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State of Misconsin 2023 - 2024 LEGISLATURE

LRBa0785/1 ARG:wlj&skw

SENATE AMENDMENT 2, TO SENATE BILL 268

November 14, 2023 - Offered by Senator LEMAHIEU.

At the locations indicated, amend the bill as follows:

2 **1.** Page 2, line 1: after "enforcement" insert "; creating the Division of Alcohol 3 Beverages attached to the Department of Revenue; the regulation of alcohol beverages and enforcement of alcohol beverage laws; interest restrictions relating to. 4 $\mathbf{5}$ and authorized activities of, brewers, brewpubs, wineries, manufacturers, rectifiers, 6 wholesalers, and retailers; shipping alcohol beverages by means of fulfillment 7 houses and common carriers; the consumption of alcohol beverages in a public place; 8 creating a no-sale event venue permit; creating an operator's permit; liquor licenses 9 transferred from one municipality to another; retailers' authorized activities; liquor 10 license quotas; the safe ride program; the presence of underage persons and conduct 11 of other business on licensed premises; the occupational tax on alcohol beverages; 12transporting certain homemade alcohol beverages into this state; repealing a rule 13promulgated by the Department of Revenue; granting rule-making authority;".

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1	2. Page 6, line 1: before that line insert:
2	"SECTION 1g. 15.433 (2) of the statutes is created to read:
3	15.433 (2) DIVISION OF ALCOHOL BEVERAGES. (a) There is created a division of
4	alcohol beverages attached to the department of revenue under s. 15.03. The
5	administrator of the division shall be appointed outside the classified service. The
6	administrator of the division shall be nominated by the secretary of revenue and with
7	the advice and consent of the senate appointed, to serve at the pleasure of the
8	secretary of revenue.
9	(b) There is created within the division of alcohol beverages a bureau dedicated
10	to enforcement and a bureau dedicated to legal services, permitting, and reporting,
11	with each bureau headed by a director who reports to, and serves at the pleasure of,
12	the division administrator.
13	(c) There is created within the division of alcohol beverages a unit dedicated
14	to education and community outreach, headed by an individual who reports to the
15	division administrator.
16	SECTION 1j. 19.42 (13) (q) of the statutes is created to read:
17	19.42 (13) (q) The administrator and employees of the division of alcohol
18	beverages.
19	SECTION 1m. 20.923 (4) (c) 7. of the statutes is created to read:
20	20.923 (4) (c) 7. Revenue, department of; division of alcohol beverages:
21	administrator.".
22	3. Page 13, line 3: after that line insert:
23	"SECTION 19g. 125.02 (1g) of the statutes is created to read:

1	125.02 (1g) "Axe throwing facility" means an establishment that provides
2	customers with a venue to engage in the activity of axe throwing and that either
3	derives at least 51 percent of its revenue from fees associated with axe throwing or
4	maintains at the venue at least 5 axe throwing lanes.
5	SECTION 19m. 125.02 (5g) of the statutes is created to read:
6	125.02 (5g) "Division" means the division of alcohol beverages in the
7	department.".
8	4. Page 13, line 4: delete lines 4 to 12 and substitute:
9	"SECTION 20c. 125.02 (6) of the statutes is renumbered 125.02 (6) (intro.) and
10	amended to read:
11	125.02 (6) (intro.) "Fermented malt beverages" means any of the following:
12	(a) Any beverage made by the alcohol fermentation of an infusion in potable
13	water of barley malt and hops, with or without unmalted grains or decorticated and
14	degerminated grains or sugar containing 0.5 percent or more of alcohol by volume.
15	SECTION 21c. 125.02 (6) (b) of the statutes is created to read:
16	125.02 (6) (b) Any beverage recognized by the federal department of the
17	treasury as beer under 27 CFR part 25, except sake or similar products.".
18	5. Page 13, line 13: before that line insert:
19	"SECTION 21c. 125.02 (6d) of the statutes is created to read:
20	125.02 (6d) "Fulfillment house" means any entity, whether located in this state
21	or elsewhere, that handles logistics, including warehousing, packaging, order
22	fulfillment, or shipping services, on behalf of a person holding a direct wine shipper's
23	permit under s. 125.535 for wine that is eligible to be shipped to individuals in this
24	state.

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1	SECTION 21d. 125.02 (6g) of the statutes is created to read:
2	125.02 (6g) "Full-service retail sales" means retail sales of fermented malt
3	beverages or intoxicating liquor, for on-premises or off-premises consumption, or
4	the provision of taste samples of fermented malt beverages or intoxicating liquor, or
5	any combination of these activities.
6	SECTION 21e. 125.02 (12) of the statutes is amended to read:
7	125.02 (12) "Peace officer" means a sheriff, undersheriff, deputy sheriff, police
8	officer, constable, marshal, deputy marshal or any employee of the department
9	division or of the department of justice authorized to act under this chapter.
10	SECTION 21f. 125.02 (13) of the statutes is amended to read:
11	125.02 (13) Except as provided in ss. 125.27 (6) and 125.51 (5) (g), "permit"
12	means any permit issued by the department <u>division</u> under this chapter.
13	SECTION 21g. 125.02 (14m) of the statutes is amended to read:
14	125.02 (14m) "Premises" means the area described in a license or permit,
15	excluding a permit issued under s. 125.175.
16	SECTION 21h. 125.02 $(14m)$ of the statutes, as affected by 2023 Wisconsin Act
17	(this act), is amended to read:
18	125.02 (14m) "Premises" means the area described in a license or permit,
19	excluding a permit issued under s. 125.175 <u>or 125.24</u> .
20	SECTION 211. 125.02 (16) of the statutes is renumbered 125.02 (16) (am).
21	SECTION 21j. 125.02 (16) (bm) of the statutes is created to read:
22	125.02 (16) (bm) "Rectifier" does not include a "Class B" licensee that prepares,
23	stores, or dispenses mixed drinks in advance of sale in compliance with s. $125.51(3)$
24	(bg).
25	SECTION 21k. 125.02 (23) of the statutes is amended to read:

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1 125.02 (23) "Wine collector" means an individual who meets the standards 2 established by the <u>department division</u> by rule and who is registered with the 3 <u>department division</u> as a collector of wine.

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SECTION 21L. 125.025 of the statutes is created to read:

5**125.025** Powers and duties of division. (1) ADMINISTRATION; PERSONNEL. 6 (a) The division, under the direction and supervision of the administrator, shall 7 administer this chapter and have jurisdiction over alcohol beverages regulation, 8 enforcement, and education in this state. The division is responsible for 9 administering regulatory programs; promoting regulatory transparency; promoting 10 statutory changes to create clarity, consistency, and simplicity in alcohol beverage 11 regulatory requirements; and ensuring active, consistent enforcement of alcohol 12 beverage laws.

(b) The administrator may appoint, in the classified service, special agents and
other employees necessary to carry out the permitting, audit, legal, education, and
enforcement functions of the division. The division shall employ no fewer than 10
alcohol beverage field agents to perform enforcement activities under the direction
of the director of the bureau created under s. 15.433 (2) (b) dedicated to enforcement.
(c) The administrator and any employee of the division may not be employed
by or have a substantial financial interest in the alcohol beverages industry or any

20 business subject to the division's jurisdiction.

(2) POLICE POWERS. The division shall enforce, and the duly authorized
 employees of the division shall have all necessary police powers to prevent violations
 of, this chapter.

24 (3) INSPECTION FOR ENFORCEMENT. Duly authorized employees of the 25 department of justice and the division and any sheriff, police officer, marshal, or

1 constable, within their respective jurisdictions, may, during normal business hours, $\mathbf{2}$ enter any licensed premises, and examine the books, papers, and records of any 3 brewer, brewpub, manufacturer, rectifier, wholesaler, or retailer and may inspect 4 and examine, according to law, any premises where fermented malt beverages or 5 intoxicating liquors are manufactured, sold, exposed for sale, possessed, or stored, 6 for the purpose of inspecting the same and determining whether this chapter is being 7 complied with. Any refusal to permit such examination of such premises is sufficient 8 grounds under s. 125.12 for revocation or suspension of any license or permit issued under this chapter and is punishable under s. 125.11 (3). 9 10 (4) LIST OF PERMITTEES. The division shall provide the department with all 11 information necessary for the department to publish the information specified in s. 12139.11 (4) (a) 2. and (b) 2. SECTION 21m. 125.025 (3) of the statutes, as created by 2023 Wisconsin Act 1314 (this act), is amended to read: 15125.025 (3) INSPECTION FOR ENFORCEMENT. Duly authorized employees of the 16 department of justice and the division and any sheriff, police officer, marshal, or

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17constable, within their respective jurisdictions, may, during normal business hours, 18 enter any licensed premises, and examine the books, papers, and records of any 19 brewer, brewpub, manufacturer, rectifier, wholesaler, or retailer, fulfillment house, 20or common carrier and may inspect and examine, according to law, any premises 21where fermented malt beverages or intoxicating liquors are manufactured, sold, 22exposed for sale, possessed, or stored, for the purpose of inspecting the same and 23determining whether this chapter is being complied with. Any refusal to permit such 24examination of such premises is sufficient grounds under s. 125.12 for revocation or

suspension of any license or permit issued under this chapter and is punishable 1 2 under s. 125.11 (3). 3 **SECTION 21n.** 125.03 (title) of the statutes is amended to read: 4 **125.03** (title) **Department Division rule making.** 5**SECTION 210.** 125.03 (1) (a) of the statutes is amended to read: 6 125.03 (1) (a) The department, in furtherance of effective control, division may 7 promulgate rules consistent with this chapter and ch. 139 to carry out the division's 8 duties under this chapter. 9 **SECTION 21p.** 125.03 (1) (b) of the statutes is amended to read: 10 125.03 (1) (b) The department division shall promulgate rules providing for 11 registration of wine collectors and establishing standards of eligibility for 12 registration as a wine collector. The rules shall also specify the form and manner of 13 notice required under s. 125.06 (11m). 14 **SECTION 21q.** 125.03 (2) of the statutes is amended to read: 15125.03 (2) CONTAINERS. The department division may by rule prescribe the 16 standard size, form, or character of any container in which intoxicating liquor may 17be sold in this state except that the department division may not set the size of 18 containers in which intoxicating liquor, except wine containing not more than 21 percent of alcohol by volume, may be sold at a capacity greater than 1.75 liters 19 20 (59.1752 fluid ounces). 21**SECTION 21r.** 125.04 (3) (a) (intro.) of the statutes is amended to read: 22125.04 (3) (a) Contents. (intro.) The department division shall prepare an 23application form for each kind of license, other than a manager's or operator's license, 24and for each kind of permit issued under this chapter. Each form shall require all

25 of the following information:

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1	SECTION 21rm. 125.04 (3) (a) (intro.) of the statutes, as affected by 2023
2	Wisconsin Act (this act), is amended to read:
3	125.04 (3) (a) Contents. (intro.) The division shall prepare an application form
4	for each kind of license, other than a manager's or operator's license, and for each
5	kind of permit issued under this chapter. Each form, except an operator's permit
6	form, shall require all of the following information:
7	SECTION 21s. 125.04 (3) (a) 1. of the statutes is amended to read:
8	125.04 (3) (a) 1. A history of the applicant relevant to the applicant's fitness to
9	hold a license or permit, including whether the applicant is a restricted investor
10	requiring disclosure under s. 125.20 (6) (a) 5. and the basis of this status.
11	SECTION 21t. 125.04 (3) (b) of the statutes is amended to read:
12	125.04 (3) (b) Application for renewing. The department division may prepare
13	a simplified application form for renewal of each kind of license or permit which
14	requires only information pertinent to renewal.
15	SECTION 21u. 125.04 (3) (bm) (intro.) of the statutes is amended to read:
16	125.04 (3) (bm) Signature on, and notarization of, forms. (intro.) The
17	application forms prepared by the department <u>division</u> for a license or permit under
18	this chapter may not require any of the following:
19	SECTION 21v. 125.04 (3) (c) of the statutes is amended to read:
20	125.04 (3) (c) <i>Distribution</i> . The department division shall make one copy of
21	each kind of license application that it prepares available to each municipality.
22	SECTION 21w. 125.04 (3) (d) 1. of the statutes is amended to read:
23	125.04 (3) (d) 1. An application form prepared by the department division shall
24	be used by each applicant for a permit.
25	SECTION 21x. 125.04 (3) (d) 2. of the statutes is amended to read:

1	125.04 (3) (d) 2. A replica of an application form prepared by the department
2	division shall be used by each applicant for a license, other than a manager's or
3	operator's license.
4	SECTION 21y. 125.04 (3) (e) 2. of the statutes is amended to read:
5	125.04 (3) (e) 2. The applicant shall file the application for a permit with the
6	department <u>division</u> .".
7	6. Page 13, line 17: after "fact" insert " <u>, including any change in restricted</u>
8	<u>investors under s. 125.20 (6) (a) 5</u> ".
9	7. Page 13, line 17: after that line insert:
10	"SECTION 22g. 125.04 (3) (j) of the statutes is amended to read:
11	125.04 (3) (j) Penalty for materially false application information, affidavit
12	<i>representation</i> . Any person who knowingly provides materially false information in
13	an application for a license or permit under this chapter <u>or on a form under par. (k)</u> ,
14	and any person who materially violates any representation made in an affidavit
15	<u>under s. 125.20 (6) (a) 6. or (c) 4.</u> , may be required to forfeit not more than \$1,000.
16	SECTION 22m. 125.04 (3) (k) of the statutes is created to read:
17	125.04 (3) (k) Approval of full-service retail outlets. The division shall prepare
18	a form for use by a brewer, winery, manufacturer, or rectifier to request approval for
19	a full-service retail outlet under s. 125.29 (7) (d) 1., 125.52 (4) (d) 1., or 125.53 (3) (d) $$
20	1. The form shall be similar to the form for a retail license application under par. (a).
21	An applicant shall use the form to submit a request for approval of a full-service
22	retail outlet under s. 125.29 (7) (d) 1., 125.52 (4) (d) 1., or 125.53 (3) (d) 1.".
23	8. Page 13, line 20: delete "department" and substitute "department division".
24	9. Page 13, line 24: delete " <u>department</u> " and substitute " <u>division</u> ".

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1 10. Page 13, line 25: delete	e " <u>department's</u> " and substitute " <u>division's</u> ".
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2 **11.** Page 13, line 25: after that line insert:

3 "SECTION 23g. 125.04 (5) (a) 5. of the statutes is amended to read:

4 125.04 (5) (a) 5. Have successfully completed within the 2 years prior to the $\mathbf{5}$ date of application a responsible beverage server training course at any location that 6 is offered by a technical college district and that conforms to curriculum guidelines $\mathbf{7}$ specified by the technical college system board or a comparable training course that 8 is approved by the department division or the department of safety and professional 9 services. This subdivision does not apply to an applicant who held, or who was an 10 agent appointed and approved under sub. (6) of a corporation or limited liability company that held, within the past 2 years, a Class "A", "Class A" or "Class C" license 11 12or a Class "B" or "Class B" license or permit or a manager's or operator's license.

13 SECTION 23h. 125.04 (5) (a) 5. of the statutes, as affected by 2023 Wisconsin Act
14 (this act), is amended to read:

15125.04 (5) (a) 5. Have successfully completed within the 2 years prior to the 16 date of application a responsible beverage server training course at any location that is offered by a technical college district and that conforms to curriculum guidelines 1718 specified by the technical college system board or a comparable training course that 19 is approved by the division or the department of safety and professional services. 20This subdivision does not apply to an applicant who held, or who was an agent 21appointed and approved under sub. (6) of a corporation or limited liability company that held, within the past 2 years, a Class "A", "Class A" or "Class C" license or a 22Class "B" or "Class B" license or permit or a manager's or operator's license, or an 2324operator's permit.

