendors authorizing the retail sale of beer and intoxicating liquor at the state fair park if the State Fair Park Board has, by resolution, annually applied to DOR for the permit. Under the bill, a "vendor" is a person that has entered into a vendor agreement with the State Fair Park Board authorizing the person to sell alcohol beverages at the state fair park.

Retail sales by caterers off licensed premises

Current law generally requires a retail licensee to make retail sales of alcohol beverages only in a face-to-face transaction on the retail licensed premises, although the retail licensee may thereafter deliver and serve the alcohol beverages at another location. An exception allows a caterer to make retail sales off its licensed premises during a special event held at the National Railroad Museum in Green Bay or at the Heritage Hill State Park, if no retail license has been issued for this museum or park. A "caterer" is defined as a person who holds a restaurant license and who is in the business of preparing food and transporting it for consumption at gatherings, meetings, or events if the sale of food at each gathering, meeting, or event accounts for greater than 50 percent of the gross receipts of all of the food and beverages served at the gathering, meeting, or event.

This bill allows a caterer to make retail sales of alcohol beverages off its licensed premises on racetrack grounds, except at a designated camping area while the area is in use for camping and except on premises for which DOR has issued a retail permit for the racetrack grounds.

Closing hours for certain retailers

Under current law, with limited exceptions, no person may sell alcohol beverages to a consumer unless the seller possesses a license or permit authorizing the sale. A Class "B" license authorizes the retail sale of beer for consumption on or off the premises. A "Class B" license authorizes the retail sale of intoxicating liquor, which includes wine and distilled spirits, for consumption on the licensed premises and, subject to restrictions, the retail sale of intoxicating liquor in original packages for consumption off the licensed premises. A "Class C" license, which may be issued only for a restaurant, authorizes the retail sale of wine for consumption on the

premises. A retailer operating under a Class “B,” “Class B,” or “Class C” license may not remain open between the hours of 2 a.m. and 6 a.m. on weekdays or between 2:30 a.m. and 6 a.m. on Saturday and Sunday, and a municipality may not impose different closing hours by ordinance. However, there is no closing hour on January 1 for Class “B” and “Class B” licensed retailers. The hours during which a Class “B” or “Class B” licensed retailer may make sales for off-premises consumption are more limited, with these sales prohibited from midnight to 6 a.m., although a municipality may, by ordinance, impose more restrictive hours for these sales.

This bill creates a closing hour exception that may be available for Class “B,” “Class B,” and “Class C” licensees operating as restaurants or taverns in a municipality any part of which is located within Kenosha, Racine, Walworth, Rock, Milwaukee, Waukesha, Jefferson, Dane, Ozaukee, Washington, Dodge, Columbia, Sheboygan, or Fond du Lac County. Under the bill, from July 13 to July 17, 2020, the closing hour for such a restaurant or tavern is 4 a.m. if the southeast Wisconsin municipality issuing the license authorizes, upon application, the extended closing hour. Alternatively, a southeast Wisconsin municipality may, by ordinance, opt out and retain the regular, unextended closing hour for all licensees. This bill does not affect the hours during which a Class “B” or “Class B” licensee may make sales for off-premises consumption.

Brewer hours of sale

Current law allows a brewer holding a brewer’s permit to sell at retail, without a retail license, beer for consumption on or off the brewery premises or the brewer’s off-site retail outlet. If the brewer held an intoxicating liquor license on June 1, 2011, the brewer may also sell at retail, without a retail license, intoxicating liquor for consumption on the brewery premises or the brewer’s off-site retail outlet. Current law does not specify permissible hours of sale for these retail sales by a brewer.

This bill prohibits a brewer from making retail sales of beer and intoxicating liquor during hours in which a Class “B” or “Class B” licensed premises must be closed. As with a Class “B” or “Class B” licensee, a municipality may not impose more restrictive hours for retail sales for on-premises consumption but may impose more restrictive hours for retail sales for off-premises consumption. If the brewer is located in a southeast Wisconsin municipality, from July 13 to July 17, 2020, the brewer is eligible for the same extended closing hours applicable to Class “B,” “Class B,” and “Class C” licensees if the southeast Wisconsin municipality has elected to extend closing hours for these retail licensees.

Because this bill creates a new crime or revises a penalty for an existing crime, the Joint Review Committee on Criminal Penalties may be requested to prepare a report.

For further information see the ***state and 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.** 125.07 (3) (a) 17. of the statutes is created to read:

2 125.07 (3) (a) 17. Premises for which a Class “B” permit is issued under s.
3 125.27 (5) or a “Class B” permit is issued under s. 125.51 (5) (f).

4 **SECTION 2.** 125.12 (5) of the statutes is renumbered 125.12 (5) (a) and amended
5 to read:

6 125.12 (5) (a) The department may, after notice and an opportunity for hearing,
7 revoke, suspend, or refuse to renew any retail permit issued by it for the causes
8 provided in sub. (4) and any other permit issued by it under this chapter for any
9 violation of this chapter or ch. 139, except that, for ~~a violation of sub. (4) (ag) 6. with~~
10 ~~respect to a license issued under s. 125.51 (4) (v) or a violation of s. 125.535 or~~
11 139.035, the department shall revoke the license ~~or permit.~~

12 (c) A revocation, suspension, or refusal to renew a permit under par. (a) or (b)
13 is a contested case under ch. 227. ~~_____~~

14 **SECTION 3.** 125.12 (5) (b) of the statutes is created to read:

15 125.12 (5) (b) The department may, after notice and an opportunity for hearing,
16 revoke any permit issued under s. 125.27 (5) or 125.51 (5) (f) to a person designated
17 by the owner or operator of racetrack grounds as provided in s. 125.27 (5) (b) or 125.51
18 (5) (f) 2. if the person’s designation has terminated or the owner or operator of the
19 racetrack grounds has otherwise rescinded the person’s designation.

20 **SECTION 4.** 125.20 of the statutes is created to read:

21 **125.20 Private event venue permit; prohibition. (1) PERMIT ISSUANCE.** (a)
22 The department may issue to property owners private event venue permits that
23 authorize the permittee to rent or lease real property for use as a venue for a private
24 event at which fermented malt beverages or intoxicating liquor is consumed.

1 (b) A private event venue permit may be issued only to a person who holds a
2 valid certificate issued under s. 73.03 (50) and is qualified under s. 125.04 (5), except
3 a person acting as an agent for or in the employ of another.

4 (c) A private event venue permit may not be issued to a person unless the person
5 has provided to the department proof of liability insurance covering the premises for
6 which the permit is issued.

7 (d) A permit may not be issued under this section for premises that are covered
8 by a retail license or permit, but a caterer holding a Class "B" or "Class B" license may
9 deliver fermented malt beverages or intoxicating liquor to premises described in a
10 permit under this section and may provide services in conjunction with the delivery.

11 (e) The biennial fee for a permit issued under this section shall be \$2,000.

12 **(2) OPERATIONAL REQUIREMENTS.** All provisions of this chapter applying to Class
13 "B" and "Class B" licenses and licensees apply to private event venue permits and
14 permittees, except as follows:

15 (a) A permit issued under this section does not authorize the sale of any alcohol
16 beverages.

17 (b) The host of an event held on premises covered by a permit issued under this
18 section may possess and consume, and allow the possession and consumption by
19 others, on the premises, of fermented malt beverages and intoxicating liquor
20 purchased from a retail licensee or permittee rather than a wholesaler. Upon the
21 conclusion of an event, the host may remove from the premises any remaining
22 fermented malt beverages and intoxicating liquor that is in an unopened, original
23 container.

24 (c) No premises for which a permit under this section is issued may remain open

25 between the hours of 12 midnight and 6 a.m.

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1 **(3) PROHIBITION.** (a) No person may rent or lease real property to another for
 2 use as a venue for a private event at which fermented malt beverages or intoxicating
 3 liquor is consumed unless the person holds a permit issued under this section and
 4 consumption of the fermented malt beverages or intoxicating liquor occurs on the
 5 premises covered by the permit.

6 (b) This subsection does not apply to any of the following:

7 1. A room in a hotel, motel, or bed and breakfast that is used for overnight
 8 accommodations.

9 2. Vacation rental property, or any other property of temporary lodging, that
 10 is used for overnight accommodations if the property is furnished with sufficient beds
 11 for all adult guests to sleep.

12 3. A campsite on a campground licensed under s. 97.67.

