



State of Wisconsin
2021 - 2022 LEGISLATURE

LRBs0121/1
ARG:cdc&kjf

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 277**

May 4, 2021 - Offered by Representative LOUDENBECK.

1 **AN ACT to amend** 125.02 (13), 125.27 (4), 125.29 (3) (j), 125.295 (1) (i) and 125.51
2 (5) (e); and **to create** 125.02 (20d), 125.27 (6), 125.33 (14), 125.51 (5) (g) and
3 125.69 (8) of the statutes; **relating to:** retail sales of alcohol beverages at the
4 state fair park and creating a retail alcohol beverage permit issued by the State
5 Fair Park Board.

Analysis by the Legislative Reference Bureau

This bill creates retail alcohol beverage permits issued by the State Fair Park Board authorizing the retail sale of alcohol beverages at the state fair park.

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 fermented malt beverages (beer) and retail "Class B" licenses authorizing the sale of intoxicating liquor, which includes wine and distilled spirits, to consumers. Under certain circumstances, the Department of Revenue may issue retail Class "B" and "Class B" permits authorizing the retail sale of beer and intoxicating liquor to consumers.

The bill allows the State Fair Park Board to issue Class "B" and "Class B" permits authorizing the retail sale of alcohol beverages at locations within the state

fair park for consumption anywhere at the state fair park. To qualify for a permit, an applicant must meet the requirements applicable for issuance of a Class “B” or “Class B” license. A “Class B” permit issued to a person affiliated with a winery trade association may also authorize the permittee to make retail sales of wine manufactured by members of the trade association for consumption away from the state fair park. A permittee is subject to any requirements or conditions imposed by the State Fair Park Board in the permit or under a lease or vendor agreement. Except as otherwise provided, all provisions of current law applicable to Class “B” and “Class B” licenses also apply to these Class “B” and “Class B” permits. The bill specifies certain inapplicable provisions, but the bill maintains the current law requirement that, with limited exceptions, retail licensees and permittees must purchase alcohol beverages only from a wholesaler.

Current law allows a brewer or brewpub to own and operate a place at the state fair park for the sale of beer. The bill specifies that State Fair Park Board approval is required for a brewer or brewpub to sell beer at the state fair park.

Current law prohibits, with many exceptions, a brewer, brewpub, or beer wholesaler from furnishing anything of value to a Class “B” licensee or permittee, commonly referred to as the tied-house law. There is no analogous provision in current law for intoxicating liquor manufacturers, rectifiers, wineries, or wholesalers with respect to “Class B” licensees or permittees. This bill specifies that it is not a violation for a brewer, brewpub, manufacturer, rectifier, out-of-state shipper, or wholesaler to make a sponsorship payment or provide any other item of value to a vendor that has been issued a state fair park permit, as applied to this state fair park location.

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

1 **SECTION 1.** 125.02 (13) of the statutes is amended to read:

2 125.02 (13) “Permit” Except as provided in ss. 125.27 (6) and 125.51 (5) (g),
3 “permit” means any permit issued by the department under this chapter.

4 **SECTION 2.** 125.02 (20d) of the statutes is created to read:

5 125.02 (20d) “State fair park” means the property, buildings, and other
6 improvements under the management of the state fair park board located in the City
7 of West Allis and the City of Milwaukee bounded by Interstate 94 to the north, S. 76th
8 Street to Pierce Street to S. 77th Street to the east, W. Greenfield Ave. to the south,
9 and S. 84th Street to the west.

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

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

25 **SECTION 4.** 125.27 (6) of the statutes is created to read:

1 125.27 (6) PERMITS FOR STATE FAIR PARK. (a) The state fair park board may issue
2 Class “B” permits for locations at the state fair park to any person who holds a valid
3 certificate issued under s. 73.03 (50), meets the qualifications under s. 125.04 (5) (a),
4 (b), and (c), and, if applicable, satisfies the requirements under s. 125.04 (6). The
5 state fair park board may use the application forms under s. 125.04 (3) (b) and (d) 1.
6 or may prepare its own application forms with application information tailored to the
7 permits under this subsection. The state fair park board’s notice of meeting under
8 s. 19.84 for a meeting at which a permit application will be considered shall be given
9 at least 15 days prior to the meeting.

10 (b) A permit issued under this subsection authorizes the retail sale of
11 fermented malt beverages on the premises covered by the permit, for consumption
12 anywhere at the state fair park.

13 (c) A permit issued under this subsection may describe as premises under the
14 permit multiple locations at the state fair park.

15 (d) A person holding a permit under this subsection is subject to any
16 requirements or conditions imposed upon the person by the state fair park board in
17 the permit or under a lease or vendor agreement. This agreement may require the
18 person to remit to the state fair park board a percentage of gross sales of alcohol
19 beverages as specified in the agreement.

20 (e) Persons holding a permit under this subsection may sell beverages
21 containing less than 0.5 percent of alcohol by volume without obtaining a license
22 under s. 66.0433.

23 (f) Sections 125.04 (3) (e), (f), and (g), (8), and (12), 125.045, 125.10, 125.12, and
24 125.185 do not apply with respect to a permit issued under this subsection.