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1	SECTION 23j. 125.04 (5) (d) 1. of the statutes is amended to read:
2	125.04 (5) (d) 1. Paragraph (a) 2. does not apply to applicants for operators'
3	licenses issued under s. 125.17 <u>, to applicants for operators' permits issued under s.</u>
4	<u>125.175,</u> or to applicants for managers' licenses issued under s. 125.18. Managers'
5	licenses may be issued only to applicants who are residents of this state at the time
6	of issuance.
7	SECTION 23k. 125.04 (5) (d) 2. of the statutes is amended to read:
8	125.04 (5) (d) 2. Paragraph (a) 3. does not apply to applicants for operators'
9	licenses under s. 125.17 or to applicants for operators' permits under s. 125.175.
10	Operators' licenses and operators' permits may be issued only to applicants who have
11	attained the age of 18.
12	SECTION 23m. 125.04 (5) (d) 3. a. of the statutes is amended to read:
13	125.04 (5) (d) 3. a. Applicants for operators' licenses under s. 125.17 and for
14	<u>operators' permits under s. 125.175</u> .
15	SECTION 23n. 125.04 (6) (g) of the statutes is amended to read:
16	125.04 (6) (g) Forms. If the department division or any municipality prepares
17	a form relating to the appointment of an agent under this subsection, including any
18	cancellation of an appointment or appointment of a successor agent, the form may
19	not require the signature of more than one person signing on behalf of the corporation
20	or limited liability company submitting the form.
21	SECTION 230. 125.04 (8) (title) of the statutes is amended to read:
22	125.04 (8) (title) PAYMENT OF LICENSE FEE; PERMIT FEES.
23	SECTION 23p. 125.04 (8) of the statutes is renumbered 125.04 (8) (a).
24	SECTION 23q. 125.04 (8) (b) of the statutes is created to read:

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1	125.04 (8) (b) Unless the department established a different permit fee before
2	the effective date of this paragraph [LRB inserts date], and except as provided in
3	ss. 125.175 (3), 125.22 (1) (e), 125.23 (1) (c), 125.27 (5) (f), 125.28 (4), 125.295 (4),
4	125.51 (5) (f) 5., 125.535 (2), and 125.65 (10), the division shall charge an annual fee
5	of \$500 for each permit issued by the division under this chapter.
6	SECTION 23r. 125.04 (8) (b) of the statutes, as created by 2023 Wisconsin Act
7	(this act), is amended to read:
8	125.04 (8) (b) Unless the department established a different permit fee before
9	the effective date of this paragraph [LRB inserts date], and except as provided in
10	ss. 125.175 (3), 125.22 (1) (e), 125.23 (1) (c), <u>125.24 (1) (e)</u> , 125.27 (5) (f), 125.28 (4),
11	125.295 (4), 125.51 (5) (f) 5., 125.535 (2), and 125.65 (10), the division shall charge
12	an annual fee of \$500 for each permit issued by the division under this chapter.".
13	12. Page 14, line 3: on lines 3 and 4, delete "department" and substitute
14	"division".
15	13. Page 14, line 5: after that line insert:
16	"SECTION 24c. 125.04 (12) (a) of the statutes is amended to read:
17	125.04 (12) (a) <i>From place to place</i> . Every alcohol beverage license or permit
18	may be transferred to another place or premises within the same municipality. An
19	alcohol beverage warehouse permit under s. 125.19, a winery permit under s. 125.53,
20	or an intoxicating liquor <u>a</u> wholesaler's permit under s. <u>125.28 or</u> 125.54 may be
21	transferred to another premises within this state. Transfers shall be made by the
22	issuing authority upon payment of a fee of \$10 to the issuing authority. No retail
23	licensee, retail permittee, intoxicating liquor wholesaler permittee, or holder of a
24	warehouse or winery permit is entitled to more than one transfer during the license

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1	or permit year. This paragraph does not apply to a license issued under s. 125.51 (4)
2	(v) or to a reserve "Class B" license, as defined in s. 125.51 (4) (a).
3	SECTION 24d. 125.045 (title) of the statutes is amended to read:
4	125.045 (title) Booklet for licensees and permittees; safe ride program
5	information.
6	SECTION 24e. 125.045 (1) of the statutes is amended to read:
7	125.045 (1) The department division shall prepare a booklet explaining the
8	state statutes and rules relating to the retail sale of alcohol beverages, written
9	concisely in language which is clearly understood by those required to utilize it.
10	SECTION 24f. 125.045 (2) of the statutes is renumbered 125.045 (2) (a) and
11	amended to read:
12	125.045 (2) (a) The department division shall provide a copy of the booklet
13	under sub. (1) free of charge to each person issued a permit, including a renewal,
14	under s. 125.27 or 125.51 (5). The department division shall provide the booklet for
15	a charge not to exceed cost, as provided under s. 20.908, to municipalities.
16	SECTION 24g. 125.045 (2) (a) of the statutes, as affected by 2023 Wisconsin Act
17	(this act), is amended to read:
18	125.045 (2) (a) The division shall provide a copy of the booklet under sub. (1)
19	free of charge to each person issued a permit, including a renewal, under s. <u>125.175</u> ,
20	125.27, or 125.51 (5). The division shall provide the booklet for a charge not to exceed
21	cost, as provided under s. 20.908, to municipalities.
22	SECTION 24h. 125.045 (2) (b) of the statutes is created to read:
23	125.045 (2) (b) The division shall provide to each person initially issued a
24	permit under s. 125.27 or 125.51 (5) information regarding the safe ride program
25	described in s. 85.55.

1 SECTION 24i. 125.045 (3) of the statutes is renumbered 125.045 (3) (a) and 2 amended to read:

3 125.045 (3) (a) A municipality shall provide a copy of the booklet under sub. (1) 4 to each person issued a license, including a renewal, under s. 125.17, 125.18, 125.25, 5 125.26 or 125.51 (1) by the municipality unless the municipality requires the person 6 to complete an instructional program which includes the subject matter of the 7 booklet or unless the person completes the program under s. 125.04 (5) (a) 5. or 8 125.17 (6). This section does not preclude a municipality from charging a fee for such 9 a program. A municipality may charge for the booklet in an amount not to exceed 10 the amount charged by the department division under sub. (2) (a). 11 **SECTION 24j.** 125.045 (3) (b) of the statutes is created to read: 12 125.045 (3) (b) A municipality shall provide to each person initially issued a 13license under s. 125.26 (1) or 125.51 (3) or (3m) information regarding the safe ride 14program described in s. 85.55. 15**SECTION 24k.** 125.06 (1) of the statutes is amended to read: 16 125.06 (1) BREWERS' PREMISES. The furnishing, by brewers, of fermented malt 17beverages free of charge to customers, visitors, and employees on the brewery 18 premises if the fermented malt beverages are consumed on the brewery premises and 19 are not furnished or consumed in or near any room or place where intoxicating liquor 20is sold. 21**SECTION 24m.** 125.06 (3g) of the statutes is amended to read: 22125.06 (3g) WINE OR FERMENTED MALT BEVERAGES MADE AT SUPPLY STORES. The 23manufacture of wine or fermented malt beverages by any person at a business

primarily engaged in selling supplies and equipment for use by homebrewers or
home winemakers, and, notwithstanding s. 125.09 (1), the tasting at the business of

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wine or fermented malt beverages so manufactured, if the wine or fermented malt
beverages are not sold or offered for sale. Wine or fermented malt beverages provided
at a business for tasting under this subsection may only be provided by a person who
holds an operator's license issued under s. 125.17 or an operator's permit issued
under s. 125.175.

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SECTION 24n. 125.06 (3m) (c) of the statutes is created to read:

7 125.06 (3m) (c) If a competition or exhibition complying with par. (b) is held by 8 a national organization and has participants from more than 25 states, a person who 9 made homemade wine or fermented malt beverages in another state under 10 conditions similar to those imposed under sub. (3) may, without holding a license or 11 permit under this chapter, transport up to 10 gallons of homemade wine or fermented 12 malt beverages into this state for purposes of participating in the competition or 13 exhibition.

14

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SECTION 240. 125.06 (11m) of the statutes is amended to read:

15 125.06 (11m) WINE COLLECTORS. The sale by a wine collector to any other wine 16 collector of manufacturer-sealed bottles or containers of wine that the selling wine 17 collector has held for at least 8 years if the selling wine collector has provided prior 18 notice of the sale to the <u>department division</u>. No more than one sale in any 12-month 19 period may be conducted by a wine collector under this paragraph.

SECTION 24p. 125.06 (13) of the statutes is repealed.

21 SECTION 24q. 125.07 (1) (b) 4. of the statutes is amended to read:

125.07 (1) (b) 4. The court shall promptly mail notice of a suspension under this
paragraph to the department division and to the clerk of each municipality which has
issued a license or permit to the person.

25 SECTION 24r. 125.07 (3) (a) 3. of the statutes is amended to read:

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1	125.07 (3) (a) 3. Hotels, drug stores, grocery stores, bowling centers, movie
2	theaters, painting studios, billiards centers having on the premises 12 or more
3	billiards tables that are not designed for coin operation and that are 8 feet or longer
4	in length, indoor golf simulator facilities, indoor golf and baseball facilities on
5	premises for which the only alcohol beverage license issued is a Class "B" license, <u>axe</u>
6	throwing facilities on premises operated under Class "B" or "Class B" licenses,
7	service stations, vessels, cars operated by any railroad, regularly established athletic
8	fields, outdoor volleyball courts that are contiguous to a licensed premises, stadiums,
9	music festival venues during an event with a projected attendance of at least 2,500
10	persons, public facilities as defined in s. 125.51 (5) (b) 1. d. which are owned by a
11	county or municipality or centers for the visual or performing arts.
12	SECTION 24s. 125.07 (3) (a) 10. of the statutes is amended to read:
13	125.07 (3) (a) 10. An underage person who enters or remains on Class "B" or
14	"Class B" licensed premises on a date specified by the licensee or permittee during
15	times when no alcohol beverages are consumed, sold or given away. During those
16	times, the licensee, the agent named in the license if the licensee is a corporation or
17	limited liability company or a person who has an operator's license or operator's
18	permit shall be on the premises unless all alcohol beverages are stored in a locked
19	portion of the premises. The licensee shall notify the local law enforcement agency,
20	in advance, of the times underage persons will be allowed on the premises under this
21	subdivision.

22

SECTION 24t. 125.07 (3) (a) 16. of the statutes is amended to read:

125.07 (3) (a) 16. An underage person who enters or remains in a banquet or
hospitality room on winery premises operated under a "Class A" or "Class B" license
for the purpose of attending a winery tour.

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SECTION 24u. 125.07 (4) (f) 3. of the statutes is amended to read:
125.07 (4) (f) 3. A licensee may not bring a civil action under this paragraph
unless the licensee has first provided notice to the underage person or the underage
person's parent, as applicable, of the licensee's intent to bring the action. The notice
shall be mailed to the last-known address of the underage person or underage
person's parent, as applicable, at least 15 days prior to filing the action and shall
include a demand for the relief described in subd. 1. The department division may,
by rule, prescribe a form for this notice.
SECTION 24v. 125.09 (1) of the statutes is renumbered 125.09 (1) (a) and
amended to read:
125.09 (1) (a) No owner, lessee, or person in charge of a public place may permit
the consumption of alcohol beverages on the premises property of the public place,
unless the person has an appropriate retail license or permit <u>or a no-sale event venue</u>
<u>permit</u> .
(d) This subsection does not apply to municipalities, buildings and parks owned
by counties, regularly established athletic fields and stadiums, school buildings,
campuses of private colleges, as defined in s. 16.99 (3g), at the place and time an event
sponsored by the private college is being held, churches, premises in a state fair park
or clubs. This subsection also does not apply to the consumption of fermented malt
beverages on commercial quadricycles except in municipalities that have adopted
ordinances under s. 125.10 (5) (a).
SECTION 24w. 125.09 (1) (b) and (c) of the statutes are created to read:
125.09 (1) (b) For purposes of par. (a), a public place includes a venue, location,
open space, room, or establishment that is any of the following:
1. Accessible and available to the public to rent for an event or social gathering.

2. Held out for rent to the public for an event or social gathering. 1 $\mathbf{2}$ 3. Made available for rent to a member of the public for an event or social 3 gathering. 4 (c) For purposes of par. (a), a public place does not include any of the following: 5 1. A room in a hotel, motel, or bed and breakfast that is used for overnight 6 accommodations. 7 2. Vacation rental property, or any other property of temporary lodging, that 8 is used for overnight accommodations if the property is furnished with sufficient beds 9 for all adult guests to sleep. 3. A campsite on a campground licensed under s. 97.67. 10 11 4. A parking lot, driveway, or yard where vehicles may be parked on the same 12day as a professional or collegiate sporting event or other ticketed event open to the 13public. 145. Property within a local professional football stadium district created under 15subch. IV of ch. 229 if the property is used in connection with, and on the same day as, a professional football game, or other ticketed event open to the public, held at 16 17the football stadium. 18 6. Property within a local professional baseball park district created under 19 subch. III of ch. 229 if the property is used in connection with, and on the same day 20as, a professional baseball game, or other ticketed event open to the public, held at 21the baseball park.". **14.** Page 14, line 8: after that line insert: 22"SECTION 25c. 125.105 (1) of the statutes is amended to read: 23

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1	125.105 (1) No person may impersonate an inspector, agent or other employee
2	of the department <u>division</u> or of the department of justice.
3	SECTION 25d. 125.11 (3) of the statutes is created to read:
4	125.11 (3) INSPECTION VIOLATION. Any person who refuses to permit an
5	examination of premises as provided in s. 125.025 (3) shall be fined not more than
6	\$500 nor less than \$50, or imprisoned not more than 90 days nor less than 10 days
7	or both, and any license or permit issued to that person may be revoked.
8	SECTION 25e. 125.12 (1) (a) of the statutes is amended to read:
9	125.12 (1) (a) Except as provided in this subsection, any municipality or the
10	department division may revoke, suspend or refuse to renew any license or permit
11	under this chapter, as provided in this section.
12	SECTION 25f. 125.12 (1) (c) of the statutes is amended to read:
13	125.12 (1) (c) Neither a municipality nor the department division may consider
14	an arrest or conviction for a violation punishable under s. 101.123 (8) (d), 945.03
15	(2m),945.04~(2m),or~945.05~(1m) in any action to revoke, suspend, or refuse to renew
16	a Class "B" or "Class B" license or permit.
17	SECTION 25g. 125.12 (4) (title) of the statutes is amended to read:
18	125.12 (4) (title) Suspension or revocation of licenses on complaint of the
19	DEPARTMENT DIVISION.
20	SECTION 25h. 125.12 (4) (ag) (intro.) of the statutes is amended to read:
21	125.12 (4) (ag) Complaint. (intro.) A duly authorized employee of the
22	department division may file a complaint with the clerk of circuit court for the
23	jurisdiction in which the premises of a person holding a license issued under this
24	chapter is situated, alleging one or more of the following about a licensee:
25	SECTION 25i. 125.12 (4) (ag) 9. of the statutes is created to read:

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1	125.12 (4) (ag) 9. That the licensee has shipped alcohol beverages to any person
2	in another state in violation of that state's law.
3	SECTION 25j. 125.12 (5) (title) of the statutes is amended to read:
4	125.12 (5) (title) Revocations or suspensions of, or refusals to renew, permits
5	BY THE DEPARTMENT <u>DIVISION</u> .
6	SECTION 25k. 125.12 (5) (a) of the statutes is amended to read:
7	125.12 (5) (a) The department division may, after notice and an opportunity for
8	hearing, revoke, suspend, or refuse to renew any retail permit issued by it for the
9	causes provided in sub. (4) and any other permit issued by it under this chapter for
10	any violation of this chapter or ch. 139, except that, for a violation of s. 125.535 or
11	139.035, the department division shall revoke the permit.
12	SECTION 25L. 125.12 (5) (a) of the statutes, as affected by 2023 Wisconsin Act
13	(this act), is amended to read:
14	125.12 (5) (a) The division may, after notice and an opportunity for hearing,
15	revoke, suspend, or refuse to renew any retail permit issued by it for the causes
16	provided in sub. (4) and any other permit issued by it under this chapter for any
17	violation of this chapter or ch. 139, except that, for a violation of s. 125.535 or 139.035,
18	the division shall revoke the permit, and the division shall revoke a common carrier
19	permit as provided in s. 125.22 (3) (b) and a fulfillment house permit as provided in
20	<u>s. 125.23 (6) (b)</u> .
21	SECTION 25m. 125.12 (5) (b) of the statutes is amended to read:
22	125.12 (5) (b) The department division may, after notice and an opportunity for
23	hearing, revoke any permit issued under s. 125.27 (5) or 125.51 (5) (f) to a person
24	designated by the owner or operator of racetrack grounds as provided in s. 125.27 (5)