13 4. Property used primarily for parking.

14 5. Property within a local professional football stadium district created under
 15 subch. IV of ch. 229 if the property is used in connection with, and on the same day
 16 as, a professional football game held at the football stadium.

17 6. Property within a local professional baseball park district created under
 18 subch. III of ch. 229 if the property is used in connection with, and on the same day
 19 as, a professional baseball game held at the baseball park.

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20 7. Property used by a nonprofit organization, as defined in s. 134.695 (1) (am),
 21 or property that such a nonprofit organization owns, rents, or leases.

22 8. Property covered by an appropriate retail license or permit issued under this
 23 chapter.

24 (c) The penalty under s. 125.04 (13) shall apply to a violation of this subsection.

25 **SECTION 5.** 125.26 (2v) of the statutes is created to read:

1 125.26 (2v) (a) Subject to pars. (b) and (c), and notwithstanding ss. 125.04 (3)
2 (a) 3. and (9), 125.09 (1), and 125.32 (6) (a), in addition to the authorization specified
3 in sub. (1), a Class “B” license issued under this section to a caterer also authorizes
4 the caterer to provide fermented malt beverages, including their retail sale, on
5 racetrack grounds, as defined in s. 125.27 (5) (a). Subject to pars. (b) and (c), and
6 notwithstanding sub. (1) and s. 125.32 (6) (a), a caterer may provide fermented malt
7 beverages under this paragraph at any location on racetrack grounds even though
8 the racetrack grounds are not part of the caterer’s licensed premises, as described
9 under sub. (3) in the caterer’s Class “B” license, and even if the racetracks grounds
10 are not located within the municipality that issued the caterer’s Class “B” license.
11 A caterer that provides fermented malt beverages under this paragraph is subject
12 to s. 125.32 (2) and (3) as if the fermented malt beverages were provided on the
13 caterer’s Class “B” licensed premises.

14 (b) A caterer may not provide fermented malt beverages under par. (a) at any
15 designated camping area on racetrack grounds while the area is in use for camping.

16 (c) A caterer may not provide fermented malt beverages under par. (a) on any
17 premises covered by a permit issued under s. 125.27 (5) or 125.51 (5) (f).

18 **SECTION 6.** 125.27 (4) of the statutes is amended to read:

19 125.27 (4) **ADDITIONAL SALES AUTHORITY FOR PERMITTEES.** Notwithstanding subs.
20 (1) (d), (2) (d), and (3) (d) and ss. 125.04 (3) (a) 3. and (9) and 125.09 (1), in addition
21 to the authorization specified in sub. (1), (2), or (3), a Class “B” permit issued under
22 this section also authorizes the permittee to provide fermented malt beverages,
23 including their retail sale, at specific locations within the Ozaukee County
24 fairgrounds for consumption at these locations during special events held at the
25 fairgrounds, if the Ozaukee County board adopts a resolution approving the

1 permittee and if the premises covered by the Class “B” permit are located in Ozaukee
2 County. Notwithstanding subs. (1), (2), and (3), a permittee may provide fermented
3 malt beverages under this subsection at the Ozaukee County fairgrounds even
4 though the Ozaukee County fairgrounds are not part of the premises described in the
5 permit. A permittee that provides fermented malt beverages under this subsection
6 is subject to s. 125.32 (2) as if the fermented malt beverages were provided on the
7 premises covered by the Class “B” permit. Notwithstanding s. 125.34 (4) and (5), a
8 wholesaler may deliver fermented malt beverages to the Ozaukee County
9 fairgrounds to a permittee approved by the Ozaukee County board under this
10 subsection and such an approved permittee may transport fermented malt
11 beverages from the premises covered by the permit to the Ozaukee County
12 fairgrounds for purposes of selling the fermented malt beverages at the Ozaukee
13 County fairgrounds. This subsection does not authorize Ozaukee County or any
14 person operating or managing the Ozaukee County fairgrounds to sell fermented
15 malt beverages at retail or to procure or stock fermented malt beverages for purposes
16 of retail sale. This subsection does not apply to a permit issued under sub. (6).

17 **SECTION 7.** 125.27 (5) of the statutes is created to read:

18 125.27 (5) PERMITS FOR RACETRACK GROUNDS. (a) In this subsection, “racetrack
19 grounds” means real property consisting of at least 300 acres containing a motor
20 vehicle racetrack at least 4 miles in length capable of hosting professional racing
21 events, and includes any building or other structure on this property associated with
22 the racetrack or with services provided in connection with events held at the
23 racetrack.

24 (b) The department may issue Class “B” permits for locations within racetrack
25 grounds to any person that holds a valid certificate issued under s. 73.03 (50), that

SECTION 7

1 is qualified under s. 125.04 (5) and (6), and that is the owner or operator of the
2 racetrack grounds or is designated by the owner or operator of the racetrack grounds
3 to operate premises located within the racetrack grounds. Subject to par. (e), the
4 permit authorizes the retail sale of fermented malt beverages on the premises
5 covered by the permit, for consumption anywhere within the racetrack grounds. If
6 the department issues more than one permit under this subsection for the same
7 racetrack grounds, no part of the premises covered by a permit under this subsection
8 may overlap with premises covered by any other permit issued under this subsection.

9 (c) Persons holding a permit under par. (b) may sell beverages containing less
10 than 0.5 percent of alcohol by volume without obtaining a license under s. 66.0433.

11 (d) Subject to ss. 125.07 (3) (a) 17. and 125.32 (3) (c) and (3m) (k), all provisions
12 of this chapter applying to Class "B" licenses apply to Class "B" permits issued under
13 this subsection, except as follows:

14 1. A permit issued under this subsection does not authorize retail sales of
15 fermented malt beverages for consumption off the racetrack grounds.

16 2. A permit issued under this subsection authorizes the retail sale of fermented
17 malt beverages for possession and consumption off the premises where sold if the
18 possession and consumption occurs within the racetrack grounds.

19 (e) A permit issued under this subsection does not authorize retail sales of
20 fermented malt beverages at any designated camping area on racetrack grounds
21 while the area is in use for camping.

22 (f) The department shall establish a fee for a permit issued under this
23 subsection in the amount of 50 percent of the fee for a permit issued under sub. (1).

24 **SECTION 8.** 125.27 (6) of the statutes is created to read:

1 125.27 (6) PERMITS FOR STATE FAIR PARK. (a) In this subsection, “vendor” means
2 a person that has entered into a vendor agreement with the state fair park board
3 authorizing the person to sell fermented malt beverages at the state fair park.

4 (b) The department may issue a Class “B” permit to a vendor that holds a valid
5 certificate issued under s. 73.03 (50) and that conducts business at the state fair park
6 if the state fair park board has, by resolution, annually applied to the department
7 for the permit. The permit authorizes the retail sale of fermented malt beverages at
8 the state fair park ~~to be consumed on the premises where sold.~~

9 (c) Except as otherwise provided in this subsection, all sections of this chapter
10 relating to Class “B” licenses apply to Class “B” permits issued under this subsection.

11 **SECTION 9.** 125.32 (3) (c) of the statutes is amended to read:

12 125.32 (3) (c) Hotels and restaurants the principal business of which is the
13 furnishing of food and lodging to patrons, bowling centers, movie theaters, painting
14 studios, indoor golf and baseball facilities, racetrack grounds, as defined in s. 125.27
15 (5) (a), indoor horseshoe-pitching facilities, curling clubs, golf courses and golf
16 clubhouses may remain open for the conduct of their regular business but may not
17 sell fermented malt beverages during the hours specified in par. (a).

18 **SECTION 10.** 125.32 (3) (e) of the statutes is created to read:

19 125.32 (3) (e) 1. A brewer holding a permit under s. 125.29 may not sell
20 fermented malt beverages at retail under s. 125.29 (3) (e), or under s. 125.29 (3) (g)
21 for consumption on the premises, or provide taste samples under s. 125.29 (3) (i),
22 during the hours in which a Class “B” licensed premises is required under par. (a) to
23 be closed. Brewery premises may remain open for the conduct of other brewery
24 operations during these hours, but a brewer’s off-site retail outlet may not remain
25 open during these hours.

1 2. A brewer holding a permit under s. 125.29 may not sell fermented malt
2 beverages at retail under s. 125.29 (3) (f), or under s. 125.29 (3) (g) for consumption
3 off the premises, between 12 midnight and 6 a.m.

