



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBs0151/1
ARG:cjs:jf

**ASSEMBLY SUBSTITUTE AMENDMENT 2,
TO 2009 ASSEMBLY BILL 8**

October 20, 2009 – Offered by Representative SHERMAN.

- 1 **AN ACT to amend** 125.51 (3) (e) 3.; and **to create** 125.51 (4) (v) 4. of the statutes;
2 **relating to:** municipal quotas for retail intoxicating liquor licenses.

Analysis by the Legislative Reference Bureau

Current law prohibits a person from selling alcohol beverages at retail unless the seller possesses a license or permit authorizing the sale. A “Class B” license authorizes the retail sale of intoxicating liquor for consumption on the retail premises and, subject to various restrictions, the retail sale of intoxicating liquor in original packages for consumption off the retail premises. Current law imposes a quota on the number of “Class B” licenses that a municipality may issue. This quota is generally determined by a formula based on the number of licenses previously issued by the municipality and the municipality’s population. Current law provides a quota exception for a full-service restaurant that has a seating capacity of 300 or more persons.

Under current law, each municipality establishes an annual fee, which generally must be between \$50 and \$500, for a “Class B” license, except that the fee for initial issuance of a reserve “Class B” license (generally one first issued after December 1, 1997) may not be less than \$10,000. Current law does not specify a minimum or maximum initial issuance fee or annual fee for “Class B” licenses issued under any quota exception.

This substitute amendment creates a quota exception for any full-service restaurant that has a seating capacity of 75 to 100 persons; is located in a commercial

building; prepares, serves, and sells food to the public; has a separate dining area with permanent fixtures where table service is provided a minimum of four nights per week for a minimum of six months per year; generates more than 50 percent of total sales revenue from food sales; and is located on a golf course in a municipality, in Bayfield County, having a population of at least 400 but not more than 500. Certain special provisions apply to a “Class B” license issued under this exception: 1) A municipality may not establish an initial issuance fee or an annual fee for the license that exceeds \$500; 2) The license must be issued within approximately three months after the effective date of the act; and 3) If the license is surrendered, not renewed, or revoked, the issuing municipality may not reissue the license.

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

1 **SECTION 1.** 125.51 (3) (e) 3. of the statutes is amended to read:

2 125.51 (3) (e) 3. Each municipal governing body shall establish the annual fee
3 for a “Class B” license issued under sub. (4) (v), except that neither the fee for an
4 initial issuance of, nor the annual fee for, a “Class B” license issued under sub. (4) (v)
5 4. may exceed any fee established under subd. 1. The initial fee may be different from
6 the annual fee to renew the license.

7 **SECTION 2.** 125.51 (4) (v) 4. of the statutes is created to read:

8 125.51 (4) (v) 4. A full-service restaurant that has a seating capacity of 75 to
9 100 persons on the effective date of this subdivision [LRB inserts date]; is located
10 in a commercial building; prepares, serves, and sells food to the public; has a separate
11 dining area with permanent fixtures where table service is provided a minimum of
12 4 nights per week for a minimum of 6 months per year; generates more than 50
13 percent of total annual sales revenue from food sales; and is located on a golf course
14 in a municipality, in Bayfield County, having a population of at least 400 but not more
15 than 500. For purposes of this subdivision, “golf course” does not include a miniature
16 golf course. No “Class B” license may be issued under this subdivision after the first
17 day of the 4th month beginning after the effective date of this subdivision [LRB