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1	(b) or 125.51 (5) (f) 2. if the person's designation has terminated or the owner or
2	operator of the racetrack grounds has otherwise rescinded the person's designation.
3	SECTION 25n. 125.12 (5) (bm) of the statutes is created to read:
4	125.12 (5) (bm) The division may, after notice and an opportunity for hearing,
5	revoke, suspend, or refuse to renew any permit issued by it under this chapter if the
6	permittee has shipped alcohol beverages to any person in another state in violation
7	of that state's law.
8	SECTION 250. 125.12 (5) (c) of the statutes is amended to read:
9	125.12 (5) (c) A revocation, suspension, or refusal to renew a permit under par.
10	(a) or, (b), or (bm) is a contested case under ch. 227.
11	SECTION 25p. 125.12 (6) (a) of the statutes is amended to read:
12	125.12 (6) (a) Any person may file a sworn written complaint with the
13	department division alleging that an intoxicating liquor wholesaler has violated s.
14	$125.54\ (7)\ (a).$ The complaint shall identify the specific legal basis for the complaint
15	and sufficient facts for the department <u>division</u> to determine whether there is cause
16	to find that a violation has occurred. The department <u>division</u> shall provide a copy
17	of the complaint to any wholesaler against whom allegations are made, along with
18	notice of the time period under par. (b) to show cause why the wholesaler's permit
19	should not be revoked or suspended or to request a hearing.
20	SECTION 25q. 125.12 (6) (b) of the statutes is amended to read:
21	125.12 (6) (b) Within 30 days of receiving a copy of the complaint under par. (a),
22	any wholesaler against whom allegations are made may file a sworn written
23	response or a written request for an evidentiary hearing before the department
24	division under s. 227.44.
25	SECTION 25r. 125.12 (6) (c) of the statutes is amended to read:

1	125.12 (6) (c) Subject to pars. (d) 1. and (dm), if no request for an evidentiary
2	hearing is made under par. (b), within 60 days of receiving any response under par.
3	(b) or, if no response is made, within 60 days of the date on which a response or
4	request for hearing is due under par. (b), the department division shall make a
5	written decision as to whether a violation has occurred and either dismiss the
6	complaint or take action under par. (e). Any decision under this paragraph shall
7	include findings of fact and conclusions of law and shall state all reasons for the
8	decision. The department division shall provide a copy of the decision to the
9	complainant and to any wholesaler against whom allegations are made.
10	SECTION 25s. 125.12 (6) (cm) of the statutes is amended to read:
11	125.12 (6) (cm) Subject to pars. (d) 2. and (dm), if a request for an evidentiary
12	hearing is made under par. (b), the hearing shall be conducted in the manner
13	specified for a contested case under ss. 227.44 to 227.50, except that the hearing shall
14	be conducted within 45 days of receiving the request for hearing under par. (b) and
15	the department division shall make its written decision, including whether a
16	violation has occurred and whether the complaint is dismissed or action is taken
17	under par. (e), within 15 days after the hearing. In addition to service of the decision
18	as provided under s. 227.48, the department division shall provide a copy of the
19	decision to the complainant.
20	SECTION 25t. 125.12 (6) (d) of the statutes is amended to read:
21	125.12 (6) (d) 1. If no request for an evidentiary hearing is made under par. (b),
22	within 60 days of receiving any response under par. (b) or, if no response is made,
23	within 60 days of the date on which a response or request for hearing is due under

25 under par. (c) by an additional 60 days if the department <u>division</u> provides notice

par. (b), the department division may extend the time period for making a decision

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within the time period specified in par. (c) that an additional 60 days is necessary for
 investigation.

2. If a request for an evidentiary hearing is made under par. (b), within 45 days of receiving the request for hearing under par. (b), the department division may extend the time period for conducting the hearing by an additional 45 days if the department division provides notice within 45 days of receiving the request for hearing under par. (b) that an additional 45 days is necessary for investigation.

SECTION 25u. 125.12 (6) (dm) of the statutes is amended to read:

9 125.12 (6) (dm) Within 45 days of receiving any response or request for hearing 10 under par. (b) or, if no response or request for hearing is made, within 45 days of the 11 date on which a response or request for hearing is due under par. (b), the department 12division may elect to file a complaint in circuit court under sub. (4) that includes all 13 allegations of the complaint under par. (a) for which the department division 14 determines there is cause to find that a violation of s. 125.54 (7) (a) has occurred. If the department division files a complaint in circuit court as provided under this 1516 paragraph, the department division shall not conduct a hearing under par. (cm) or 17make a written decision under par. (c), but shall proceed with the matter as provided 18 under sub. (4).

19 SECTION 25v. 125.12 (6) (e) of the statutes is amended to read:

125.12 (6) (e) If the department <u>division</u> finds the allegations under par. (a) true
and sufficient, the <u>department division</u> shall either suspend for not less than 10 days
nor more than 90 days or revoke the wholesaler's permit, and give notice of the
suspension or revocation to the wholesaler.".

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15. Page 14, line 10: delete "department" and substitute "division".

1	16. Page 14, line 12: after that line insert:
2	"SECTION 26ab. 125.13 of the statutes is amended to read:
3	125.13 Report of suspension, revocation, or imposition of penalty.
4	Whenever a municipal governing body or court revokes or suspends a license or
5	permit or imposes a penalty on a licensee or permittee for the violation of this
6	chapter, the clerk of the municipality or court revoking or suspending the license or
7	imposing the penalty shall, within 10 days after the revocation, suspension, or
8	imposition of penalty, mail a report to the department division at Madison,
9	Wisconsin, giving the name of the licensee, the address of the licensed premises, and
10	a full description of the penalty imposed.
11	SECTION 26ac. 125.14 (2) (c) of the statutes is amended to read:
12	125.14 (2) (c) <i>Identification</i> . Any person seizing alcohol beverages or personal
13	property and electing to dispose of it under this subsection shall exercise reasonable
14	diligence to ascertain the name and address of the owner of the alcohol beverages or
15	property and of all persons holding a security interest in the property seized. The
16	person shall report his or her findings in writing to the department division.
17	SECTION 26ad. 125.14 (2) (d) of the statutes is amended to read:
18	125.14 (2) (d) Order. Upon conviction of any person for owning, possessing,
19	keeping, storing, manufacturing, selling, distributing, or transporting alcohol
20	beverages in violation of this chapter or ch. 139, the court shall order part or all of
21	the alcohol beverages or personal property seized to be destroyed if it is unfit for sale.
22	Alcohol beverages and other personal property fit for sale shall be turned over to the

24 department <u>division</u> shall exercise reasonable diligence to ascertain the names and

23

department division for disposition. Upon receipt of the confiscated property, the

addresses of all owners of the property and of all persons holding a security interest
in the property. If a motor vehicle is confiscated, the department division shall obtain
the written advice of the department of transportation as to the ownership of the
motor vehicle and shall make a reasonable search for perfected security interests in
the vehicle.

6

SECTION 26ae. 125.14 (2) (e) of the statutes is amended to read:

7 125.14 (2) (e) Disposal. The department division shall dispose of the alcohol 8 beverages turned over to it by the court by either giving it to law enforcement 9 agencies free of charge for use in criminal investigations, selling it to the highest 10 bidder if the bidder is a person holding a license or permit issued under this chapter, 11 or destroying it, at the discretion of the department division. If the department 12 division elects to sell the alcohol beverages, it shall publish a class 2 notice under ch. 13 985 asking for sealed bids from qualified bidders. Any items or groups of items in 14 the inventory subject to a security interest, the existence of which was established in the proceedings for conviction as being bona fide and as having been created 1516 without the secured party having notice that the items were being used or were to 17be used in connection with the violation, shall be sold separately. The net proceeds 18 from the sale, less all costs of seizure, storage, and sale, shall be turned over to the secretary of administration and credited to the common school fund. 19

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SECTION 26af. 125.14 (2) (f) of the statutes is amended to read:

125.14 (2) (f) Sale. Any personal property, other than alcohol beverages, seized
under par. (a) and fit for sale, shall be turned over by the department division to the
department of administration for disposal at public auction to the highest bidder, at
a time and place stated in a notice of sale which describes the property to be sold.
The sale shall be held in a conveniently accessible place in the county where the

property was confiscated. A copy of the notice shall be published as a class 2 notice 1 $\mathbf{2}$ under ch. 985. The last insertion shall be at least 10 days before the sale. The 3 department of revenue division shall serve a copy of the notice of sale at least 2 weeks 4 before the date thereof on all persons who are or may be owners or holders of security 5 interests in the property. Any confiscated property worth more than \$100 shall be sold separately, and the balance of the confiscated property shall be sold in bulk or 6 7 separately at the discretion of the department of administration. The net proceeds 8 from the sale, less all costs of seizure, storage, and sale, shall be turned over to the 9 secretary of administration. No motor vehicle or motorboat confiscated under this 10 section may be sold within 30 days after the date of seizure. 11 **SECTION 26ag.** 125.14 (3) (b) of the statutes is amended to read: 12125.14 (3) (b) *Deadline*. The application shall be made within one year after 13the sale of the property. A copy of the application and the order setting a hearing on 14it shall be served on the department division at least 20 days before the date set for 15hearing. 16 **SECTION 26ah.** 125.145 of the statutes is amended to read: 17125.145 Prosecutions by attorney general or department division. 18 Upon request by the secretary of revenue division, the attorney general may 19 represent this state or assist a district attorney in prosecuting any case arising under 20this chapter. The department division may represent this state in prosecuting any

violation of s. 125.54 (7) (a) or (b) and shall bring any such action in the circuit court
for Dane County.

23 **SECTION 26ai.** 125.15 (1) of the statutes is amended to read:

24 125.15 (1) An intoxicating liquor wholesaler, intoxicating liquor retail licensee
 25 or permittee, or intoxicating liquor trade association that makes a written complaint

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1 to the department division under s. 125.12 (6) of a violation of s. 125.54 (7) (a) may $\mathbf{2}$ bring an action to enforce the provisions of s. 125.54 (7) if any of the following apply: 3 (a) The department division has not rendered a decision within the time 4 periods specified in s. 125.12 (6) (c) to (d). 5 (b) The department division has rendered a decision under s. 125.12 (6) in 6 which the department division has determined that a violation has occurred but no 7 action has been brought in circuit court by the department division, attorney general, 8 or a district attorney to prosecute the violation. 9 **SECTION 26aj.** 125.17 (6) (a) (intro.) of the statutes is amended to read: 10 125.17 (6) (a) (intro.) Except as provided in par. (b), no municipal governing 11 body or designated municipal official may issue an operator's license unless the 12 applicant has successfully completed a responsible beverage server training course 13 at any location that is offered by a technical college district and that conforms to 14 curriculum guidelines specified by the technical college system board or a

15 comparable training course, which may include computer-based training and 16 testing, that is approved by the department division or the department of safety and 17 professional services, or unless the applicant fulfills one of the following 18 requirements:

19

SECTION 26ak. 125.175 of the statutes is created to read:

125.175 Issuance of operators' permits. (1) Subject to sub. (4), the division
shall issue an operator's permit to any applicant who is qualified under s. 125.04 (5).
Operators' permits may not be required other than for the purpose of complying with
ss. 125.32 (2) and 125.68 (2) or s. 125.06 (3g). Operators' permits may be issued only
upon written application.

25

(2) Operators' permits are valid in all municipalities in this state.

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(3) The division shall establish a fee for issuance or renewal of an operator's
 permit and shall determine whether the permit shall be valid for one or 2 years.

(4) (a) The division may not issue an operator's permit unless the applicant
satisfies the criteria for issuance of an operator's license specified in s. 125.17 (6) (a).
In applying these criteria to an applicant who holds or previously held an operator's
permit or an operator's license, the division shall treat as synonymous operators'
permits and operators' licenses.

8 (b) The division may not require applicants for operators' permits to undergo 9 training in addition to that specified in s. 125.17 (6) (a) but may require applicants 10 to purchase at cost materials that deal with relevant subjects not covered in the 11 course under s. 125.17 (6) (a).

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SECTION 26am. 125.19 (1) of the statutes is amended to read:

13 125.19 (1) ISSUANCE. The department division shall issue an alcohol beverage
14 warehouse permit which authorizes the permittee to store and warehouse alcohol
15 beverages in warehouse premises covered by the permit, subject to rules adopted by
16 the department division. The permit does not authorize the sale of any alcohol
17 beverages.

18 **SECTION 26an.** 125.20 of the statutes is created to read:

19 **125.20 Interest restrictions. (1)** DEFINITIONS. In this section:

20 (a) "Distribution permit" means a permit issued under s. 125.28 or 125.54.

(b) "Distribution permittee" means a person holding a distribution permit andincludes a restricted individual of such a person.

(c) "Production permit" means a permit issued under s. 125.29, 125.295, 125.52,
or 125.53, a permit issued under s. 125.30 to a brewer in another state, or a permit
issued under s. 125.58 to a manufacturer, rectifier, or winery in another state.

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1	(d) "Production permittee" means a person holding a production permit and
2	includes a restricted individual of such a person.
3	(e) "Restricted individual" means any of the following:
4	1. An individual identified on a manager's license or who works or acts in a
5	managerial capacity for a permittee or licensee.
6	2. An individual serving as an officer, director, member, manager, or agent of
7	a corporation or limited liability company holding a permit or license.
8	3. An individual holding more than a 10 percent ownership interest in a
9	permittee or licensee.
10	(f) "Restricted entity" means an entity holding more than a 10 percent
11	ownership interest in a permittee or licensee.
12	(g) "Restricted investor" means a restricted individual or restricted entity.
13	(h) "Retail license or permit" means a Class "A," Class "B," "Class A," "Class B,"
14	or "Class C" license, a Class "B" or "Class B" permit, or a no-sale event venue permit.
15	(i) "Retail licensee or permittee" means a person holding a retail license or
16	permit and includes a restricted individual of such a person.
17	(2) PRODUCERS. (a) No production permittee may hold any interest in any
18	distribution permittee.
19	(b) No production permittee may hold any interest in any retail licensee or
20	permittee, except as authorized under s. 125.295.
21	(3) DISTRIBUTORS. (a) No distribution permittee may hold any interest in any
22	retail licensee or permittee.
23	(b) No distribution permittee may hold any interest in any production
24	permittee, except as provided in s. 125.28 (2) (d).