4 3. A municipality may, by ordinance, impose more restrictive hours than those
5 provided in subd. 2., but may not impose different hours than those provided in subd.
6 1.

7 **SECTION 11.** 125.32 (3m) (k) of the statutes is created to read:

8 125.32 **(3m)** (k) Premises for which a Class “B” permit is issued under s. 125.27
9 (5).

10 **SECTION 12.** 125.51 (3) (bv) of the statutes is created to read:

11 125.51 **(3)** (bv) 1. Subject to subds. 2. and 3., and notwithstanding ss. 125.04
12 (3) (a) 3. and (9), 125.09 (1), and 125.32 (6) (a), in addition to the authorization
13 specified in par. (a) or (b) and in sub. (1) (a), a “Class B” license issued under sub. (1)
14 to a caterer also authorizes the caterer to provide intoxicating liquor, including its
15 retail sale, on racetrack grounds, as defined in s. 125.27 (5) (a). Subject to subds. 2.
16 and 3., and notwithstanding pars. (a) and (b) and sub. (1) (a) and s. 125.32 (6) (a), a
17 caterer may provide intoxicating liquor under this subdivision at any location on
18 racetrack grounds even though the racetrack grounds are not part of the caterer’s
19 licensed premises, as described under par. (d) in the caterer’s “Class B” license, and
20 even if the racetrack grounds are not located within the municipality that issued the
21 caterer’s “Class B” license. A caterer that provides intoxicating liquor under this
22 subdivision is subject to s. 125.68 (2) and (4) as if the intoxicating liquor were
23 provided on the caterer’s “Class B” licensed premises.

24 2. A caterer may not provide intoxicating liquor under subd. 1. at any
25 designated camping area on racetrack grounds while the area is in use for camping.

1 3. A caterer may not provide intoxicating liquor under subd. 1. on any premises
2 covered by a permit issued under s. 125.27 (5) or 125.51 (5) (f).

3 SECTION 13. 125.51 (5) (b) (title) of the statutes is amended to read:

4 125.51 (5) (b) (title) *Public facilities and, airports, and state fair park.*

5 SECTION 14. 125.51 (5) (b) 1. f. of the statutes is created to read:

6 125.51 (5) (b) 1. f. "Vendor" means a person that has entered into a vendor
7 agreement with the state fair park board authorizing the person to sell intoxicating
8 liquor at the state fair park.

9 SECTION 15. 125.51 (5) (b) 2m. of the statutes is created to read:

10 125.51 (5) (b) 2m. The department may issue a "Class B" permit to a vendor that
11 holds a valid certificate issued under s. 73.03 (50) and that conducts business at the
12 state fair park if the state fair park board has, by resolution, annually applied to the
13 department for the permit. The permit authorizes the retail sale of intoxicating
14 liquor at the state fair park to be consumed on the premises where sold.

15 SECTION 16. 125.51 (5) (e) of the statutes is amended to read:

16 125.51 (5) (e) *Additional sales authority for permittees.* Notwithstanding pars.
17 (a) 2., (b) 3., (c) 3., and (d) 3. and ss. 125.04 (3) (a) 3. and (9) and 125.09 (1), in addition
18 to the authorization specified in par. (a), (b), (c), or (d), a "Class B" permit issued
19 under this subsection also authorizes the permittee to provide intoxicating liquor,
20 including its retail sale, at specific locations within the Ozaukee County fairgrounds
21 for consumption at these locations during special events held at the fairgrounds, if
22 the Ozaukee County board adopts a resolution approving the permittee and if the
23 premises covered by the "Class B" permit are located in Ozaukee County.
24 Notwithstanding pars. (a), (b), (c), and (d), a permittee may provide intoxicating
25 liquor under this paragraph at the Ozaukee County fairgrounds even though the

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1 Ozaukee County fairgrounds are not part of the premises described in the permit.
2 A permittee that provides intoxicating liquor under this paragraph is subject to s.
3 125.68 (2) as if the intoxicating liquor were provided on the premises covered by the
4 “Class B” permit. This paragraph does not authorize Ozaukee County or any person
5 operating or managing the Ozaukee County fairgrounds to sell intoxicating liquor
6 at retail or to procure or stock intoxicating liquor for purposes of retail sale. This
7 paragraph does not apply to a permit issued under par. (b) 2m.

8 **SECTION 17.** 125.51 (5) (f) of the statutes is created to read:

9 125.51 (5) (f) *Permits for racetrack grounds.* 1. In this paragraph, “racetrack
10 grounds” has the meaning given in s. 125.27 (5) (a).

11 2. The department may issue “Class B” permits for locations within racetrack
12 grounds to any person that holds a valid certificate issued under s. 73.03 (50), that
13 is qualified under s. 125.04 (5) and (6), and that is the owner or operator of the
14 racetrack grounds or is designated by the owner or operator of the racetrack grounds
15 to operate premises located within the racetrack grounds. Subject to subd. 4., the
16 permit authorizes the retail sale of intoxicating liquor, by the glass and not in the
17 original package or container, on the premises covered by the permit, for
18 consumption anywhere within the racetrack grounds. If the department issues more
19 than one permit under this paragraph for the same racetrack grounds, no part of the
20 premises covered by a permit under this paragraph may overlap with premises
21 covered by any other permit issued under this paragraph.

22 3. Subject to ss. 125.07 (3) (a) 17. and 125.68 (4) (c) 4., all provisions of this
23 chapter applying to “Class B” licenses apply to “Class B” permits issued under this
24 paragraph, except as follows:

1 a. A permit issued under this paragraph does not authorize retail sales of
2 intoxicating liquor for consumption off the racetrack grounds.

3 b. A permit issued under this paragraph authorizes the retail sale of
4 intoxicating liquor for possession and consumption off the premises where sold if the
5 possession and consumption occurs within the racetrack grounds.

6 4. A permit issued under this paragraph does not authorize retail sales of
7 intoxicating liquor at any designated camping area on racetrack grounds while the
8 area is in use for camping.

9 5. The department shall establish a fee for a permit issued under this
10 paragraph in the amount of 50 percent of the fee for a permit issued under par. (a).

11 **SECTION 18.** 125.68 (4) (c) 4. of the statutes is amended to read:

12 125.68 (4) (c) 4. Hotels and restaurants the principal business of which is the
13 furnishing of food, drinks or lodging to patrons, bowling centers, movie theaters,
14 painting studios, racetrack grounds, as defined in s. 125.27 (5) (a), indoor
15 horseshoe-pitching facilities, curling clubs, golf courses and golf clubhouses may
16 remain open for the conduct of their regular business but may not sell intoxicating
17 liquor during the closing hours under subd. 1. or, with respect to the sale of
18 intoxicating liquor authorized under s. 125.51 (3r) (a), under subd. 3.

19 **SECTION 19.** 125.68 (4) (d) of the statutes is created to read:

20 125.68 (4) (d) *Brewers.* 1. A brewer holding a permit under s. 125.29 may not
21 sell intoxicating liquor at retail under s. 125.29 (3) (h) during the hours in which a
22 "Class B" licensed premises is required under par. (c) 1. to be closed. Brewery
23 premises may remain open for the conduct of other brewery operations during these
24 hours, but a brewer's off-site retail outlet may not remain open during these hours.

1 2. A municipality may not, by ordinance, impose different hours than those
2 provided under subd. 1.

3 **SECTION 20. Nonstatutory provisions.**

4 (1) CLOSING HOURS EXCEPTION FOR CERTAIN ALCOHOL BEVERAGE RETAILERS AND
5 BREWERS DURING THE DEMOCRATIC NATIONAL CONVENTION IN MILWAUKEE.

6 (a) In this subsection:

7 1. “Brewer” means a person holding a brewer’s permit under s. 125.29 if the
8 brewery premises or the brewer’s off-site retail outlet is located in a southeast
9 Wisconsin municipality.

10 2. “Municipality” has the meaning given in s. 125.02 (11).

11 3. “Restaurant” has the meaning given in s. 125.02 (18).

12 4. “Southeast Wisconsin municipality” means a municipality any part of which
13 is located within Kenosha, Racine, Walworth, Rock, Milwaukee, Waukesha,
14 Jefferson, Dane, Ozaukee, Washington, Dodge, Columbia, Sheboygan, or Fond du
15 Lac County.

16 (b) 1. In this paragraph, “licensed restaurant or tavern” means premises
17 operating as a restaurant or tavern under a Class “B” license issued by a southeast
18 Wisconsin municipality.