1 (g) A permit issued under this subsection shall be valid for one year and expire
2 on June 30. The state fair park board shall establish an annual fee for a permit
3 issued under this subsection in the amount of 50 percent of the annual fee for a
4 permit issued under sub. (1). All fees received under this paragraph shall be credited
5 to the appropriation account under s. 20.190 (1) (h).

6 (h) 1. The state fair park board shall establish standards, consistent with par.
7 (a), and procedures for renewal of a permit issued under this subsection.

8 2. The state fair park board shall establish standards and procedures for
9 suspension, revocation, or refusal to renew a permit issued under this subsection.
10 A suspension, revocation, or refusal to renew a permit under this subsection is a
11 contested case under ch. 227.

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

14 (j) The state fair park board shall have the enforcement powers of s. 42.01 over
15 a permittee under this subsection.

16 (k) A municipality may not issue a Class “B” license for premises within the
17 state fair park. Except as provided in ss. 125.29 (3) (j) and 125.295 (1) (i), no person
18 may sell fermented malt beverages at retail at the state fair park unless the person
19 holds a permit issued under this subsection, and no brewer, brewpub, or wholesaler
20 may sell fermented malt beverages to a person for resale at the state fair park unless
21 the person holds a permit issued under this subsection.

22 **SECTION 5.** 125.29 (3) (j) of the statutes is amended to read:

23 125.29 (3) (j) The ownership, maintenance, or operation of places for the sale
24 of fermented malt beverages at the state fair park or on any county fairgrounds
25 located in this state. A brewer may not make retail sales of fermented malt beverages

1 at the state fair park unless the state fair park board has approved the brewer to
2 make such sales.

3 **SECTION 6.** 125.295 (1) (i) of the statutes is amended to read:

4 125.295 (1) (i) Notwithstanding s. 125.33 (1), the ownership, maintenance, and
5 operation of places for the sale of fermented malt beverages at the state fair park or
6 on any county fairgrounds located in this state if the fermented malt beverages have
7 been manufactured by the brewpub. A brewpub may not make retail sales of
8 fermented malt beverages at the state fair park unless the state fair park board has
9 approved the brewpub to make such sales.

10 **SECTION 7.** 125.33 (14) of the statutes is created to read:

11 125.33 (14) SPONSORSHIP PAYMENTS TO STATE FAIR PARK VENDORS. It is not a
12 violation of this chapter for a brewer, brewpub, out-of-state shipper, or wholesaler
13 to make a sponsorship payment or provide any other item of value to a vendor that
14 has been issued a permit by the state fair park board. If the vendor also holds a retail
15 Class “B” license, the sponsorship exception is strictly applied only to the state fair
16 park location.

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

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

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

10 **SECTION 9.** 125.51 (5) (g) of the statutes is created to read:

11 125.51 (5) (g) *Permits for state fair park.* 1. The state fair park board may issue
12 “Class B” permits for locations at the state fair park to any person who holds a valid
13 certificate issued under s. 73.03 (50), meets the qualifications under s. 125.04 (5) (a),
14 (b), and (c), and, if applicable, satisfies the requirements under s. 125.04 (6). The
15 state fair park board may use the application forms under s. 125.04 (3) (b) and (d) 1.
16 or may prepare its own application forms with application information tailored to the
17 permits under this paragraph. The state fair park board’s notice of meeting under
18 s. 19.84 for a meeting at which a permit application will be considered shall be given
19 at least 15 days prior to the meeting.

20 2. A permit issued under this paragraph authorizes the retail sale of
21 intoxicating liquor, by the glass and not in the original package or container, on the
22 premises covered by the permit, for consumption anywhere at the state fair park.

23 3. A permit issued under this paragraph may describe as premises under the
24 permit multiple locations at the state fair park.

1 4. A permit issued under this paragraph to a person affiliated with a winery
2 trade association may also authorize the permittee to make retail sales, in original
3 packages or containers, for consumption away from the state fair park, of wine
4 manufactured by members of the winery trade association.

5 5. A person holding a permit under this paragraph is subject to any
6 requirements or conditions imposed upon the person by the state fair park board in
7 the permit or under a lease or vendor agreement. This agreement may require the
8 person to remit to the state fair park board a percentage of gross sales of alcohol
9 beverages as specified in the agreement.

10 6. Sections 125.04 (3) (e), (f), and (g), (8), and (12), 125.045, 125.10, 125.12, and
11 125.185 do not apply with respect to a permit issued under this paragraph.

12 7. Permits issued under this paragraph are not subject to a quota under sub.
13 (4).

14 8. A permit issued under this paragraph shall be valid for one year and expire
15 on June 30. The state fair park board shall establish an annual fee for a permit
16 issued under this paragraph in the amount of 50 percent of the annual fee for a
17 permit issued under par. (a). All fees received under this subdivision shall be
18 credited to the appropriation account under s. 20.190 (1) (h).

19 9. a. The state fair park board shall establish standards, consistent with subd.
20 1., and procedures for renewal of a permit issued under this paragraph.

21 b. The state fair park board shall establish standards and procedures for
22 suspension, revocation, or refusal to renew a permit issued under this paragraph.
23 A suspension, revocation, or refusal to renew a permit under this paragraph is a
24 contested case under ch. 227.