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1	(4) RETAILERS. (a) No retail licensee or permittee may hold any interest in any
2	distribution permittee.
3	(b) No retail licensee or permittee may hold any interest in any production
4	permittee, except as authorized under s. 125.295.
5	(5) CONSTRUCTION OF SECTION; AUTHORIZED CROSS-TIER ACTIVITY. (a) For purposes
6	of this section and s. 125.01, permittees are categorized under the 3-tier system as
7	follows:
8	1. A production permittee operates within the production tier.
9	2. A distribution permittee operates within the distribution tier.
10	3. A retail licensee or permittee operates within the retail tier.
11	(b) This section does not prohibit a licensee or permittee from engaging in any
12	activity that this chapter explicitly authorizes for the type of license or permit held
13	or that is explicitly authorized under the terms of the license or permit.
14	(c) To the extent there is a conflict between any provision of subs. (2) to (4) and
15	any provision of ss. 125.25 (2) (b), 125.26 (2) (b), 125.27 (7), 125.28 (2) (b), 125.29 (2)
16	(a), 125.295 (2) (a) 6., 125.30 (3) (c), and 125.69 (1), the provisions of ss. 125.25 (2) (b),
17	125.26 (2) (b), 125.27 (7), 125.28 (2) (b), 125.29 (2) (a), 125.295 (2) (a) 6., 125.30 (3)
18	(c), and 125.69 (1) are controlling.
19	(d) If a license or permit may not be issued to a person under s. 125.25 (2) (b),
20	125.26 (2) (b), 125.27 (7), 125.28 (2) (b), 125.29 (2) (a), 125.295 (2) (a) 6., 125.30 (3)
21	(c), or 125.69 (1), the person may not acquire an interest prohibited under s. 125.25
22	(2) (b), 125.26 (2) (b), 125.27 (7), 125.28 (2) (b), 125.29 (2) (a), 125.295 (2) (a) 6., 125.30
23	(3) (c), or 125.69 (1) after the license or permit has been issued.

1	(6) PERMISSIBLE INTERESTS. (a) Notwithstanding subs. (2) to (4), a licensee or
2	permittee may be owned in part by, or grant an ownership interest to, a restricted
3	investor in a different tier if all of the following are satisfied:
4	1. No single restricted investor holds more than a 10 percent ownership
5	interest in the licensee or permittee, including any passive or disregarded entity
6	connected to the restricted investor.
7	2. No restricted investor serves as an officer, director, manager, operator, or
8	agent of the licensee or permittee.
9	3. No restricted investor is involved in the day-to-day operations of the
10	licensee or permittee or exerts any control over such operations beyond the person's
11	ability to vote as an owner.
12	4. The aggregate amount of ownership held by all restricted investors in the
13	licensee or permittee does not exceed 49 percent.
14	5. The licensee or permittee discloses all restricted investors to the division.
15	6. Each restricted investor executes an affidavit, on a form prescribed by the
16	division, swearing to a complete lack of involvement in the day-to-day operations
17	of, and lack of control over, the licensee or permittee beyond the restricted investor's
18	ability to vote as an owner. If the restricted investor is a restricted entity, the
19	affidavit shall be executed on behalf of the restricted entity by an individual who is
20	an officer or director of the restricted entity or who otherwise has management
21	authority over the restricted entity.
22	(b) A licensee or permittee, or a restricted individual of a licensee or permittee,
23	may enter into a landlord-tenant relationship with another licensee or permittee
24	operating in a different tier if all of the following are satisfied:

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1	1. The lease or rental agreement explicitly states that the landlord has no
2	control over or day-to-day involvement in the business of the tenant.
3	2. No control or involvement in the business of the tenant by the landlord exists.
4	3. The landlord and tenant maintain compliance with ss. 125.33 and 125.69,
5	as applicable and subject to s. 125.33 (2) (hr), and this requirement is set forth in the
6	lease or rental agreement.
7	4. The lease or rental agreement is in writing and disclosed to the division for
8	review.
9	(c) Notwithstanding subs. (2) to (4), a spouse may have an interest in the license
10	or permit of the other spouse if all of the following are satisfied:
11	1. The marriage is governed by a valid marital property agreement or
12	prenuptial agreement.
13	2. The marital property agreement or prenuptial agreement was disclosed on
14	any license or permit application.
15	3. A copy of the marital property agreement or prenuptial agreement is
16	provided to the municipal clerk or division prior to issuance of the license or permit.
17	4. Both spouses execute an affidavit, on a form prescribed by the division,
18	swearing to a complete lack of involvement in the day-to-day operations of, and lack
19	of control over, each respective business.
20	(d) For purposes of subs. (2) to (4), employment in a nonmanagerial capacity
21	for a licensee or permittee is not an interest in the licensee or permittee.
22	SECTION 26ao. 125.20 (5) (c) and (d) of the statutes, as created by 2023
23	Wisconsin Act (this act), are amended to read:
24	125.20 (5) (c) To the extent there is a conflict between any provision of subs. (2)
25	to (4) and any provision of ss. <u>125.24 (3)</u> , 125.25 (2) (b), 125.26 (2) (b), 125.27 (7),

1	125.28 (2) (b), 125.29 (2) (a), 125.295 (2) (a) 6., 125.30 (3) (c), and 125.69 (1), the
2	provisions of ss. <u>125.24 (3)</u> , 125.25 (2) (b), 125.26 (2) (b), 125.27 (7), 125.28 (2) (b),
3	125.29 (2) (a), 125.295 (2) (a) 6., 125.30 (3) (c), and 125.69 (1) are controlling.
4	(d) If a license or permit may not be issued to a person under s. 125.24 (3),
5	125.25 (2) (b), 125.26 (2) (b), 125.27 (7), 125.28 (2) (b), 125.29 (2) (a), 125.295 (2) (a)
6	6., 125.30 (3) (c), or 125.69 (1), the person may not acquire an interest prohibited
7	under s. <u>125.24 (3)</u> , 125.25 (2) (b), 125.26 (2) (b), 125.27 (7), 125.28 (2) (b), 125.29 (2)
8	(a), 125.295 (2) (a) 6., 125.30 (3) (c), or 125.69 (1) after the license or permit has been
9	issued.
10	SECTION 26ap. 125.21 of the statutes is created to read:
11	125.21 Production agreements. (1) DEFINITIONS. In this section:
12	(a) "Alternating proprietorship" means an arrangement in which a host
13	producer provides use of space and equipment, and may additionally provide
14	personnel, to a guest producer for the production of alcohol beverages.
15	(b) "Bottling" means placing alcohol beverages into sealed finished packages,
16	including cans, bottles, boxes, bags, kegs, barrels, or any other packaging of finished
17	products. When "bottle" is used as a verb, it has the same meaning as "bottling."
18	(c) "Contract producer" means a producer who directly manufactures, bottles,
19	or labels alcohol beverages as an agent of a recipe producer or out-of-state recipe
20	supplier.
21	(d) "Contract production" means a contract, agreement, or business
22	arrangement described in sub. (3) (b) whereby a recipe producer or out-of-state
23	recipe supplier provides consideration to a contract producer for the production,
24	bottling, or labeling of alcohol beverages.

1	(e) "Guest producer" means a producer who enters into a contract, agreement,
2	or business arrangement with a host producer whereby the producer has use of the
3	host producer's premises and equipment, and may have use of the host producer's
4	personnel, for the production of the guest producer's alcohol beverages.
5	(f) "Host producer" means a producer who enters into a contract, agreement,
6	or business arrangement with a guest producer whereby the guest producer has use
7	of the producer's premises and equipment, and may have use of the producer's
8	personnel, for the production of the guest producer's alcohol beverages.
9	(g) "Licensing agreement" means an agreement between a licensor and a
10	producer for the production of alcohol beverages containing the name, symbol, or
11	mark of the licensor.
12	(h) "Out-of-state recipe supplier" means a person to whom all of the following
13	applies:
14	1. The person is located in another state and produces alcohol beverages in that
15	state.
16	2. The person does not hold a permit under this chapter, other than a permit
17	issued under s. 125.30, 125.535, or 125.58.
18	3. The person purchases alcohol beverages from a producer that are
19	manufactured consistently with a recipe provided by the person or are bottled or
20	labeled for the person.
21	(i) "Producer" means a brewer holding a permit under s. 125.29, brewpub
22	holding a permit under s. 125.295, winery holding a permit under s. 125.53,
23	manufacturer holding a permit under s. 125.52, or rectifier holding a permit under
24	s. 125.52.

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1 (j) "Recipe producer" means a producer who purchases alcohol beverages from $\mathbf{2}$ another producer that are manufactured consistently with a recipe provided by the 3 recipe producer or are bottled or labeled for the recipe producer. 4 (2) PRODUCTION ARRANGEMENTS AUTHORIZED; AGREEMENTS BETWEEN SAME 5 PRODUCER TYPE. (a) Production arrangements under subs. (3) to (5) are authorized 6 as provided in this section. A permittee that enters into such a production 7 arrangement does not act as an agent for or in the employ of another under s. 125.52 8 (3) or 125.53 (2), and such a production arrangement is not a prohibited interest 9 under s. 125.20. 10 (b) Except as provided in sub. (3) (b) 2. and 3., agreements authorized under 11 this section may be entered into only by producers who hold permits issued under the 12 same section of this chapter. 13 (3) CONTRACT PRODUCTION. (a) An agreement for contract production shall 14 comply with the requirements of this subsection. 15(b) An agreement for contract production may be entered into between any of 16 the following: 171. Two producers possessing the same type of permit. 2. A permittee under s. 125.29, as the contract producer, and a permittee under 18 s. 125.295, as the recipe producer. 19 20 3. A producer and an out-of-state recipe supplier. All contract production activities shall occur pursuant to a written 21(c) 22agreement between the contract producer and the recipe producer or out-of-state 23recipe supplier. 24(d) 1. Except as provided in subd. 2., alcohol beverages produced under an 25agreement for contract production between a contract producer and a recipe

1 2 producer shall count toward the production volume of the recipe producer and shall be considered, for this purpose, as produced on the recipe producer's premises.

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2. Alcohol beverages produced under an agreement for contract production
between a contract producer and a recipe producer may not be considered in
determining production volume for purposes of ss. 125.29 (7), 125.52 (4), and 125.53
(3), but shall be considered as produced by the recipe producer for other purposes
under ss. 125.29 (7), 125.52 (4), and 125.53 (3).

8 (e) The recipe producer shall be considered the producer for purposes of filing 9 reports under s. 139.11 (2) and taxation under ss. 139.02, 139.03, 139.05 (2), and 10 139.06 (1) and (2), as applicable, and shall include alcohol beverages manufactured 11 under a contract production agreement in the report required under s. 139.11 (2). 12 For alcohol beverages produced under an agreement for contract production between 13 a contract producer and a recipe producer, the contract producer shall exclude the 14 alcohol beverages from reports required under s. 139.11 (2).

- (4) ALTERNATING PROPRIETORSHIP. (a) An alternating proprietorship shall
 comply with the requirements of this subsection.
- (b) All alternating proprietorships shall occur pursuant to a written agreementbetween the host producer and guest producer.
- (c) The agreement under par. (b) shall provide that the guest producer retains the right to control the production of the alcohol beverages. If the agreement provides that the host producer and host producer's personnel are agents of the guest producer or acting under the direction of the guest producer, the agreement shall specify the terms and compensation for the use of the host producer's personnel.
- (d) The guest producer shall be considered the producer for purposes of filing
 reports under s. 139.11 (2) and taxation under ss. 139.02, 139.03, 139.05 (2), and
1 139.06 (1) and (2), as applicable, and shall include alcohol beverages manufactured $\mathbf{2}$ under an alternating proprietorship in the report required under s. 139.11 (2). The 3 host producer shall exclude alcohol beverages manufactured in an alternating 4 proprietorship from reports required under s. 139.11 (2). $\mathbf{5}$ (e) Alcohol beverages produced under an alternating proprietorship shall count 6 toward the production volume of the guest producer and shall be considered, for this 7 purpose, as produced on the guest producer's premises. 8 LICENSING AGREEMENTS. (a) A producer may enter into a licensing (5) 9 agreement or contract with a licensor authorizing the producer-licensee to use the 10 licensor's trademark or name if all of the following requirements are satisfied: 11 1. The licensing agreement or contract is in writing. 12The producer-licensee is entirely responsible for producing the alcohol 2. beverages and for all related processing steps and regulatory requirements. 1314 (b) Alcohol beverages produced under the licensing agreement shall count 15toward the production volume of the producer-licensee and shall be considered, for 16 this purpose, as produced on the producer-licensee's premises. 17**SECTION 26aq.** 125.22 of the statutes is created to read: 18 125.22 Common carrier permit; shipments into state. (1) PERMIT. (a) 19 No common carrier may transport into or deliver within this state any alcohol 20 beverages unless the common carrier first obtains a permit from the division under 21this section. This subsection does not apply to the transportation into this state for 22 delivery to, or delivery within this state to, a person that holds a license or permit 23issued under this chapter that authorizes the licensee or permittee to receive the 24alcohol beverages.

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1	(b) A permit under this section authorizes only the transport into or delivery
2	within this state of wine on behalf of a person holding a direct wine shipper's permit
3	under s. 125.535 or a fulfillment house permit under s. 125.23.
4	(c) An applicant for a permit under this section shall provide all information
5	required by the division. The division shall require the applicant to submit
6	information, as determined to be appropriate by the division, that is similar to the
7	information required of an applicant for a permit under s. 125.58.
8	(d) A permit under this section may be issued only to a person who holds a valid
9	certificate issued under s. 73.03 (50).
10	(e) A permittee under this section shall pay an annual fee of \$1,000.
11	(2) REPORTS. (a) No later than the 15th day of each month, a common carrier
12	holding a permit under this section shall submit a verified report to the division, in
13	the form and manner prescribed by the division, that includes all of the following
14	information for each shipment of alcohol beverages during the preceding month:
15	1. The name and address of the person that manufactured the alcohol
16	beverages.
17	2. The name and address of the consignor of the shipment, if different from the
18	person that manufactured the alcohol beverages.
19	3. The name and address of the consignee of the shipment.
20	4. The date of the shipment.
21	5. The type and quantity of alcohol beverages shipped to the consignee, as
22	reported to the common carrier by the consignor.
23	6. The parcel tracking number, waybill number, or other identifying number
24	for the shipment.

(b) The division and the department shall keep confidential the information
under par. (a) 3. and 6., and this information is not subject to public copying or
inspection under s. 19.35 (1), but all other information included in a report under par.
(a) is subject to public copying and inspection under s. 19.35 (1) and may not be
treated by the division or the department as confidential under any provision of s.
71.78, 71.83, or 139.11 (4).

(c) Nothing in this section alters the requirement that a person shipping alcohol
beverages into this state obtain all required permits under this chapter prior to
shipment, including any permit under s. 125.535. Nothing in this section grants a
manufacturer, rectifier, or shipper of alcohol beverages, including a winery, authority
to ship alcohol beverages into this state. Nothing in this section alters the
face-to-face sales requirement in ss. 125.272 and 125.51 (6).

(3) PENALTIES. (a) Any common carrier that fails to obtain a permit required
under sub. (1) prior to commencing delivery of alcohol beverages in this state is
subject to a fine of not more than \$10,000.

(b) Any common carrier that ships alcohol beverages other than wine obtained
from a direct wine shipper permittee under s. 125.535 or from a fulfillment house
permittee under s. 125.23 is subject to a forfeiture of not more than \$2,000. The
division shall revoke the permit of any common carrier that violates this prohibition
in more than one month during a calendar year. Except as provided in this
paragraph, s. 125.12 (5) shall apply with respect to the division's revocation of the
permit.

(c) If a common carrier fails to submit a report required under sub. (2), the
common carrier is subject to a forfeiture of not more than \$2,000.