19 2. Notwithstanding s. 125.32 (3) (a), but subject to subd. 4., from July 13 to July
20 17, 2020, the closing hours for a licensed restaurant or tavern shall be between 4 a.m.
21 and 6 a.m. if the municipality that issued the license has authorized this extended
22 closing hour as provided in subd. 3.

23 3. A southeast Wisconsin municipality may establish a process to authorize,
24 and may upon application so authorize, the extended closing hour under subd. 2. for
25 any licensed restaurant or tavern within the municipality.

1 4. Notwithstanding s. 125.32 (3) (d), a southeast Wisconsin municipality may,
2 by ordinance adopted after the effective date of this subdivision, opt out of subd. 2.
3 and retain from July 13 to July 17, 2020, the closing hours specified in s. 125.32 (3)
4 (a).

5 (c) 1. In this paragraph, “licensed restaurant or tavern” means premises
6 operating as a restaurant or tavern under a “Class B” or “Class C” license issued by
7 a southeast Wisconsin municipality.

8 2. Notwithstanding s. 125.68 (4) (c) 1., but subject to subd. 4., from July 13 to
9 July 17, 2020, the closing hours for a licensed restaurant or tavern shall be between
10 4 a.m. and 6 a.m. if the municipality that issued the license has authorized this
11 extended closing hour as provided in subd. 3.

12 3. A southeast Wisconsin municipality may establish a process to authorize,
13 and may upon application so authorize, the extended closing hour under subd. 2. for
14 any licensed restaurant or tavern within the municipality.

15 4. Notwithstanding s. 125.68 (4) (c) 5., a southeast Wisconsin municipality may,
16 by ordinance adopted after the effective date of this subdivision, opt out of subd. 2.
17 and retain from July 13 to July 17, 2020, the closing hours specified in s. 125.68 (4)
18 (c) 1.

19 (d) 1. Notwithstanding ss. 125.32 (3) (e) and 125.68 (4) (d), from July 13 to July
20 17, 2020, the closing hours for a brewer’s off-site retail outlet, and the hours during
21 which a brewer may not sell fermented malt beverages or intoxicating liquor at retail
22 on the brewery premises, shall be the same as the closing hours applicable to,
23 respectively, Class “B” licensees under par. (b) and “Class B” and “Class C” licensees
24 under par. (c) that are located in the same southeast Wisconsin municipality.

2019-2020 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-5495/P3ins
ARG:...

sa ✓

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INSERT ANAL: ✓

(no 99)

during hours in which Class "B" and "Class B" retail licensed premises must be closed

INSERT 6-24: ✓

(no 99)

between the hours of 2 a.m. and 6 a.m. On January 1 premises operating under a permit under this section are not required to close. On Saturday and Sunday, no such premises may remain open between 2:30 a.m. and 6 a.m. except that, on the Sunday that daylight saving time begins as specified in s. 175.095 (2), no such premises may remain open between 3:30 a.m. and 6 a.m.

INSERT 7-19: ✓

7. Property used in connection with an amateur sporting event held on a campus of the University of Wisconsin System, or at a sports arena, as defined in s. 101.123 (1) (hm), having a seating capacity of at least 1,000 persons, if the property is primarily used immediately before or immediately after the amateur sporting event rather than during the amateur sporting event.

INSERT 11-5:

(no 99)

, that is qualified under s. 125.04 (5) and (6),

INSERT 11-7: ✓

(no 99)

on the premises covered by the permit, for consumption anywhere

1 **INSERT 13-11:** ✓

2 (no 9) , that is qualified under s. 125.04 (5) and (6), ✓

3

4 **INSERT 13-14:** ✓

5 (no 9) on the premises covered by the permit, for consumption anywhere

6

7 **INSERT 13-15:**

8 ✓ **SECTION 1.** 125.51 (5) (b) 4. of the statutes is amended to read:

9 125.51 (5) (b) 4. The department may not issue a permit under this paragraph

10 subd. 2. to any county or municipality or officer or employee thereof.

History: 1981 c. 79, 202, 220; 1983 a. 27 ss. 1489c, 2202 (38); 1983 a. 250, 516; 1985 a. 74, 239, 302; 1987 a. 27, 91, 103, 249, 354, 399; 1989 a. 16, 30, 31, 252, 253, 359; 1991 a. 39; 1993 a. 112; 1995 a. 27; 1997 a. 27, 41, 248, 259; 1999 a. 9, 185; 2001 a. 16, 49; 2003 a. 124; 2005 a. 22, 268, 307; 2007 a. 20, 69, 85, 192; 2009 a. 28, 73; 2011 a. 129; 2013 a. 268; 2015 a. 10, 55, 62, 286, 372; 2017 a. 95, 364; 2019 a. 6; s. 13.92 (1) (bm) 2.; s. 35.17 correction in (4) (x) 2.

11

12

Gary, Aaron

From: Rep.Swearigen
Sent: Wednesday, February 05, 2020 11:45 AM
To: LRB.Legal
Cc: Gary, Aaron
Subject: RE: Draft review: LRB -5495/P3

Hi Aaron,

Please jacket this for the assembly.

Thanks,

Joe

From: LRB.Legal <lrblegal@legis.wisconsin.gov>
Sent: Wednesday, February 5, 2020 10:01 AM
To: Rep.Swearigen <Rep.Swearigen@legis.wisconsin.gov>
Subject: Draft review: LRB -5495/P3

Following is the PDF version of draft LRB -5495/P3.



Today

in r/s

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

No changes - /P3
went out earlier today

1 AN ACT *to renumber and amend* 125.12 (5); *to amend* 125.27 (4), 125.32 (3)
2 (c), 125.51 (5) (b) (title), 125.51 (5) (b) 4., 125.51 (5) (e) and 125.68 (4) (c) 4.; and
3 *to create* 125.07 (3) (a) 17., 125.12 (5) (b), 125.20, 125.26 (2v), 125.27 (5), 125.27
4 (6), 125.32 (3) (e), 125.32 (3m) (k), 125.51 (3) (bv), 125.51 (5) (b) 1. f., 125.51 (5)
5 (b) 2m., 125.51 (5) (f) and 125.68 (4) (d) of the statutes; **relating to:** creating a
6 private event venue permit issued by the Department of Revenue; the issuance
7 by the Department of Revenue of retail alcohol beverage permits for motor
8 vehicle racetrack grounds and for the state fair park; authorizing caterers to
9 make retail sales of alcohol beverages on racetrack grounds; closing hours for
10 certain alcohol beverage retailers and hours for retail sales by brewers; and
11 providing a penalty.

Analysis by the Legislative Reference Bureau

This bill creates a private event venue permit issued by the Department of Revenue and generally prohibits the rental or lease of property for private events at which fermented malt beverages (beer) or intoxicating liquor, which includes wine and distilled spirits, is consumed without this permit. This bill also authorizes DOR

to issue retail alcohol beverage permits for motor vehicle racetrack grounds and for the state fair park. This bill authorizes caterers to make retail sales of alcohol beverages on racetrack grounds. The bill further establishes hours during which brewers may not make retail sales of alcohol beverages. This bill also creates an exception allowing southeast Wisconsin municipalities to authorize extended closing hours for certain alcohol beverage retailers and brewers during the time that the 2020 Democratic National Convention is held in Milwaukee.

Private event venue permits

Under this bill, DOR may issue to property owners private event venue permits that authorize the permittee to rent or lease property for use as a venue for a private event at which beer or intoxicating liquor is consumed. A permit does not authorize the sale of any alcohol beverages, but the host of the event may possess and consume, and allow the possession and consumption by others, on the premises, of beer and intoxicating liquor purchased from a retailer rather than a wholesaler. Upon the conclusion of the event, the host may remove from the premises any remaining beer and intoxicating liquor that is in an unopened, original container. The premises covered by the permit may not remain open during hours in which Class "B" and "Class B" retail licensed premises must be closed. Requirements applicable to Class "B" and "Class B" retail licensees and licensed premises otherwise apply to private event venue permittees and premises covered by these permits, including the requirements that operations on the premises are supervised by a licensed bartender and that unaccompanied underage persons not be allowed on the premises. An applicant for a private event venue permit must provide proof of liability insurance and a permit may not be issued for property covered by a retail alcohol beverages license.