25

SECTION 26ar. 125.23 of the statutes is created to read:

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1	125.23 Fulfillment houses. (1) PERMIT. (a) Before making any shipment to,
2	or causing any shipment to be made to, any individual in this state, a person
3	operating a fulfillment house shall obtain from the division a fulfillment house
4	permit for each location that is involved in the process of shipping wine to residents
5	of this state.
6	(b) A person holding a permit under this section may provide services only for
7	the warehousing, packaging, order fulfillment, and shipment of alcohol beverages
8	produced by and belonging to a person holding a direct wine shipper's permit under
9	s. 125.535.
10	(c) An applicant for a permit under this section shall pay an annual fee of \$100
11	for each permit. The permit may be issued for a period of one year and may be
12	renewed annually.
13	(d) A permit under this section may be issued only to a person who holds a valid
14	certificate issued under s. 73.03 (50).
15	(2) PERMIT APPLICATION. (a) An applicant for a permit under this section shall
16	provide all of the following information as part of the permit application:
17	1. All locations from which alcohol beverages are to be shipped under the
18	permit.
19	2. Any other information required by the division. The division shall require
20	the applicant to submit information, as determined to be appropriate by the division,
21	that is similar to the information required of an applicant for a permit under s.
22	125.58.
23	(b) Notwithstanding s. 125.04 (5) (a), natural persons obtaining fulfillment
24	house permits are not required to be residents of this state. Notwithstanding s.
25	125.04 (5) (a) 5., a person is not required to complete a responsible beverage server

training course to be eligible for a permit under this section. Corporations and limited liability companies obtaining fulfillment house permits are subject to s. 125.04 (6) and any other person, including any natural person or cooperative, obtaining a fulfillment house permit shall appoint an agent, and be subject to all provisions of s. 125.04 (6), in the same manner applicable to corporations and limited liability companies.

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- 7 (3) PACKAGE LABELING. A person holding a permit under this section shall
 8 ensure all containers of wine shipped directly to an individual in this state are
 9 labeled with all of the following information:
- (a) The following words, appearing in capital letters and in a conspicuous
 location: "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 OR OLDER
 REQUIRED FOR DELIVERY."
- (b) The name, address, and permit number of the fulfillment house permitteeand the name, address, and permit number of the direct wine shipper.
- (4) SHIPMENT. (a) A fulfillment house permittee may not ship into this state
 wine from any person not holding a direct wine shipper's permit under s. 125.535.
- (b) A fulfillment house permittee may not ship wine into this state through a
 common carrier that does not hold a permit under s. 125.22. All containers of wine
 shipped directly to an individual in this state shall be shipped using a common
 carrier holding a permit issued under s. 125.22.
- (c) Prior to shipping wine to an individual in this state, a fulfillment house
 permittee shall verify the validity of the permit of each direct wine shipper and of
 each common carrier associated with the shipment.
- (5) REPORTS. (a) No later than the 15th day of each month, a fulfillment house
 holding a permit under this section shall submit a verified report to the division, in

1 the form and manner prescribed by the division, that includes all of the following $\mathbf{2}$ information for each shipment of alcohol beverages during the preceding month: 3 1. The name and address of the person that manufactured the alcohol 4 beverages. 5 2. The name and address of the consignor of the shipment, if different from the 6 person that manufactured the alcohol beverages. 7 3. The name and address of the consignee of the shipment. 4. The date of the shipment. 8 9 5. The type and quantity of alcohol beverages shipped to the consignee. 10 6. The parcel tracking number, waybill number, or other identifying number for the shipment. 11 12(b) The division and the department shall keep confidential the information 13under par. (a) 3. and 6., and this information is not subject to public copying or 14 inspection under s. 19.35 (1), but all other information included in a report under par. 15(a) is subject to public copying and inspection under s. 19.35 (1) and may not be 16 treated by the division or the department as confidential under any provision of s. 1771.78, 71.83, or 139.11 (4). 18 (6) PENALTIES. (a) Any fulfillment house that fails to obtain a permit under this section in violation of sub. (1) is subject to a fine of not more than \$10,000. 19 20(b) Any permittee under this section that ships alcohol beverages other than 21wine obtained from a direct wine shipper holding a permit under s. 125.535 is subject 22to a forfeiture of not more than \$2,000. The division shall revoke the permit of any 23permittee that violates this prohibition in more than one month during a calendar $\mathbf{24}$ year. Except as provided in this paragraph, s. 125.12 (5) shall apply with respect to 25the division's revocation of the permit.

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1 (c) If a fulfillment house fails to submit a report required under sub. (5), the $\mathbf{2}$ fulfillment house is subject to a forfeiture of not more than \$2,000.

3

SECTION 26at. 125.24 of the statutes is created to read:

4

125.24 No-sale event venue permit. (1) PERMIT ISSUANCE. (a) Except as 5otherwise provided in this section, the division may issue to property owners no-sale 6 event venue permits that authorize the permittee to rent or lease real property for 7 use as an event venue at which fermented malt beverages and wine are consumed 8 if all requirements under this section are satisfied.

9 (b) A no-sale event venue permit may be issued only to a person who holds a 10 valid certificate issued under s. 73.03 (50) and is gualified under s. 125.04 (5), except 11 that a person is not required to complete a responsible beverage server training 12 course to be eligible for a permit under this section.

13 (c) A no-sale event venue permit may not be issued unless all of the following 14 are satisfied:

151. The applicant certifies in the permit application how many events were held 16 at the venue in the 12-month period immediately preceding the application.

172. The applicant identifies with specificity in the permit application the 18 property that is the event venue covered by the permit.

19 (d) Subject to sub. (2) (c) 3., a permit may not be issued under this section for 20 premises that are covered by any other license or permit under this chapter, but a caterer holding Class "B" and "Class B" licenses may deliver fermented malt 2122beverages and wine to the event venue if all requirements under sub. (2) are 23satisfied.

24(e) The division shall establish an annual fee, calculated to cover the division's 25administrative costs under this section, for a permit issued under this section.

1 (2) ACTIVITIES AUTHORIZED UNDER PERMIT. (a) A no-sale event venue permit $\mathbf{2}$ authorizes the permittee to rent or lease real property for use as an event venue at 3 which fermented malt beverages and wine are consumed on no more than 6 days per 4 calendar year and no more than one day per month. 5 (b) 1. A no-sale event venue permittee may not sell or otherwise provide alcohol 6 beverages to the renter or lessee of the event venue or to any guest or attendee of an 7 event on the event venue, including charging admission for an event on the event venue at which any alcohol beverages are served. 8 9 2. A no-sale event venue permittee may not allow any person to possess 10 distilled spirits on the event venue when the event venue is being used by a renter or lessee. 11 12 (c) Subject to pars. (d) and (e), a no-sale event venue permit authorizes the 13permittee to do any of the following: 14 1. Allow the renter or lessee of the event venue to bring the renter's or lessee's 15own fermented malt beverages and wine onto the event venue and serve it to guests 16 without charge. 172. Allow the guests of the renter or lessee to bring fermented malt beverages 18 and wine onto the event venue to be consumed by the guests without charge. 3. Allow the renter or lessee to obtain temporary Class "B" and "Class B" 19 20licenses for an event held on the event venue and sell fermented malt beverages and wine under the temporary Class "B" and "Class B" licenses on the event venue. 21224. Allow the renter or lessee to contract with a caterer holding Class "B" and 23"Class B" licenses for the caterer to provide fermented malt beverages and wine to $\mathbf{24}$ the renter or lessee and the renter's or lessee's guests without charge on the event 25venue.

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1	(d) If a renter or lessee of an event venue contracts with a caterer as provided
2	in par. (c) 4., all of the following apply:
3	1. Neither the renter or lessee of the event venue nor any guest of the renter
4	or lessee may bring alcohol beverages onto the event venue.
5	2. The caterer may serve the fermented malt beverages and wine that are
6	provided on the event venue, but service shall be performed only by persons holding
7	an operator's license under s. 125.17.
8	3. The caterer may not provide fermented malt beverages or wine on the event
9	venue unless the renter or lessee has first purchased the fermented malt beverages
10	or wine from the caterer in a face-to-face transaction at the caterer's licensed retail
11	premises.
12	(e) A renter or lessee of an event venue covered by a permit under this section
13	may not do any of the following:
14	1. Except as provided in par. (c) 3., sell any alcohol beverages to guests or
15	attendees of an event on the event venue, including charging admission for an event
16	on the event venue at which any alcohol beverages are served.
17	2. Allow any person to possess distilled spirits on the event venue.
18	3. If there are 20 or more people on the event venue, allow the service of
19	fermented malt beverages or wine unless the service is performed by a person
20	holding an operator's license under s. 125.17.
21	(3) INTEREST RESTRICTIONS. Subject to s. 125.20 (6), a no-sale event venue
22	permit may not be issued to any person who holds, or has an interest in a permittee
23	holding, any of the following:
24	(a) A wholesaler's permit issued under s. 125.28 or 125.54.
25	(b) A brewer's permit issued under s. 125.29.

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1	(c) A brewpub permit issued under s. 125.295.
2	(d) A winery permit issued under s. 125.53.
3	(e) A manufacturer's or rectifier's permit issued under s. 125.52.
4	(f) An out-of-state shipper's permit issued under s. 125.30 or 125.58.
5	(4) EXCEPTION FOR PERMITTEE APPLYING FOR RETAIL LICENSE. Notwithstanding
6	any operating limitation in sub. (1) or (2), a permittee under this section that has
7	applied for and is actively seeking a Class "B" or "Class B" license for the event venue
8	covered by the no-sale event venue permit may, for 6 months after the date of the
9	Class "B" or "Class B" license application, continue to operate in a manner similar
10	to the manner in which it operated in the immediately preceding 12-month period
11	if all of the following apply:
12	(a) The permittee has determined that it can no longer operate under the
13	no-sale event venue permit.
14	(b) The permittee has provided notice to the division of the application for a
15	Class "B" or "Class B" license.
16	(c) The permittee has not previously held a no-sale event venue permit for
17	which the permittee provided notice under par. (b).
18	(5) QUOTA EXCEPTION FOR QUALIFYING PERSONS WHO OPT OUT OF NO-SALE EVENT
19	VENUE PERMIT. (a) In this subsection, "qualifying event venue" means real property
20	that is rented or leased for use as an event venue for private events that satisfy all
21	of the following requirements in the preceding 12-month period:
22	1. There were at least 5 events held at the venue at which no fewer than 50
23	invited guests attended.
24	2. The venue owner received at least \$20,000 in revenue from renting or leasing
25	the venue for the events under subd. 1.

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(b) Upon application, the division shall certify an owner of a qualifying event
venue as eligible for the quota exception under s. 125.51 (4) (v) 5. if all of the following
apply:

The qualifying event venue is in operation on the effective date of this
 subdivision [LRB inserts date], and has been in operation for the 12-month period
 immediately preceding the date of the application.

7 2. The qualifying event venue has not been a "Class B" licensed premises at any
8 time in the 12-month period immediately preceding the date of the application.

9 3. The owner of the qualifying event venue has not applied for a permit underthis section.

4. The owner of the qualifying event venue provides documentation to the
division that, in the absence of the exception under s. 125.51 (4) (v) 5., the
municipality in which the qualifying event venue is located would be prohibited
under s. 125.51 (4) (am) from issuing the owner a "Class B" license.

15 5. The owner of the qualifying event venue provides documentation to the
16 division showing, and the division confirms, that the requirements under subd. 1.
17 and par. (a) are satisfied.

6. The owner of the qualifying event venue provides notice to the division no
later than 60 days after the effective date of this subdivision [LRB inserts date],
that the owner is applying for a "Class B" license and is not seeking a no-sale event
venue permit.

(c) The division shall act on an application for certification under par. (b) within
30 days of receiving the application.

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1	(d) The division may not issue a certification under par. (b) after the first day
2	of the 7th month beginning after the effective date of this paragraph [LRB inserts
3	date].
4	SECTION 26ax. 125.25 (2) (b) of the statutes is repealed and recreated to read:
5	125.25 (2) (b) Subject to s. 125.20 (6), a Class "A" license may not be issued to
6	any person who holds, or has an interest in a permittee holding, any of the following:
7	1. A wholesaler's permit issued under s. 125.28 or 125.54.
8	2. A brewer's permit issued under s. 125.29.
9	3. A brewpub permit issued under s. 125.295.
10	4. A winery permit issued under s. 125.53.
11	5. A manufacturer's or rectifier's permit issued under s. 125.52.
12	6. An out-of-state shipper's permit issued under s. 125.30 or 125.58.
13	SECTION 26bb. 125.26 (2) (b) of the statutes is repealed and recreated to read:
14	125.26 (2) (b) Subject to s. 125.20 (6), a Class "B" license may not be issued to
15	any person who holds, or has an interest in a permittee holding, any of the following:
16	1. A wholesaler's permit issued under s. 125.28 or 125.54.
17	2. A brewer's permit issued under s. 125.29.
18	3. Except as provided in s. 125.295 (1) (h), (2) (a) 6. b., and (3) (b), a brewpub
19	permit issued under s. 125.295.
20	4. A winery permit issued under s. 125.53.
21	5. A manufacturer's or rectifier's permit issued under s. 125.52.
22	6. An out-of-state shipper's permit issued under s. 125.30 or 125.58.
23	SECTION 26bc. 125.26 (2m) of the statutes is amended to read:
24	125.26 (2m) Notwithstanding s. 125.04 (3) (a) 3. and (9), a Class "B" license
25	authorizes a person operating a hotel to furnish a registered guest who has attained

1 the legal drinking age with a selection of fermented malt beverages in the guest's $\mathbf{2}$ room which is not part of the Class "B" premises. Fermented malt beverages 3 furnished under this subsection shall be furnished in original packages or containers 4 and stored in a cabinet, refrigerator or other secure storage place. The cabinet, 5refrigerator or other secure storage place must be capable of being locked. The 6 cabinet, refrigerator or other secure storage place shall be locked, or the fermented 7 malt beverages shall be removed from the room, when the room is not occupied and 8 when fermented malt beverages are not being furnished under this subsection. A key 9 for the lock shall be supplied to a guest who has attained the legal drinking age upon 10 request at registration. The hotel shall prominently display a price list of the 11 fermented malt beverages in the hotel room. Fermented malt beverages may be 12 furnished at the time the guest occupies the room, but for purposes of this chapter, 13 the sale of fermented malt beverages furnished under this subsection is considered 14 to occur at the time and place that the guest pays for the fermented malt beverages. 15Notwithstanding s. 125.32 (3), the guest may pay for the fermented malt beverages 16 at any time if he or she pays in conjunction with checking out of the hotel. An 17individual who stocks or accepts payment for alcohol beverages under this 18 subsection shall be the licensee, the agent named in the license if the licensee is a 19 corporation or limited liability company, or the holder of a manager's or operator's 20 license or operator's permit, or be supervised by one of those individuals.

21

SECTION 26bd. 125.26 (2s) (b) of the statutes is amended to read:

125.26 (2s) (b) Notwithstanding s. 125.04 (3) (a) 3. and (9), a Class "B" license
authorizes a person operating a coliseum or a concessionaire to furnish the holder
of a coliseum suite who has attained the legal drinking age with a selection of
fermented malt beverages in the coliseum suite that is not part of the Class "B"

1 premises. Fermented malt beverages furnished under this paragraph shall be $\mathbf{2}$ furnished in original packages or containers and stored in a cabinet, refrigerator or 3 other secure storage place. The cabinet, refrigerator or other secure storage place 4 or the coliseum suite must be capable of being locked. The cabinet, refrigerator or 5 other secure storage place or the coliseum suite shall be locked, or the fermented malt 6 beverages shall be removed from the coliseum suite, when the coliseum suite is not 7 occupied and when fermented malt beverages are not being furnished under this 8 paragraph. Fermented malt beverages may be furnished at the time the holder 9 occupies the coliseum suite, but for purposes of this chapter, the sale of fermented 10 malt beverages furnished under this paragraph is considered to occur at the time and place that the holder pays for the fermented malt beverages. Notwithstanding s. 11 12125.32 (3), the holder of a coliseum suite may pay for the fermented malt beverages 13at any time if he or she pays in accordance with the terms of an agreement with the 14person operating the coliseum or with the concessionaire. An individual who stocks 15or accepts payment for alcohol beverages under this paragraph shall be the licensee. 16 the agent named in the license if the licensee is a corporation or limited liability 17company, or the holder of a manager's or operator's license or operator's permit, or 18 be supervised by one of those individuals.

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SECTION 26be. 125.27 (1) (a) of the statutes is amended to read:

20 125.27 (1) (a) The department division shall issue Class "B" permits to clubs 21 holding a valid certificate issued under s. 73.03 (50) that are operated solely for the 22 playing of golf or tennis and are commonly known as country clubs and to clubs that 23 are operated solely for curling, ski jumping or yachting, if the club is not open to the 24 general public and if no Class "B" licenses are issued by the governing body of the 25 municipality in which the club is located. A Class "B" permit authorizes retail sales 2023 – 2024 Legislature

of fermented malt beverages to be consumed on the premises where sold. Persons
holding a Class "B" permit may sell beverages containing less than 0.5 percent of
alcohol by volume without obtaining a license under s. 66.0433.

SECTION 26bf. 125.27 (2) (a) 1. (intro.) of the statutes is amended to read:

125.27 (2) (a) 1. (intro.) The department division may issue a Class "B" permit
to any person who holds a valid certificate issued under s. 73.03 (50) and who is
qualified under s. 125.04 (5) authorizing the sale of fermented malt beverages for
consumption on any vessel having a regular place of mooring located in any waters
of this state as defined under s. 29.001 (45) and (63) if any of the following applies:

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SECTION 26bg. 125.27 (2) (a) 2. of the statutes is amended to read:

11 125.27 (2) (a) 2. The department division may issue the permit only if the vessel 12 leaves its place of mooring while the sale of fermented malt beverages is taking place 13 and if the vessel fulfills the requirement under par. (am). A permit issued under this 14 paragraph also authorizes the permittee to store fermented malt beverages 15purchased for sale on the vessel on premises owned or leased by the permittee and 16 located near the vessel's regular place of mooring. The permittee shall describe on 17the permit application under s. 125.04 (3) (a) 3. the premises where the fermented 18 malt beverages will be stored. The premises shall be open to inspection by the department division upon request. 19

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SECTION 26bh. 125.27 (3) (b) of the statutes is amended to read:

125.27 (3) (b) Upon application, the department division shall issue a Class "B"
permit to a tribe that holds a valid certificate issued under s. 73.03 (50) and that is
qualified under s. 125.04 (5) and (6). The permit authorizes the retail sale of
fermented malt beverages for consumption on or off the premises where sold.

SECTION 26bi. 125.27 (5) (b) and (f) of the statutes are amended to read:

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1	125.27 (5) (b) The department division may issue Class "B" permits for
2	locations within racetrack grounds to any person that holds a valid certificate issued
3	under s. 73.03 (50), that is qualified under s. 125.04 (5) and (6), and that is the owner
4	or operator of the racetrack grounds or is designated by the owner or operator of the
5	racetrack grounds to operate premises located within the racetrack grounds. Subject
6	to par. (e), the permit authorizes the retail sale of fermented malt beverages on the
7	premises covered by the permit, for consumption anywhere within the racetrack
8	grounds. If the department division issues more than one permit under this
9	subsection for the same racetrack grounds, no part of the premises covered by a
10	permit under this subsection may overlap with premises covered by any other permit
11	issued under this subsection.
12	(f) The department division shall establish a fee for a permit issued under this
13	subsection in the amount of 50 percent of the fee for a permit issued under sub. (1).
14	SECTION 26bj. 125.27 (7) of the statutes is created to read:
15	125.27 (7) INTEREST RESTRICTIONS. Subject to s. 125.20 (6), a Class "B" permit
16	may not be issued to any person who holds, or has an interest in a permittee holding,
17	any of the following:
18	(a) A wholesaler's permit issued under s. 125.28 or 125.54.
19	(b) A brewer's permit issued under s. 125.29.
20	(c) A brewpub permit issued under s. 125.295.
21	(d) A winery permit issued under s. 125.53.
22	(e) A manufacturer's or rectifier's permit issued under s. 125.52.
23	(f) An out-of-state shipper's permit issued under s. 125.30 or 125.58.
24	SECTION 26bk. 125.275 (1) of the statutes is amended to read:

1	125.275 (1) The department <u>division</u> may issue an industrial fermented malt
2	beverages permit which authorizes the permittee to purchase and use fermented
3	malt beverages for industrial purposes only. Such permits may be issued only to
4	persons who prove to the department <u>division</u> that they use alcohol for industrial
5	purposes and who holds a valid certificate issued under s. 73.03 (50).
6	SECTION 26bm. 125.275 (2) (b) of the statutes is amended to read:
7	125.275 (2) (b) An industrial fermented malt beverages permit may not be
8	issued to a person holding a wholesaler's permit issued under s. 125.28 or to a person
9	who has - a direct or indirect ownership <u>an</u> interest in a premises operating under a
10	wholesaler's permit issued <u>permittee</u> under s. 125.28.
11	SECTION 26bn. 125.275 (3) of the statutes is amended to read:
12	125.275 (3) Shipments of industrial fermented malt beverages shall be
13	conspicuously labeled "for industrial purposes" and shall meet other requirements
14	which the department division prescribes by rule.
15	SECTION 26bo. 125.28 (1) (a) of the statutes is amended to read:
16	125.28 (1) (a) Subject to par. (b), the department division may issue permits to
17	wholesalers for the sale of fermented malt beverages from premises within this state,
18	which premises shall comply with the requirements under s. 125.34 (2). Subject to
19	s. 125.34, and except as provided in pars. (e) and (f), a wholesaler's permit authorizes
20	sales of fermented malt beverages only in original packages or containers to retailers
21	or wholesalers.
22	SECTION 26bp. 125.28 (1) (b) of the statutes is amended to read:
23	125.28 (1) (b) If a wholesaler does not maintain any warehouse in this state but
24	is licensed and maintains a warehouse in an adjoining state that allows wholesalers
25	holding a wholesaler's permit in this state to deliver fermented malt beverages to

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1	retailers in the adjoining state without warehousing in that state and that further
2	requires that all fermented malt beverages be first unloaded and physically at rest
3	at, and distributed from, the warehouse of the licensed wholesaler in that state, the
4	wholesaler's permit shall be issued by the department <u>division</u> . Notwithstanding s.
5	125.04 (5) (a) 2. and (c) and (6), the department division may issue the wholesaler's
6	permit to a wholesaler described in this paragraph who is a natural person and not
7	a resident of this state or that is a corporation or limited liability company and has
8	not appointed an agent in this state.
9	SECTION 26bq. 125.28 (2) (b) (intro.) of the statutes is amended to read:
10	125.28 (2) (b) (intro.) <u>A Subject to s. 125.20 (6), a</u> wholesaler's permit may not
11	be issued to any of the following:
12	SECTION 26br. 125.28 (2) (b) 1. a. of the statutes is amended to read:
13	125.28 (2) (b) 1. a. A Class "A" license issued under s. 125.25 <u>or "Class A" license</u>
14	<u>issued under s. 125.51 (2)</u> .
15	SECTION 26bs. 125.28 (2) (b) 1. b. of the statutes is amended to read:
16	125.28 (2) (b) 1. b. A Class "B" license issued under s. 125.26 <u>, "Class B" license</u>
17	issued under s. 125.51 (3), or "Class C" license issued under s. 125.51 (3m).
18	SECTION 26bt. 125.28 (2) (b) 1. c. of the statutes is amended to read:
19	125.28 (2) (b) 1. c. A Class "B" permit issued under s. 125.27 <u>or "Class B" permit</u>
20	<u>issued under s. 125.51 (5)</u> .
21	SECTION 26bu. 125.28 (2) (b) 1. g., h. and i. of the statutes are created to read:
22	125.28 (2) (b) 1. g. A winery permit issued under s. 125.53.
23	h. A manufacturer's or rectifier's permit issued under s. 125.52.
24	i. An out-of-state shipper's permit issued under s. 125.30 or 125.58.
25	SECTION 26bv. 125.28 (2) (b) 1. j. of the statutes is created to read:

1	125.28 (2) (b) 1. j. A no-sale event venue permit issued under s. 125.24.
2	SECTION 26bw. 125.28 (2) (b) 2. of the statutes is amended to read:
3	125.28 (2) (b) 2. Except as provided in s. 125.33 (2m) Subject to s. 125.20 (6),
4	a person who has - a direct or indirect ownership <u>an</u> interest in a premises operating
5	under <u>person holding</u> one or more of the licenses or permits listed in subd. 1. a. to f.
6	SECTION 26bx. 125.28 (2) (e) of the statutes is repealed.
7	SECTION 26by. 125.28 (4) of the statutes is amended to read:
8	125.28 (4) The amount of the permit fee shall be established by the department
9	division and shall be an amount that is sufficient to fund one special agent position
10	dedicated to alcohol and tobacco enforcement at <u>in</u> the department <u>division</u> , but the
11	permit fee may not exceed \$2,500 per year or fractional part thereof. All permit fees
12	received under this subsection shall be credited to the appropriation account under
13	s. 20.566 (1) (hd).
14	SECTION 26cc. 125.28 (5) (b) of the statutes is amended to read:
15	125.28 (5) (b) A wholesaler under this section shall annually sell and deliver
16	fermented malt beverages to at least 25 retail licensees or other wholesalers that do
17	not have any direct or indirect <u>an</u> interest in each other or in the wholesaler. The
18	department division may not issue a permit under this section unless the applicant
19	represents to the department <u>division</u> an intention to satisfy this requirement, and
20	may not renew a permit issued under this section unless the wholesaler
21	demonstrates that this requirement has been satisfied.
22	SECTION 26cd. 125.28 (5) (d) 3. of the statutes is amended to read:
23	125.28 (5) (d) 3. This paragraph shall not affect the authority of any

125.28 (5) (d) 3. This paragraph shall not affect the authority of any
 municipality or the department division to revoke, suspend, or refuse to renew or
 issue a license or permit under s. 125.12.

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1	SECTION 26ce. 125.28 (5) (e) of the statutes is amended to read:
2	125.28 (5) (e) The department division shall promulgate rules to administer
3	and enforce the requirements under this subsection. The rules shall ensure
4	coordination between the department's <u>division's</u> issuance and renewal of permits
5	under this section and its enforcement of the requirements of this subsection, and
6	shall require that all applications for issuance or renewal of permits under this
7	section be processed by department division personnel generally familiar with
8	activities of fermented malt beverages wholesalers. The department <u>division</u> shall
9	establish by rule minimum requirements for warehouse facilities on premises
10	described in permits issued under this section and for periodic site inspections by the
11	department division of such warehouse facilities.
12	SECTION 26cf. 125.29 (1) of the statutes is amended to read:
13	125.29 (1) PERMIT. No person may operate as a brewer unless that person
14	obtains a permit from the department division. A permit under this section may only
15	be issued to a person who holds a valid certificate issued under s. 73.03 (50).
16	SECTION 26cg. 125.29 (2) (a) of the statutes is repealed and recreated to read:
17	125.29 (2) (a) Subject to s. 125.20 (6), a brewer's permit may not be issued to
18	any person who holds, or has an interest in a licensee or permittee holding, any of
19	the following:
20	1. A Class "A" license issued under s. 125.25 or "Class A" license issued under
21	s. 125.51 (2).
22	2. A Class "B" license issued under s. 125.26, "Class B" license issued under s.
23	125.51 (3), or "Class C" license issued under s. 125.51 (3m).
24	3. A Class "B" permit issued under s. 125.27 or "Class B" permit issued under
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1 4. Except as provided in par. (c), a wholesaler's permit issued under s. 125.28 or 125.54. 2 3 5. A brewpub permit issued under s. 125.295. 4 **SECTION 26ch.** 125.29 (2) (a) 6. of the statutes is created to read: 5125.29 (2) (a) 6. A no-sale event venue permit under s. 125.24. 6 **SECTION 26ci.** 125.29 (2) (b) 1. and 2. of the statutes are repealed. 7 **SECTION 26ci.** 125.29 (2) (b) 3. of the statutes is renumbered 125.29 (2) (c). 8 **SECTION 26ck.** 125.29 (3) (intro.) of the statutes is amended to read: 9 125.29 (3) AUTHORIZED ACTIVITIES. (intro.) The department division shall issue 10 brewer's permits to eligible applicants authorizing all of the following: 11 **SECTION 26cm.** 125.29 (3) (c) of the statutes is amended to read: 12125.29 (3) (c) The transportation of fermented malt beverages between the brewery premises and any depot or, warehouse, or full-service retail outlet 1314 maintained by the brewer, off-site retail outlet established by the brewer, or other 15premises for which the brewer holds a permit under this chapter. 16 **SECTION 26cn.** 125.29 (3) (dm) of the statutes is created to read: 17125.29 (3) (dm) The sale, shipment, transportation, and delivery of fermented malt beverages, in bulk or in any state of packaging, that have been manufactured 18 19 by the brewer to another brewer holding a permit under this section, and the receipt 20 of the fermented malt beverages by the other brewer. 21**SECTION 26co.** 125.29 (3) (e) of the statutes is amended to read:

125.29 (3) (e) Notwithstanding ss. 125.04 (9) and 125.09 (1), and subject to sub.
(7) (h), the retail sale of fermented malt beverages that have been manufactured on

24 the brewery premises or on other premises of the brewer for on-premise consumption

by individuals at the brewery premises or an off-site retail outlet established by the
 brewer.

3	SECTION 26cp. 125.29 (3) (f) of the statutes is amended to read:
4	125.29 (3) (f) Notwithstanding ss. 125.04 (9) and 125.09 (1), and subject to sub.
5	(7) (h), the retail sale to individuals of fermented malt beverages, in original
6	unopened packages or containers, that have been manufactured on the brewery
7	premises or on other premises of the brewer for off-premise consumption by
8	individuals, if the sale occurs at the brewery premises or at an off-site retail outlet
9	established by the brewer.
10	SECTION 26cq. 125.29 (3) (g) of the statutes is repealed.
11	SECTION 26cr. 125.29 (3) (h) of the statutes is renumbered 125.29 (3) (h) (intro.)
12	and amended to read:
13	125.29 (3) (h) (intro.) Notwithstanding ss. 125.04 (9) and 125.09 (1), the retail
14	sale of intoxicating liquor, for on-premise <u>on-premises</u> consumption by individuals
15	at the brewery premises or an off-site retail outlet established by the brewer, if <u>all</u>
16	of the following apply:
17	<u>1. The</u> brewer held, on June 1, 2011, a license or permit authorizing the retail
18	sale of intoxicating liquor and if <u>at</u> the <u>location.</u>
19	2. The intoxicating liquor has been purchased by the brewer from a wholesaler
20	holding a permit under s. 125.54.
21	SECTION 26cs. 125.29 (3) (h) 3. of the statutes is created to read:
22	125.29 (3) (h) 3. The brewer is not eligible to make full-service retail sales
23	under sub. (7) at the location.
24	SECTION 26ct. 125.29 (3) (i) of the statutes is amended to read:

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1	125.29 (3) (i) The provision of free taste samples on the brewery premises, at
2	an off-site retail outlet established by the brewer, <u>or at the brewer's full-service</u>
3	retail outlet if the taste samples are of alcohol beverages the brewer is authorized to
4	<u>sell under sub. (3) (e) and (f) or (7) (c)</u> or as authorized under s. 125.33 (12).
5	SECTION 26cu. 125.29 (6) of the statutes is amended to read:
6	125.29 (6) RESTAURANTS. A brewer may operate a restaurant on the brewery
7	premises and, at an off-site retail outlet established by the brewer . A brewer may
8	not operate a restaurant at any other location except that a brewer may possess or
9	hold an indirect interest in a Class "B" license for not more than 20 restaurants in
10	each of which the sale of alcohol beverages accounts for less than 60 percent of the
11	restaurant's gross receipts if no fermented malt beverages manufactured by the
12	brewer are offered for sale in any of these restaurants, and at any full-service retail
13	outlet under sub. (7). Unless engaged in retail sales under sub. (7), a brewer
14	operating a restaurant may only sell alcohol beverages that have been manufactured
15	<u>under the brewer's own brewer's permit</u> .
16	SECTION 26cv. 125.29 (7) and (8) of the statutes are created to read:
17	125.29 (7) RETAIL SALES; FULL-SERVICE RETAIL OUTLETS. (a) 1. Notwithstanding
18	ss. 125.04 (9) and 125.09 (1) , a brewer may make retail sales, on the brewery
19	premises, of fermented malt beverages that have been manufactured by the brewer
20	on the brewery premises or on other premises of the brewer, for on-premises or
21	off-premises consumption.
22	2. Notwithstanding ss. 125.04 (9) and 125.09 (1), if a brewer manufactured, on

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22 2. Notwithstanding ss. 125.04 (9) and 125.09 (1), if a brewer manufactured, on 23 all brewery premises operated by the brewer in this state, a cumulative total of at 24 least 250 barrels of fermented malt beverages in any one of the 3 preceding calendar 25 years, the brewer may engage in full-service retail sales on the brewery premises.