With exceptions, the bill prohibits a person from renting or leasing property to another for use as a venue for a private event at which beer or intoxicating liquor is consumed unless the person holds a private event venue permit and consumption of the beer or intoxicating liquor occurs on the premises covered by this permit. The bill provides exceptions to this prohibition for certain types of property, including property covered by a retail alcohol beverages license; hotel rooms and vacation rental property; property used primarily for parking; certain property used in connection with professional football or baseball games or amateur sporting events; and property used by a nonprofit organization.

New retail permits issued by DOR

Under current law, with limited exceptions, no person may sell alcohol beverages to a consumer unless the seller possesses a license or permit authorizing the sale. Municipalities may issue retail Class "B" licenses authorizing the sale of beer, and retail "Class B" licenses authorizing the sale of intoxicating liquor, to consumers. Under certain circumstances, DOR may issue retail Class "B" and "Class B" permits authorizing the retail sale of beer and intoxicating liquor to consumers.

This bill also authorizes DOR to issue retail Class "B" and "Class B" permits for racetrack grounds. The bill defines "racetrack grounds" as property consisting of at least 300 acres containing a motor vehicle racetrack at least four miles in length capable of hosting professional racing events, and includes any building or other

structure on this property associated with the racetrack or with services provided in connection with events held at the racetrack. Under the bill, DOR may issue Class "B" and "Class B" permits, for locations within racetrack grounds, to the owner or operator of the racetrack grounds or to any person designated by the owner or operator of the racetrack grounds to operate premises located within the racetrack grounds. Class "B" and "Class B" permits issued by DOR for racetrack grounds authorize the retail sale of beer and intoxicating liquor at the location within the racetrack grounds specified in the permit, for possession and consumption anywhere within the racetrack grounds. Class "B" and "Class B" permits do not authorize the sale of beer and intoxicating liquor for consumption away from the racetrack grounds and do not authorize the sale of beer and intoxicating liquor at any designated camping area on racetrack grounds while the area is in use for camping. The bill contains an exception allowing underage persons to be present on those locations at racetrack grounds for which Class "B" or "Class B" permits are issued.

This bill allows DOR to issue Class "B" and "Class B" permits to vendors authorizing the retail sale of beer and intoxicating liquor at the state fair park if the State Fair Park Board has, by resolution, annually applied to DOR for the permit. Under the bill, a "vendor" is a person that has entered into a vendor agreement with the State Fair Park Board authorizing the person to sell alcohol beverages at the state fair park.

Retail sales by caterers off licensed premises

Current law generally requires a retail licensee to make retail sales of alcohol beverages only in a face-to-face transaction on the retail licensed premises, although the retail licensee may thereafter deliver and serve the alcohol beverages at another location. An exception allows a caterer to make retail sales off its licensed premises during a special event held at the National Railroad Museum in Green Bay or at the Heritage Hill State Park, if no retail license has been issued for this museum or park. A "caterer" is defined as a person who holds a restaurant license and who is in the business of preparing food and transporting it for consumption at gatherings, meetings, or events if the sale of food at each gathering, meeting, or event accounts for greater than 50 percent of the gross receipts of all of the food and beverages served at the gathering, meeting, or event.

This bill allows a caterer to make retail sales of alcohol beverages off its licensed premises on racetrack grounds, except at a designated camping area while the area is in use for camping and except on premises for which DOR has issued a retail permit for the racetrack grounds.

Closing hours for certain retailers

Under current law, with limited exceptions, no person may sell alcohol beverages to a consumer unless the seller possesses a license or permit authorizing the sale. A Class "B" license authorizes the retail sale of beer for consumption on or off the premises. A "Class B" license authorizes the retail sale of intoxicating liquor, which includes wine and distilled spirits, for consumption on the licensed premises and, subject to restrictions, the retail sale of intoxicating liquor in original packages for consumption off the licensed premises. A "Class C" license, which may be issued only for a restaurant, authorizes the retail sale of wine for consumption on the

premises. A retailer operating under a Class “B,” “Class B,” or “Class C” license may not remain open between the hours of 2 a.m. and 6 a.m. on weekdays or between 2:30 a.m. and 6 a.m. on Saturday and Sunday, and a municipality may not impose different closing hours by ordinance. However, there is no closing hour on January 1 for Class “B” and “Class B” licensed retailers. The hours during which a Class “B” or “Class B” licensed retailer may make sales for off-premises consumption are more limited, with these sales prohibited from midnight to 6 a.m., although a municipality may, by ordinance, impose more restrictive hours for these sales.

This bill creates a closing hour exception that may be available for Class “B,” “Class B,” and “Class C” licensees operating as restaurants or taverns in a municipality any part of which is located within Kenosha, Racine, Walworth, Rock, Milwaukee, Waukesha, Jefferson, Dane, Ozaukee, Washington, Dodge, Columbia, Sheboygan, or Fond du Lac County. Under the bill, from July 13 to July 17, 2020, the closing hour for such a restaurant or tavern is 4 a.m. if the southeast Wisconsin municipality issuing the license authorizes, upon application, the extended closing hour. Alternatively, a southeast Wisconsin municipality may, by ordinance, opt out and retain the regular, unextended closing hour for all licensees. This bill does not affect the hours during which a Class “B” or “Class B” licensee may make sales for off-premises consumption.

Brewer hours of sale

Current law allows a brewer holding a brewer’s permit to sell at retail, without a retail license, beer for consumption on or off the brewery premises or the brewer’s off-site retail outlet. If the brewer held an intoxicating liquor license on June 1, 2011, the brewer may also sell at retail, without a retail license, intoxicating liquor for consumption on the brewery premises or the brewer’s off-site retail outlet. Current law does not specify permissible hours of sale for these retail sales by a brewer.

This bill prohibits a brewer from making retail sales of beer and intoxicating liquor during hours in which a Class “B” or “Class B” licensed premises must be closed. As with a Class “B” or “Class B” licensee, a municipality may not impose more restrictive hours for retail sales for on-premises consumption but may impose more restrictive hours for retail sales for off-premises consumption. If the brewer is located in a southeast Wisconsin municipality, from July 13 to July 17, 2020, the brewer is eligible for the same extended closing hours applicable to Class “B,” “Class B,” and “Class C” licensees if the southeast Wisconsin municipality has elected to extend closing hours for these retail licensees.

Because this bill creates a new crime or revises a penalty for an existing crime, the Joint Review Committee on Criminal Penalties may be requested to prepare a report.

For further information see the ***state and 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.** 125.07 (3) (a) 17. of the statutes is created to read:

2 125.07 **(3)** (a) 17. Premises for which a Class “B” permit is issued under s.
3 125.27 (5) or a “Class B” permit is issued under s. 125.51 (5) (f).

4 **SECTION 2.** 125.12 (5) of the statutes is renumbered 125.12 (5) (a) and amended
5 to read:

6 125.12 **(5)** (a) The department may, after notice and an opportunity for hearing,
7 revoke, suspend, or refuse to renew any retail permit issued by it for the causes
8 provided in sub. (4) and any other permit issued by it under this chapter for any
9 violation of this chapter or ch. 139, except that, for ~~a violation of sub. (4) (a) 6. with~~
10 ~~respect to a license issued under s. 125.51 (4) (v) or a violation of s. 125.535 or~~
11 139.035, the department shall revoke the license or permit.

12 (c) A revocation, suspension, or refusal to renew a permit under par. (a) or (b)
13 is a contested case under ch. 227.

14 **SECTION 3.** 125.12 (5) (b) of the statutes is created to read:

15 125.12 **(5)** (b) The department may, after notice and an opportunity for hearing,
16 revoke any permit issued under s. 125.27 (5) or 125.51 (5) (f) to a person designated
17 by the owner or operator of racetrack grounds as provided in s. 125.27 (5) (b) or 125.51
18 (5) (f) 2. if the person’s designation has terminated or the owner or operator of the
19 racetrack grounds has otherwise rescinded the person’s designation.

20 **SECTION 4.** 125.20 of the statutes is created to read:

21 **125.20 Private event venue permit; prohibition. (1) PERMIT ISSUANCE.** (a)
22 The department may issue to property owners private event venue permits that
23 authorize the permittee to rent or lease real property for use as a venue for a private
24 event at which fermented malt beverages or intoxicating liquor is consumed.

1 (b) A private event venue permit may be issued only to a person who holds a
2 valid certificate issued under s. 73.03 (50) and is qualified under s. 125.04 (5), except
3 a person acting as an agent for or in the employ of another.