1	(b) Notwithstanding ss. 125.04 (9) and 125.09 (1), and subject to pars. (d) and
2	(g), if a brewer manufactured, on all brewery premises operated by the brewer in this
3	state, a cumulative total of at least 250 barrels of fermented malt beverages in any
4	one of the 3 preceding calendar years, the brewer may engage in full-service retail
5	sales at off-site locations identified in the brewer's permit. Subject to pars. (f) and
6	(g), the number of retail sales locations a brewer is allowed in addition to the brewery
7	premises is determined by the cumulative volume of fermented malt beverages the
8	brewer manufactured on all brewery premises operated by the brewer in this state
9	in any one of the 3 preceding calendar years, as follows:
10	1. If the brewer's cumulative volume in a year was at least 250 barrels of
11	fermented malt beverages but less than 2,500 barrels of fermented malt beverages,
12	the brewer may establish one full-service retail outlet.
13	2. If the brewer's cumulative volume in a year was at least 2,500 barrels of
14	fermented malt beverages but less than 7,500 barrels of fermented malt beverages,
15	the brewer may establish not more than 2 full-service retail outlets.
16	3. If the brewer's cumulative volume in a year was at least 7,500 barrels of
17	fermented malt beverages, the brewer may establish not more than 3 full-service
18	retail outlets.
19	(c) 1. Except as provided in subd. 2. and par. (f), a brewer may make full-service
20	retail sales of alcohol beverages on the brewery premises and at any of its full-service
21	retail outlets only if the alcohol beverages were purchased by the brewer from a
22	wholesaler holding a permit under s. 125.28 or 125.54, from a brewer authorized to
23	make sales to retailers under sub. (3m), from a brewpub authorized to make sales
24	to retailers under s. 125.295 (1) (g), or from a permittee under s. 125.30 authorized
25	to make sales to retailers under s. 125.30 (4).

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- A brewer is not required to purchase from another permittee fermented malt
 beverages manufactured by the brewer that the brewer sells at retail on the brewery
 premises or at a full-service retail outlet of the brewer.
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3. Subject to subd. 2. and par. (f), a brewer engaged in full-service retail sales
on brewery premises or at a full-service retail outlet of the brewer is subject to ss.
125.33 (9) and 125.69 (6) to the same extent as if the brewer were a retail licensee.

7 (d) 1. A brewer may not commence sales of alcohol beverages at a full-service
8 retail outlet unless, prior to commencing such sales, the brewer receives approval
9 from the municipality in which the full-service retail outlet is located and from the
10 division as provided in par. (g).

11 2. Subject to par. (f), a municipality may limit the scope of alcohol beverages 12 offered for sale at a full-service retail outlet only with respect to alcohol beverages 13 that are not of the same type as those produced by the person holding the brewer's 14 permit. A municipality may not limit the sale, at a full-service retail outlet, of alcohol beverages produced by the person holding the brewer's permit. 15Α 16 municipality may not limit the scope of alcohol beverages offered for sale under sub. 17(3) (h). If a municipality limits the scope of alcohol beverages offered for sale, the 18 provision of taste samples is limited to those alcohol beverages authorized to be sold.

Except as provided in subd. 2., a municipality's approval under subd. 1. shall
 be based on the same standards and criteria that the municipality has established
 by ordinance for the evaluation and approval of retail license applications. A
 municipality may not impose any requirement or restriction in connection with the
 approval under subd. 1. that the municipality does not impose on retail licensees.

(e) If a brewer operates a restaurant as provided in sub. (6) and is authorized
under this subsection to make retail sales of wine at the restaurant, the brewer may

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make retail sales of wine in an opened original bottle, in a quantity not to exceed one 1 $\mathbf{2}$ bottle, for consumption both at the restaurant and away from the restaurant if all 3 of the following apply:

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1. The purchaser of the wine orders food to be consumed at the restaurant.

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2. The brewer provides a dated receipt that identifies the purchase of the food and the bottle of wine.

7 3. Prior to the opened, partially consumed bottle of wine being taken away from the restaurant, the brewer securely reinserts the cork into the bottle to the point 8 9 where the top of the cork is even with the top of the bottle, or securely reattaches the 10 original cap to the bottle, and the cork is reinserted or the cap is reattached at a time 11 other than during the hours in which the brewer is prohibited under sub. (8) (b) from 12making retail sales for off-premises consumption.

13(f) 1. If a brewer may establish one or more full-service retail outlets under 14 pars. (b) and (g) and the brewer also holds a manufacturer's or rectifier's permit or 15winery permit or both and, as such, may establish full-service retail outlets under 16 s. 125.52 (4) (b) and (g) or 125.53 (3) (b) and (g), the aggregate number of full-service 17retail outlets that may be established is the maximum number authorized under par. 18 (b), under s. 125.52 (4) (b), or under s. 125.53 (3) (b), whichever is greatest, but not 19 exceeding 3 full-service retail outlets. Under these circumstances, each authorized 20full-service retail outlet shall serve as the full-service retail outlet associated with 21each applicable permit, regardless of whether the permittee would otherwise be 22entitled to fewer full-service retail outlets when calculated under par. (b) or s. 125.52 23(4) (b) or 125.53 (3) (b).

 $\mathbf{24}$ 2. If a brewer may engage in full-service retail sales on the brewery premises 25as provided in par. (a) 2. and the brewer also holds a manufacturer's or rectifier's permit or winery permit or both, the brewer may make retail sales on the brewery
 premises of intoxicating liquor produced under its manufacturer's or rectifier's
 permit or winery permit without first purchasing the intoxicating liquor from a
 wholesaler holding a permit under s. 125.54.

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3. If a person holds more than one brewer's permit under this section, the retail sales authority under this subsection for brewery premises applies with respect to each brewer's permit, but the limit on full-service retail outlets is an aggregate maximum, regardless of the number of brewer's permits held.

- 9 (g) 1. An application for a brewer's permit, including an application for an 10 amendment to the brewer's permit, shall specify each full-service retail outlet of the 11 brewer and particularly describe the premises of the full-service retail outlet.
- 2. The division shall establish a process for approval of a brewer's full-service retail outlet and for revocation of this approval. The division shall approve a brewer's full-service retail outlet, and may not revoke this approval, unless the brewer has violated a provision of this chapter related to full-service retail outlets. The division's failure to approve, or revocation of approval of, a full-service retail outlet described in a brewer's application or permit does not affect any other full-service retail outlet or the brewery premises as described in the application or permit.
- If the division approves a full-service retail outlet, the brewer's permit, as
 initially issued or as amended, shall particularly describe the premises constituting
 the full-service retail outlet, which shall be considered part of the premises under
 the brewer's permit.
- 4. If the division approves a full-service retail outlet, the agent appointed
 under s. 125.04 (6) for the brewer's permit shall also serve as the agent for the
 full-service retail outlet.

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1	5. Section 125.04 (12) (a) does not apply to a brewer's full-service retail outlet.
2	Upon notice to the division, a brewer may relocate any full-service retail outlet to a
3	new location within this state once per calendar year, except that one full-service
4	retail outlet of a brewer may be relocated without limitation on frequency in each
5	calendar year.
6	(h) A brewer that is eligible to establish a full-service retail outlet under this
7	subsection is not authorized to make retail sales of fermented malt beverages at an
8	off-site retail outlet under sub. (3) (e) and (f).
9	(8) CLOSING HOURS. (a) On brewery premises, no person may sell alcohol
10	beverages at retail for on-premises consumption, provide taste samples of alcohol
11	beverages, or consume alcohol beverages during the closing hours applicable to a
12	Class "B" licensee under s. 125.32 (3) (a). A full-service retail outlet under sub. (7)
13	shall be subject to the same closing hours applicable to a Class "B" licensee under s.
14	125.32 (3) (a).
15	(b) On brewery premises and at a full-service retail outlet, no person may sell
16	alcohol beverages at retail for off-premises consumption during the hours in which
17	a Class "B" licensee in the municipality where the brewery or retail outlet is located
18	may not make retail sales under s. 125.32 (3) (am) and (d).
19	(c) No member of the public or invited guests may be present on brewery
20	premises during the closing hours applicable to a Class "B" licensee under s. 125.32
21	(3) (a).
22	(d) Activities authorized under a brewer's permit related to the production,
23	shipment, transportation, or delivery of alcohol beverages may occur at any time.
24	SECTION 26cw. 125.295 (1) (intro.) of the statutes is amended to read:

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1	125.295 (1) (intro.) The department division shall issue brewpub permits to
2	eligible applicants authorizing all of the following:
3	SECTION 26cx. 125.295 (1) (a) of the statutes is amended to read:
4	125.295 (1) (a) The manufacture of fermented malt beverages on the brewpub
5	premises if, except as provided in s. 125.21 (2) and (3), the entire manufacturing
6	process occurs on these premises and not more than 10,000 20,000 barrels of
7	fermented malt beverages are manufactured in a calendar year by the permittee's
8	brewpub group.
9	SECTION 26cy. 125.295 (1) (fm) of the statutes is created to read:
10	125.295 (1) (fm) The sale, shipment, transportation, and delivery of fermented
11	malt beverages, in bulk or in any state of packaging, that have been manufactured
12	by the brewpub to another brewpub holding a permit under this section, and the
13	receipt of the fermented malt beverages by the other brewpub.
14	SECTION 26cz. 125.295 (1) (g) of the statutes is amended to read:
15	125.295 (1) (g) The sale at wholesale, shipment, transportation, and delivery,
16	in original unopened packages or containers, to retailers, from the brewpub
17	premises, of fermented malt beverages that have been manufactured on these
18	premises or on other brewpub premises of the brewpub. A brewpub's brewpub group
19	may not sell, ship, transport, or deliver more than a total of <u>1,000</u> <u>2,000</u> barrels of
20	fermented malt beverages in any calendar year to retailers under this paragraph.
21	Fermented malt beverages provided by a brewpub to any retail premises for which
22	the brewpub group holds a retail license shall not be included in any calculation of
23	the $1,000 2,000$ barrel limitation under this paragraph. Deliveries and shipments
24	of fermented malt beverages by a brewpub under this paragraph shall be made to
25	retailers only at their retail premises. Any retailer receiving such a delivery or

shipment is subject to the prohibition under s. 125.34 (5) against further
 transporting the delivery or shipment to any other retail premises.

3 **SECTION 26db.** 125.295 (2) (a) 1. of the statutes is amended to read: 4 125.295 (2) (a) 1. The applicant's brewpub group manufactures a total of not 5 more than 10,000 20,000 barrels of fermented malt beverages in a calendar year. 6 **SECTION 26dc.** 125.295 (2) (a) 2. of the statutes is amended to read: 7 125.295 (2) (a) 2. The Except as provided in s. 125.21 (2) and (3), the applicant's 8 entire process for manufacturing fermented malt beverages occurs on premises 9 covered by a permit issued under this section. If the applicant holds more than one 10 permit issued under this section, the applicant is not required to manufacture 11 fermented malt beverages on each premises for which a permit is issued under this section. 12

13 SECTION 26dd. 125.295 (2) (a) 4. of the statutes is amended to read:

14 125.295 (2) (a) 4. The applicant holds a Class "B" license for the restaurant 15 identified in subd. 3. and, on these Class "B" premises, offers for sale, in addition to 16 fermented malt beverages manufactured by the applicant, fermented malt 17 beverages manufactured by a brewer <u>or brewpub</u> other than the applicant and its 18 brewpub group.

SECTION 26de. 125.295 (2) (a) 6. (intro.) of the statutes is amended to read:
125.295 (2) (a) 6. (intro.) Neither Subject to s. 125.20 (6), neither the applicant
nor the applicant's brewpub group holds, or has <u>a direct or indirect ownership an</u>
interest in a premises operating under licensee or permittee holding, any of the
following:

24

SECTION 26df. 125.295 (2) (a) 6. a. of the statutes is amended to read:

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1	125.295 (2) (a) 6. a. A Class "A" license issued under s. 125.25 or "Class A"
2	<u>license issued under s. 125.51 (2)</u> .
3	SECTION 26dg. 125.295 (2) (a) 6. b. of the statutes is amended to read:
4	125.295 (2) (a) 6. b. Except as provided in subd. 4. and subs. (1) (h) and (3) (b)
5	and (c), a Class "B" license issued under s. 125.26 <u>, Class "B" permit issued under s.</u>
6	125.27, "Class B" license issued under s. 125.51 (3), "Class B" permit issued under
7	<u>s. 125.51 (5), or "Class C" license issued under s. 125.51 (3m)</u> .
8	SECTION 26dh. 125.295 (2) (a) 6. c. of the statutes is amended to read:
9	125.295 (2) (a) 6. c. A wholesaler's permit issued under s. 125.28 <u>or 125.54</u> .
10	SECTION 26di. 125.295 (2) (a) 6. g. of the statutes is created to read:
11	125.295 (2) (a) 6. g. A no-sale event venue permit issued under s. 125.24.
12	SECTION 26dj. 125.295 (2) (b) of the statutes is amended to read:
13	125.295 (2) (b) If an applicant under par. (a) has no current operations, the
14	applicant may certify that the applicant has applied for or will apply for a Class "B"
15	license or license under s. 97.30 for a restaurant or will comply with any other
16	requirement under par. (a), prior to or upon commencing operations authorized
17	under this section. If a Class "B" license or license under s. 97.30 for a restaurant
18	is not subsequently issued to the applicant, or if the applicant otherwise fails to
19	comply with any requirement for eligibility under par. (a), the department division
20	may revoke under s. 125.12 (5) the permit issued under this section.
21	SECTION 26dk. 125.295 (2) (c) of the statutes is amended to read:
22	125.295 (2) (c) If an applicant under par. (a) holds any license or permit
23	prohibited under par. (a) 6. at the time of its application, the applicant may certify

that the applicant will surrender any such license or permit upon issuance of a
permit under this section. If the department division issues a permit under this

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1	section and the applicant fails to surrender any license or permit prohibited under
2	par. (a) 6., the department division may revoke under s. 125.12 (5) the permit issued
3	under this section. An applicant is not required to surrender any Class "B" license
4	issued under s. $125.31(1)(a) 2., 2009$ stats., or under s. $125.31(1)(a) 3., 2005$ stats.,
5	if the applicant's continued possession of the license is consistent with subs. (1) (h),
6	(2) (a) 4., and (3) (b) and (c).
7	SECTION 26dm. 125.295 (4) of the statutes is amended to read:
8	125.295 (4) The fee established by the department division for a brewpub
9	permit shall not exceed the fee established by the department <u>division</u> for a permit
10	under s. 125.29.
11	SECTION 26dn. 125.295 (5) of the statutes is amended to read:
12	125.295 (5) The department division shall promulgate rules and prescribe
13	forms to ensure strict compliance with the requirements under this section.
14	SECTION 26do. 125.30 (1) of the statutes is amended to read:
15	125.30 (1) The department division shall issue out-of-state shippers' permits
16	which, except as provided in sub. (4), authorize the permittee to ship fermented malt
17	beverages only to holders of a wholesaler's permit issued under s. 125.28. Except
18	with respect to any shipment from a warehouse in an adjoining state by a wholesaler
19	issued a wholesale permit under s. 125.28 (1) (b), no person may receive fermented
20	malt beverages in this state which have been directly shipped from outside this state
21	by any person other than the holder of a permit issued under this section. Subject
22	to s. 125.34 (2), all shipments of fermented malt beverages to a wholesaler of
23	fermented malt beverages in this state, whether shipped to the wholesaler from
24	inside this state or from outside this state, shall be unloaded in, physically at rest in,
25	and only then distributed from the wholesaler's warehouse in this state.