4 (c) A private event venue permit may not be issued to a person unless the person
5 has provided to the department proof of liability insurance covering the premises for
6 which the permit is issued.

7 (d) A permit may not be issued under this section for premises that are covered
8 by a retail license or permit, but a caterer holding a Class “B” or “Class B” license may
9 deliver fermented malt beverages or intoxicating liquor to premises described in a
10 permit under this section and may provide services in conjunction with the delivery.

11 (e) The biennial fee for a permit issued under this section shall be \$2,000.

12 **(2) OPERATIONAL REQUIREMENTS.** All provisions of this chapter applying to Class
13 “B” and “Class B” licenses and licensees apply to private event venue permits and
14 permittees, except as follows:

15 (a) A permit issued under this section does not authorize the sale of any alcohol
16 beverages.

17 (b) The host of an event held on premises covered by a permit issued under this
18 section may possess and consume, and allow the possession and consumption by
19 others, on the premises, of fermented malt beverages and intoxicating liquor
20 purchased from a retail licensee or permittee rather than a wholesaler. Upon the
21 conclusion of an event, the host may remove from the premises any remaining
22 fermented malt beverages and intoxicating liquor that is in an unopened, original
23 container.

24 (c) No premises for which a permit under this section is issued may remain open
25 between the hours of 2 a.m. and 6 a.m. On January 1 premises operating under a

1 permit under this section are not required to close. On Saturday and Sunday, no such
2 premises may remain open between 2:30 a.m. and 6 a.m. except that, on the Sunday
3 that daylight saving time begins as specified in s. 175.095 (2), no such premises may
4 remain open between 3:30 a.m. and 6 a.m.

5 (3) PROHIBITION. (a) No person may rent or lease real property to another for
6 use as a venue for a private event at which fermented malt beverages or intoxicating
7 liquor is consumed unless the person holds a permit issued under this section and
8 consumption of the fermented malt beverages or intoxicating liquor occurs on the
9 premises covered by the permit.

10 (b) This subsection does not apply to any of the following:

11 1. A room in a hotel, motel, or bed and breakfast that is used for overnight
12 accommodations.

13 2. Vacation rental property, or any other property of temporary lodging, that
14 is used for overnight accommodations if the property is furnished with sufficient beds
15 for all adult guests to sleep.

16 3. A campsite on a campground licensed under s. 97.67.

17 4. Property used primarily for parking.

18 5. Property within a local professional football stadium district created under
19 subch. IV of ch. 229 if the property is used in connection with, and on the same day
20 as, a professional football game held at the football stadium.

21 6. Property within a local professional baseball park district created under
22 subch. III of ch. 229 if the property is used in connection with, and on the same day
23 as, a professional baseball game held at the baseball park.

24 7. Property used in connection with an amateur sporting event held on a
25 campus of the University of Wisconsin System, or at a sports arena, as defined in s.

1 101.123 (1) (hm), having a seating capacity of at least 1,000 persons, if the property
2 is primarily used immediately before or immediately after the amateur sporting
3 event rather than during the amateur sporting event.

4 8. Property used by a nonprofit organization, as defined in s. 134.695 (1) (am),
5 or property that such a nonprofit organization owns, rents, or leases.

6 9. Property covered by an appropriate retail license or permit issued under this
7 chapter.

8 (c) The penalty under s. 125.04 (13) shall apply to a violation of this subsection.

9 **SECTION 5.** 125.26 (2v) of the statutes is created to read:

10 125.26 (2v) (a) Subject to pars. (b) and (c), and notwithstanding ss. 125.04 (3)
11 (a) 3. and (9), 125.09 (1), and 125.32 (6) (a), in addition to the authorization specified
12 in sub. (1), a Class "B" license issued under this section to a caterer also authorizes
13 the caterer to provide fermented malt beverages, including their retail sale, on
14 racetrack grounds, as defined in s. 125.27 (5) (a). Subject to pars. (b) and (c), and
15 notwithstanding sub. (1) and s. 125.32 (6) (a), a caterer may provide fermented malt
16 beverages under this paragraph at any location on racetrack grounds even though
17 the racetrack grounds are not part of the caterer's licensed premises, as described
18 under sub. (3) in the caterer's Class "B" license, and even if the racetracks grounds
19 are not located within the municipality that issued the caterer's Class "B" license.
20 A caterer that provides fermented malt beverages under this paragraph is subject
21 to s. 125.32 (2) and (3) as if the fermented malt beverages were provided on the
22 caterer's Class "B" licensed premises.

23 (b) A caterer may not provide fermented malt beverages under par. (a) at any
24 designated camping area on racetrack grounds while the area is in use for camping.

1 (c) A caterer may not provide fermented malt beverages under par. (a) on any
2 premises covered by a permit issued under s. 125.27 (5) or 125.51 (5) (f).

3 **SECTION 6.** 125.27 (4) of the statutes is amended to read:

4 125.27 (4) ADDITIONAL SALES AUTHORITY FOR PERMITTEES. Notwithstanding subs.
5 (1) (d), (2) (d), and (3) (d) and ss. 125.04 (3) (a) 3. and (9) and 125.09 (1), in addition
6 to the authorization specified in sub. (1), (2), or (3), a Class "B" permit issued under
7 this section also authorizes the permittee to provide fermented malt beverages,
8 including their retail sale, at specific locations within the Ozaukee County
9 fairgrounds for consumption at these locations during special events held at the
10 fairgrounds, if the Ozaukee County board adopts a resolution approving the
11 permittee and if the premises covered by the Class "B" permit are located in Ozaukee
12 County. Notwithstanding subs. (1), (2), and (3), a permittee may provide fermented
13 malt beverages under this subsection at the Ozaukee County fairgrounds even
14 though the Ozaukee County fairgrounds are not part of the premises described in the
15 permit. A permittee that provides fermented malt beverages under this subsection
16 is subject to s. 125.32 (2) as if the fermented malt beverages were provided on the
17 premises covered by the Class "B" permit. Notwithstanding s. 125.34 (4) and (5), a
18 wholesaler may deliver fermented malt beverages to the Ozaukee County
19 fairgrounds to a permittee approved by the Ozaukee County board under this
20 subsection and such an approved permittee may transport fermented malt
21 beverages from the premises covered by the permit to the Ozaukee County
22 fairgrounds for purposes of selling the fermented malt beverages at the Ozaukee
23 County fairgrounds. This subsection does not authorize Ozaukee County or any
24 person operating or managing the Ozaukee County fairgrounds to sell fermented

1 malt beverages at retail or to procure or stock fermented malt beverages for purposes
2 of retail sale. This subsection does not apply to a permit issued under sub. (6).

3 **SECTION 7.** 125.27 (5) of the statutes is created to read:

4 125.27 (5) PERMITS FOR RACETRACK GROUNDS. (a) In this subsection, “racetrack
5 grounds” means real property consisting of at least 300 acres containing a motor
6 vehicle racetrack at least 4 miles in length capable of hosting professional racing
7 events, and includes any building or other structure on this property associated with
8 the racetrack or with services provided in connection with events held at the
9 racetrack.

10 (b) The department may issue Class “B” permits for locations within racetrack
11 grounds to any person that holds a valid certificate issued under s. 73.03 (50), that
12 is qualified under s. 125.04 (5) and (6), and that is the owner or operator of the
13 racetrack grounds or is designated by the owner or operator of the racetrack grounds
14 to operate premises located within the racetrack grounds. Subject to par. (e), the
15 permit authorizes the retail sale of fermented malt beverages on the premises
16 covered by the permit, for consumption anywhere within the racetrack grounds. If
17 the department issues more than one permit under this subsection for the same
18 racetrack grounds, no part of the premises covered by a permit under this subsection
19 may overlap with premises covered by any other permit issued under this subsection.

20 (c) Persons holding a permit under par. (b) may sell beverages containing less
21 than 0.5 percent of alcohol by volume without obtaining a license under s. 66.0433.

22 (d) Subject to ss. 125.07 (3) (a) 17. and 125.32 (3) (c) and (3m) (k), all provisions
23 of this chapter applying to Class “B” licenses apply to Class “B” permits issued under
24 this subsection, except as follows:

1 1. A permit issued under this subsection does not authorize retail sales of
2 fermented malt beverages for consumption off the racetrack grounds.

3 2. A permit issued under this subsection authorizes the retail sale of fermented
4 malt beverages for possession and consumption off the premises where sold if the
5 possession and consumption occurs within the racetrack grounds.

6 (e) A permit issued under this subsection does not authorize retail sales of
7 fermented malt beverages at any designated camping area on racetrack grounds
8 while the area is in use for camping.

9 (f) The department shall establish a fee for a permit issued under this
10 subsection in the amount of 50 percent of the fee for a permit issued under sub. (1).

11 **SECTION 8.** 125.27 (6) of the statutes is created to read:

12 125.27 (6) PERMITS FOR STATE FAIR PARK. (a) In this subsection, “vendor” means
13 a person that has entered into a vendor agreement with the state fair park board
14 authorizing the person to sell fermented malt beverages at the state fair park.

15 (b) The department may issue a Class “B” permit to a vendor that holds a valid
16 certificate issued under s. 73.03 (50), that is qualified under s. 125.04 (5) and (6), and
17 that conducts business at the state fair park if the state fair park board has, by
18 resolution, annually applied to the department for the permit. The permit
19 authorizes the retail sale of fermented malt beverages on the premises covered by the
20 permit, for consumption anywhere at the state fair park.

21 (c) Except as otherwise provided in this subsection, all sections of this chapter
22 relating to Class “B” licenses apply to Class “B” permits issued under this subsection.

23 **SECTION 9.** 125.32 (3) (c) of the statutes is amended to read:

24 125.32 (3) (c) Hotels and restaurants the principal business of which is the
25 furnishing of food and lodging to patrons, bowling centers, movie theaters, painting

1 studios, indoor golf and baseball facilities, racetrack grounds, as defined in s. 125.27
2 (5) (a), indoor horseshoe-pitching facilities, curling clubs, golf courses and golf
3 clubhouses may remain open for the conduct of their regular business but may not
4 sell fermented malt beverages during the hours specified in par. (a).

5 **SECTION 10.** 125.32 (3) (e) of the statutes is created to read:

6 125.32 (3) (e) 1. A brewer holding a permit under s. 125.29 may not sell
7 fermented malt beverages at retail under s. 125.29 (3) (e), or under s. 125.29 (3) (g)
8 for consumption on the premises, or provide taste samples under s. 125.29 (3) (i),
9 during the hours in which a Class “B” licensed premises is required under par. (a) to
10 be closed. Brewery premises may remain open for the conduct of other brewery
11 operations during these hours, but a brewer’s off-site retail outlet may not remain
12 open during these hours.

13 2. A brewer holding a permit under s. 125.29 may not sell fermented malt
14 beverages at retail under s. 125.29 (3) (f), or under s. 125.29 (3) (g) for consumption
15 off the premises, between 12 midnight and 6 a.m.

16 3. A municipality may, by ordinance, impose more restrictive hours than those
17 provided in subd. 2., but may not impose different hours than those provided in subd.
18 1.

19 **SECTION 11.** 125.32 (3m) (k) of the statutes is created to read:

20 125.32 (3m) (k) Premises for which a Class “B” permit is issued under s. 125.27
21 (5).

22 **SECTION 12.** 125.51 (3) (bv) of the statutes is created to read:

23 125.51 (3) (bv) 1. Subject to subds. 2. and 3., and notwithstanding ss. 125.04
24 (3) (a) 3. and (9), 125.09 (1), and 125.32 (6) (a), in addition to the authorization
25 specified in par. (a) or (b) and in sub. (1) (a), a “Class B” license issued under sub. (1)

1 to a caterer also authorizes the caterer to provide intoxicating liquor, including its
2 retail sale, on racetrack grounds, as defined in s. 125.27 (5) (a). Subject to subds. 2.
3 and 3., and notwithstanding pars. (a) and (b) and sub. (1) (a) and s. 125.32 (6) (a), a
4 caterer may provide intoxicating liquor under this subdivision at any location on
5 racetrack grounds even though the racetrack grounds are not part of the caterer's
6 licensed premises, as described under par. (d) in the caterer's "Class B" license, and
7 even if the racetrack grounds are not located within the municipality that issued the
8 caterer's "Class B" license. A caterer that provides intoxicating liquor under this
9 subdivision is subject to s. 125.68 (2) and (4) as if the intoxicating liquor were
10 provided on the caterer's "Class B" licensed premises.

11 2. A caterer may not provide intoxicating liquor under subd. 1. at any
12 designated camping area on racetrack grounds while the area is in use for camping.

13 3. A caterer may not provide intoxicating liquor under subd. 1. on any premises
14 covered by a permit issued under s. 125.27 (5) or 125.51 (5) (f).

15 **SECTION 13.** 125.51 (5) (b) (title) of the statutes is amended to read:

16 125.51 (5) (b) (title) *Public facilities ~~and~~, airports, and state fair park.*

17 **SECTION 14.** 125.51 (5) (b) 1. f. of the statutes is created to read:

18 125.51 (5) (b) 1. f. "Vendor" means a person that has entered into a vendor
19 agreement with the state fair park board authorizing the person to sell intoxicating
20 liquor at the state fair park.

21 **SECTION 15.** 125.51 (5) (b) 2m. of the statutes is created to read:

22 125.51 (5) (b) 2m. The department may issue a "Class B" permit to a vendor that
23 holds a valid certificate issued under s. 73.03 (50), that is qualified under s. 125.04
24 (5) and (6), and that conducts business at the state fair park if the state fair park
25 board has, by resolution, annually applied to the department for the permit. The

1 permit authorizes the retail sale of intoxicating liquor on the premises covered by the
2 permit, for consumption anywhere at the state fair park.

3 **SECTION 16.** 125.51 (5) (b) 4. of the statutes is amended to read:

4 125.51 (5) (b) 4. The department may not issue a permit under this paragraph
5 subd. 2. to any county or municipality or officer or employee thereof.

6 **SECTION 17.** 125.51 (5) (e) of the statutes is amended to read:

7 125.51 (5) (e) *Additional sales authority for permittees.* Notwithstanding pars.
8 (a) 2., (b) 3., (c) 3., and (d) 3. and ss. 125.04 (3) (a) 3. and (9) and 125.09 (1), in addition
9 to the authorization specified in par. (a), (b), (c), or (d), a “Class B” permit issued
10 under this subsection also authorizes the permittee to provide intoxicating liquor,
11 including its retail sale, at specific locations within the Ozaukee County fairgrounds
12 for consumption at these locations during special events held at the fairgrounds, if
13 the Ozaukee County board adopts a resolution approving the permittee and if the
14 premises covered by the “Class B” permit are located in Ozaukee County.
15 Notwithstanding pars. (a), (b), (c), and (d), a permittee may provide intoxicating
16 liquor under this paragraph at the Ozaukee County fairgrounds even though the
17 Ozaukee County fairgrounds are not part of the premises described in the permit.
18 A permittee that provides intoxicating liquor under this paragraph is subject to s.
19 125.68 (2) as if the intoxicating liquor were provided on the premises covered by the
20 “Class B” permit. This paragraph does not authorize Ozaukee County or any person
21 operating or managing the Ozaukee County fairgrounds to sell intoxicating liquor
22 at retail or to procure or stock intoxicating liquor for purposes of retail sale. This
23 paragraph does not apply to a permit issued under par. (b) 2m.

24 **SECTION 18.** 125.51 (5) (f) of the statutes is created to read:

1 125.51 (5) (f) *Permits for racetrack grounds.* 1. In this paragraph, “racetrack
2 grounds” has the meaning given in s. 125.27 (5) (a).

3 2. The department may issue “Class B” permits for locations within racetrack
4 grounds to any person that holds a valid certificate issued under s. 73.03 (50), that
5 is qualified under s. 125.04 (5) and (6), and that is the owner or operator of the
6 racetrack grounds or is designated by the owner or operator of the racetrack grounds
7 to operate premises located within the racetrack grounds. Subject to subd. 4., the
8 permit authorizes the retail sale of intoxicating liquor, by the glass and not in the
9 original package or container, on the premises covered by the permit, for
10 consumption anywhere within the racetrack grounds. If the department issues more
11 than one permit under this paragraph for the same racetrack grounds, no part of the
12 premises covered by a permit under this paragraph may overlap with premises
13 covered by any other permit issued under this paragraph.

14 3. Subject to ss. 125.07 (3) (a) 17. and 125.68 (4) (c) 4., all provisions of this
15 chapter applying to “Class B” licenses apply to “Class B” permits issued under this
16 paragraph, except as follows:

17 a. A permit issued under this paragraph does not authorize retail sales of
18 intoxicating liquor for consumption off the racetrack grounds.

19 b. A permit issued under this paragraph authorizes the retail sale of
20 intoxicating liquor for possession and consumption off the premises where sold if the
21 possession and consumption occurs within the racetrack grounds.

22 4. A permit issued under this paragraph does not authorize retail sales of
23 intoxicating liquor at any designated camping area on racetrack grounds while the
24 area is in use for camping.

1 5. The department shall establish a fee for a permit issued under this
2 paragraph in the amount of 50 percent of the fee for a permit issued under par. (a).

3 **SECTION 19.** 125.68 (4) (c) 4. of the statutes is amended to read:

4 125.68 (4) (c) 4. Hotels and restaurants the principal business of which is the
5 furnishing of food, drinks or lodging to patrons, bowling centers, movie theaters,
6 painting studios, racetrack grounds, as defined in s. 125.27 (5) (a), indoor
7 horseshoe-pitching facilities, curling clubs, golf courses and golf clubhouses may
8 remain open for the conduct of their regular business but may not sell intoxicating
9 liquor during the closing hours under subd. 1. or, with respect to the sale of
10 intoxicating liquor authorized under s. 125.51 (3r) (a), under subd. 3.

11 **SECTION 20.** 125.68 (4) (d) of the statutes is created to read:

12 125.68 (4) (d) *Brewers*. 1. A brewer holding a permit under s. 125.29 may not
13 sell intoxicating liquor at retail under s. 125.29 (3) (h) during the hours in which a
14 “Class B” licensed premises is required under par. (c) 1. to be closed. Brewery
15 premises may remain open for the conduct of other brewery operations during these
16 hours, but a brewer’s off-site retail outlet may not remain open during these hours.

17 2. A municipality may not, by ordinance, impose different hours than those
18 provided under subd. 1.

19 **SECTION 21. Nonstatutory provisions.**

20 (1) CLOSING HOURS EXCEPTION FOR CERTAIN ALCOHOL BEVERAGE RETAILERS AND
21 BREWERS DURING THE DEMOCRATIC NATIONAL CONVENTION IN MILWAUKEE.

22 (a) In this subsection:

23 1. “Brewer” means a person holding a brewer’s permit under s. 125.29 if the
24 brewery premises or the brewer’s off-site retail outlet is located in a southeast
25 Wisconsin municipality.

1 2. “Municipality” has the meaning given in s. 125.02 (11).

2 3. “Restaurant” has the meaning given in s. 125.02 (18).

3 4. “Southeast Wisconsin municipality” means a municipality any part of which
4 is located within Kenosha, Racine, Walworth, Rock, Milwaukee, Waukesha,
5 Jefferson, Dane, Ozaukee, Washington, Dodge, Columbia, Sheboygan, or Fond du
6 Lac County.

7 (b) 1. In this paragraph, “licensed restaurant or tavern” means premises
8 operating as a restaurant or tavern under a Class “B” license issued by a southeast
9 Wisconsin municipality.

10 2. Notwithstanding s. 125.32 (3) (a), but subject to subd. 4., from July 13 to July
11 17, 2020, the closing hours for a licensed restaurant or tavern shall be between 4 a.m.
12 and 6 a.m. if the municipality that issued the license has authorized this extended
13 closing hour as provided in subd. 3.

14 3. A southeast Wisconsin municipality may establish a process to authorize,
15 and may upon application so authorize, the extended closing hour under subd. 2. for
16 any licensed restaurant or tavern within the municipality.

17 4. Notwithstanding s. 125.32 (3) (d), a southeast Wisconsin municipality may,
18 by ordinance adopted after the effective date of this subdivision, opt out of subd. 2.
19 and retain from July 13 to July 17, 2020, the closing hours specified in s. 125.32 (3)
20 (a).

21 (c) 1. In this paragraph, “licensed restaurant or tavern” means premises
22 operating as a restaurant or tavern under a “Class B” or “Class C” license issued by
23 a southeast Wisconsin municipality.

24 2. Notwithstanding s. 125.68 (4) (c) 1., but subject to subd. 4., from July 13 to
25 July 17, 2020, the closing hours for a licensed restaurant or tavern shall be between

1 4 a.m. and 6 a.m. if the municipality that issued the license has authorized this
2 extended closing hour as provided in subd. 3.

3 3. A southeast Wisconsin municipality may establish a process to authorize,
4 and may upon application so authorize, the extended closing hour under subd. 2. for
5 any licensed restaurant or tavern within the municipality.

6 4. Notwithstanding s. 125.68 (4) (c) 5., a southeast Wisconsin municipality may,
7 by ordinance adopted after the effective date of this subdivision, opt out of subd. 2.
8 and retain from July 13 to July 17, 2020, the closing hours specified in s. 125.68 (4)
9 (c) 1.

10 (d) 1. Notwithstanding ss. 125.32 (3) (e) and 125.68 (4) (d), from July 13 to July
11 17, 2020, the closing hours for a brewer's off-site retail outlet, and the hours during
12 which a brewer may not sell fermented malt beverages or intoxicating liquor at retail
13 on the brewery premises, shall be the same as the closing hours applicable to,
14 respectively, Class "B" licensees under par. (b) and "Class B" and "Class C" licensees
15 under par. (c) that are located in the same southeast Wisconsin municipality.

16 2. If a southeast Wisconsin municipality establishes a process under par. (b) 3.
17 or (c) 3. to authorize extended closing hours for Class "B" licensees or "Class B" and
18 "Class C" licensees, the municipality shall use the same process, and apply the same
19 standards, to authorize, upon application, extended hours for brewers under subd.
20 1. with respect to brewery premises or the brewer's off-site retail outlet located
21 within that southeast Wisconsin municipality.

22 **SECTION 22. Effective dates.** This act takes effect on the first day of the 3rd
23 month beginning publication, except as follows:

24 (1) The treatment of s. 125.20 (title), (1), and (2) takes effect on July 1, 2020,
25 or on the day after publication, whichever is later.

Barman, Mike

From: LRB.Legal
To: Rep.Swearingen@legis.wisconsin.gov
Subject: Draft review: LRB -5495/1
Attachments: 19-5495/1

State of Wisconsin - Legislative Reference Bureau
One East Main Street - Suite 200 - Madison

The attached draft was prepared at your request. Please review it carefully to ensure that it satisfies your intent. If you have any questions concerning the draft or would like to have it redrafted, please contact Aaron R. Gary, Senior Legislative Attorney, at (608) 504-5850, at aaron.gary@legis.wisconsin.gov, or at One East Main Street, Suite 200.

We will jacket this draft for introduction in the Assembly.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will submit a request to DOA when the draft is introduced. You may obtain a fiscal estimate on the draft prior to introduction by contacting our program assistants at LRB.Legal@legis.wisconsin.gov or at (608) 266-3561. If you requested a fiscal estimate on an earlier version of this draft and would like to obtain a fiscal estimate on the current version before it is introduced, you will need to request a revised fiscal estimate from our program assistants.

Please call our program assistants at (608) 266-3561 if you have any questions regarding this email.

2/6/20



Hc w/ - 5495 → redraft to 1/2
Joe - Rep. Swearingin

• DNC → statewide

• drop permit fee

\$1500 biennial

• drop retail

• 1/2

• might add wine hours - yes,
add 2017 AB 433

2/7 ^{10:00} Hc w/ Rep. Swearingin

• add wine hrs. + 2017 AB 433

• can remove restaurant + tavern →
all Class B

• fix p. 6 - no ^{other} license/permittee can set
private event venue permit

Gary, Aaron

To: Mesec, Joe
Subject: RE: Question

From: Mesec, Joe <Joe.Mesec@legis.wisconsin.gov>
Sent: Thursday, February 06, 2020 3:35 PM
To: Gary, Aaron <Aaron.Gary@legis.wisconsin.gov>
Subject: RE: Question

Ok, I will send it back.

Regarding the private event venue, Rep Swearingen would like the language to say \$750 annually.

Thanks,

Joe

From: Gary, Aaron <Aaron.Gary@legis.wisconsin.gov>
Sent: Thursday, February 6, 2020 3:30 PM
To: Mesec, Joe <Joe.Mesec@legis.wisconsin.gov>
Subject: RE: Question

Hi Joe,

I will need the jacket back before the /2 redraft can be sent out. Thanks. Aaron