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1	SECTION 26dp. 125.30 (2) of the statutes is amended to read:
2	125.30 (2) The application for an out-of-state shipper's permit and the permit
3	shall be on forms prescribed by the department division which shall contain
4	provisions determined by the department <u>division</u> as necessary to effectuate the
5	purposes of ss. 139.01 to 139.25 and shall include a provision that the permittee
6	agrees <u>to do all of the following</u> :
7	(a) To comply Comply with s. 139.05 relating to filing a bond, filing returns,
8	paying taxes, and record keeping;.
9	(b) To permit Permit inspections and examinations of the permittee's premises
10	and records by the department division and its duly authorized employees, as
11	authorized under s. 139.08 (4); and <u>125.025 (3).</u>
12	(c) To pay Pay the expenses reasonably attributable to such the inspections and
13	examinations <u>under par. (b)</u> made within the United States.
14	SECTION 26dq. 125.30 (2) (d) of the statutes is created to read:
15	125.30 (2) (d) Accept service of process and consent to jurisdiction in any
16	proceeding in this state to enforce the provisions of this chapter or ch. 139.
17	SECTION 26dr. 125.30 (3) of the statutes is renumbered 125.30 (3) (a) and
18	amended to read:
19	125.30 (3) (a) Out-of-state shippers' permits may be issued only to a person
20	who holds a valid certificate issued under s. 73.03 (50), who is qualified under s.
21	$125.04\ (5),$ who does not maintain an office or street address in this state, and who
22	is the primary source of supply for the brand of fermented malt beverages. An
23	out-of-state shipper's permit may not be issued to a person determined by the
24	department division to be primarily engaged in wholesale or retail sales in another

state. Notwithstanding s. 125.04 (5) (a), natural persons obtaining out-of-state

shippers' permits are not required to be residents of this state. Notwithstanding s.
125.04 (5) (a) 5., a person is not required to complete a responsible beverage server
training course to be qualified for a permit under this section. Notwithstanding s.
125.04 (6), corporations or limited liability companies obtaining out-of-state
shippers' permits are not required to appoint agents <u>vested with authority over the</u>
premises as described in s. 125.04 (6) (a).

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SECTION 26ds. 125.30 (3) (b) of the statutes is created to read:

8 125.30 (3) (b) 1. A permittee under this section shall appoint and continually 9 engage the services of an agent in this state to act as agent for the service of process 10 on whom all processes, and any action or proceeding against the permittee 11 concerning or arising out of the enforcement of any provision of this chapter or ch. 12 139, may be served in any manner authorized by law. That service shall constitute 13legal and valid service of process on the permittee. The permittee shall provide to 14the division, in the form and manner prescribed by the division, the name, address, 15phone number, and proof of the appointment and availability of the agent.

2. The permittee shall provide notice to the division 30 calendar days before termination of the authority of an agent under subd. 1. and shall provide proof to the satisfaction of the division of the appointment of a new agent no less than 5 calendar days before the termination of an existing agent appointment. In the event an agent terminates an agency appointment, the permittee shall notify the division of that termination within 5 calendar days and shall include proof to the satisfaction of the division of the appointment of a new agent.

3. If a permittee fails to maintain an agent in this state after a permit is issued
under this section, the permittee is considered to have appointed the department of
financial institutions as the permittee's agent, and the permittee may be proceeded

1	against in courts of this state by service of process upon the department of financial
2	institutions.
3	SECTION 26dt. 125.30 (3) (c) of the statutes is created to read:
4	125.30 (3) (c) Subject to s. 125.20 (6), an out-of-state shipper's permit may not
5	be issued to any person who has an interest in a licensee or permittee holding any
6	of the following:
7	1. A Class "A" license issued under s. 125.25 or "Class A" license issued under
8	s. 125.51 (2).
9	2. A Class "B" license issued under s. 125.26, "Class B" license issued under s.
10	125.51 (3), or "Class C" license issued under s. 125.51 (3m).
11	3. A Class "B" permit issued under s. 125.27 or "Class B" permit issued under
12	s. 125.51 (5).
13	4. A wholesaler's permit issued under s. 125.28 or 125.54.
14	SECTION 26du. 125.30 (3) (c) 5. of the statutes is created to read:
15	125.30 (3) (c) 5. A no-sale event venue permit issued under s. 125.24.
16	SECTION 26dv. 125.30 (4) of the statutes is amended to read:
17	125.30 (4) An out-of-state brewer that manufactures 300,000 barrels or less
18	of fermented malt beverages in a calendar year from all locations and that holds an
19	out-of-state shipper's permit may sell and ship fermented malt beverages directly
20	to retail licensees if the out-of-state brewer registers with the department division,
21	files whatever periodic reports with the department division as the department
22	division may require, and complies with the requirements in ss. 125.33 and 125.34,
23	as applicable, to the same extent as if the out-of-state brewer were a wholesaler
24	holding a permit under s. 125.28.
25	SECTION 26dw. 125.30 (5) of the statutes is amended to read:

25

1 125.30 (5) The department division may revoke or suspend an out-of-state $\mathbf{2}$ shipper's permit for such time as the department division determines, if the 3 permittee violates any provision of the application or ss. 139.01 to 139.25. 4 **SECTION 26dx.** 125.32 (2) of the statutes is amended to read: 5 125.32 (2) Operators licenses; Class "A," OR Class "B," and other premises. 6 Except as provided under sub. (3) (b) and ss. 125.07 (3) (a) 10. and 125.26 (6), no premises operated under a Class "A" or Class "B" license or permit may be open for 7 8 business, and no person who holds a brewer's permit, manufacturer's or rectifier's 9 permit, or winery permit may allow the sale or provision of taste samples of 10 fermented malt beverages on the brewery premises, manufacturing or rectifying premises, winery premises, or any retail outlet operated by the brewer, 11 12 manufacturer, rectifier, or winery under s. 125.29 (7), 125.52 (4), or 125.53 (3), unless 13there is upon the premises the licensee or permittee, the agent named in the license 14or permit if the licensee or permittee is a corporation or limited liability company, or 15some person who has an operator's license and who is responsible for the acts of all 16 persons serving any fermented malt beverages to customers. An operator's license 17issued in respect to a vessel under s. 125.27 (2) is valid outside the municipality that 18 issues it. For the purpose of this subsection, any person holding a manager's license 19 under s. 125.18 or any member of the licensee's or permittee's immediate family who 20has attained the age of 18 shall be considered the holder of an operator's license. No 21person, including a member of the licensee's or permittee's immediate family, other 22than the licensee, permittee, or agent may serve fermented malt beverages in any 23place operated under a Class "A" or Class "B" license or permit or on brewery $\mathbf{24}$ premises, manufacturing or rectifying premises, winery premises, or any retail 25outlet operated by a brewer, manufacturer, rectifier, or winery under s. 125.29 (7),
1 <u>125.52 (4), or 125.53 (3)</u> unless he or she has an operator's license, is considered to
2 <u>have an operator's license under this subsection</u>, or is at least 18 years of age and is
3 under the immediate supervision of the licensee, permittee, agent, or a person
4 holding an operator's license, who is on the premises at the time of the service.

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SECTION 26dy. 125.32 (2) of the statutes, as affected by 2023 Wisconsin Act (this act), is amended to read:

7 125.32 (2) Operators licenses <u>and permits</u>; Class "A," Class "B," and other 8 PREMISES. Except as provided under sub. (3) (b) and ss. 125.07 (3) (a) 10. and 125.26 9 (6), no premises operated under a Class "A" or Class "B" license or permit may be open 10 for business, and no person who holds a brewer's permit, manufacturer's or rectifier's permit, or winery permit may allow the sale or provision of taste samples of 11 12 fermented malt beverages on the brewery premises, manufacturing or rectifying 13 premises, winery premises, or any retail outlet operated by the brewer, 14 manufacturer, rectifier, or winery under s. 125.29 (7), 125.52 (4), or 125.53 (3), unless 15there is upon the premises the licensee or permittee, the agent named in the license 16 or permit if the licensee or permittee is a corporation or limited liability company, or 17some person who has an operator's license or operator's permit and who is 18 responsible for the acts of all persons serving any fermented malt beverages to 19 customers. An operator's license issued in respect to a vessel under s. 125.27 (2) is 20 valid outside the municipality that issues it. For the purpose of this subsection, any 21person holding a manager's license under s. 125.18 or any member of the licensee's 22or permittee's immediate family who has attained the age of 18 shall be considered 23the holder of an operator's license. No person other than the licensee, permittee, or 24agent may serve fermented malt beverages in any place operated under a Class "A" 25or Class "B" license or permit or on brewery premises, manufacturing or rectifying

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1	premises, winery premises, or any retail outlet operated by a brewer, manufacturer,
2	rectifier, or winery under s. 125.29 (7), 125.52 (4), or 125.53 (3) unless he or she has
3	an operator's license <u>or operator's permit</u> , is considered to have an operator's license
4	under this subsection, or is at least 18 years of age and is under the immediate
5	supervision of the licensee, permittee, agent, or a person holding an operator's
6	license <u>or operator's permit</u> , who is on the premises at the time of the service.
7	SECTION 26eb. 125.32 (3m) (L) of the statutes is created to read:
8	125.32 (3m) (L) An axe throwing facility.
9	SECTION 26ec. 125.32 (6) (a) of the statutes is amended to read:
10	125.32 (6) (a) Except as provided in s. 125.33 (2) (o) or (12), 125.69 (9), or 125.70,
11	and subject to par. (c), no person may possess on the premises covered by a retail or
12	wholesale fermented malt beverages license or permit any alcohol beverages not
13	authorized by law for sale on the premises.
$13\\14$	authorized by law for sale on the premises. SECTION 26ed. 125.33 (2) (a) of the statutes is amended to read:
14	SECTION 26ed. 125.33 (2) (a) of the statutes is amended to read:
14 15	SECTION 26ed. 125.33 (2) (a) of the statutes is amended to read: 125.33 (2) (a) Give to any campus or Class "B" licensee or permittee, at any
14 15 16	SECTION 26ed. 125.33 (2) (a) of the statutes is amended to read: 125.33 (2) (a) Give to any campus or Class "B" licensee or permittee, at any given time, for placement inside the premises, signs, clocks, or menu boards with an
14 15 16 17	SECTION 26ed. 125.33 (2) (a) of the statutes is amended to read: 125.33 (2) (a) Give to any campus or Class "B" licensee or permittee, at any given time, for placement inside the premises, signs, clocks, or menu boards with an aggregate value of not more than \$2,500. If a gift of any item would cause the \$2,500
14 15 16 17 18	SECTION 26ed. 125.33 (2) (a) of the statutes is amended to read: 125.33 (2) (a) Give to any campus or Class "B" licensee or permittee, at any given time, for placement inside the premises, signs, clocks, or menu boards with an aggregate value of not more than \$2,500. If a gift of any item would cause the \$2,500 limit to be exceeded, the recipient shall pay the brewer, brewpub, or wholesaler the
14 15 16 17 18 19	SECTION 26ed. 125.33 (2) (a) of the statutes is amended to read: 125.33 (2) (a) Give to any campus or Class "B" licensee or permittee, at any given time, for placement inside the premises, signs, clocks, or menu boards with an aggregate value of not more than \$2,500. If a gift of any item would cause the \$2,500 limit to be exceeded, the recipient shall pay the brewer, brewpub, or wholesaler the amount of the item's value in excess of \$2,500. Each recipient shall keep an invoice
14 15 16 17 18 19 20	SECTION 26ed. 125.33 (2) (a) of the statutes is amended to read: 125.33 (2) (a) Give to any campus or Class "B" licensee or permittee, at any given time, for placement inside the premises, signs, clocks, or menu boards with an aggregate value of not more than \$2,500. If a gift of any item would cause the \$2,500 limit to be exceeded, the recipient shall pay the brewer, brewpub, or wholesaler the amount of the item's value in excess of \$2,500. Each recipient shall keep an invoice or credit memo containing the name of the donor and the number and value of items
14 15 16 17 18 19 20 21	SECTION 26ed. 125.33 (2) (a) of the statutes is amended to read: 125.33 (2) (a) Give to any campus or Class "B" licensee or permittee, at any given time, for placement inside the premises, signs, clocks, or menu boards with an aggregate value of not more than \$2,500. If a gift of any item would cause the \$2,500 limit to be exceeded, the recipient shall pay the brewer, brewpub, or wholesaler the amount of the item's value in excess of \$2,500. Each recipient shall keep an invoice or credit memo containing the name of the donor and the number and value of items received under this paragraph. The value of an item is its cost to the donor. Each

1	125.33 (2) (d) Sell to a campus or Class "B" licensee or permittee at fair market
2	value equipment designed and intended to preserve and maintain the sanitary
3	dispensing of fermented malt beverages or any services necessary to maintain this
4	kind of equipment. A brewer, brewpub, or wholesaler shall charge the same price per
5	unit of equipment to each campus or Class "B" licensee or permittee making the same
6	or a similar purchase, and shall charge the same rate to each campus or Class "B"
7	licensee or permittee purchasing maintenance services under this subdivision. Each
8	brewer, brewpub, or wholesaler shall keep records of each transaction under this
9	subdivision and shall make the records available to the department division upon
10	request.
11	SECTION 26ef. 125.33 (2) (hr) of the statutes is created to read:
12	125.33 (2) (hr) Enter into a landlord-tenant relationship with a Class "B"
13	licensee or permittee if all of the requirements under s. 125.20 (6) (b) are satisfied.
14	SECTION 26eg. 125.33 (9) of the statutes is renumbered 125.33 (9) (a) and
15	amended to read:
16	125.33 (9) (a) Except as provided in ss. 125.29 (3m) (b) and (c), 125.295 (1) (g),
17	and 125.30 (4), no campus or retail licensee or permittee may purchase or possess
18	fermented malt beverages purchased from any person other than a wholesaler
19	holding a permit under this chapter for the sale of fermented malt beverages.
20	(b) Any person who violates this subsection may par. (a), if the total volume of
21	fermented malt beverages purchased or possessed by that person in one month is
22	4,320 fluid ounces or less, may be required to forfeit not more than \$100. A person
23	who purchases or possesses more than 4,320 fluid ounces of fermented malt
24	beverages in one month in violation of par. (a) shall be fined not more than \$10,000
25	or imprisoned for not more than 9 months or both.

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SECTION 26eh. 125.33 (9) (c) of the statutes is created to read:

125.33 (9) (c) Notwithstanding par. (b), a Class "B" licensee or permittee who
purchases fermented malt beverages from a Class "A" licensee for resale or who
possesses fermented malt beverages purchased from a Class "A" licensee for resale
may be fined not more than \$100.

6

SECTION 26ei. 125.33 (12) of the statutes is amended to read:

7 125.33 **(12)** PROVIDING TASTE SAMPLES ON CLASS "A" RETAIL PREMISES. Notwithstanding s. 125.34 (6), with the consent of the Class "A" or Class "B" licensee, 8 9 a brewer may provide, free of charge, on Class "A" or Class "B" premises, taste 10 samples of fermented malt beverages to any person who has attained the legal drinking age for consumption on the premises during hours in which the Class "A" 11 12licensee is authorized under s. 125.25 (1) to provide taste samples or, if more 13restrictive, only during hours established by ordinance by a municipality under s. 14125.32 (3) (d) between the hours of 11 a.m. and 7 p.m. The provision of taste samples 15under this subsection shall be subject to the same limitations that apply to taste samples provided by a Class "A" licensee under s. 125.25 (1). No brewer may provide 16 17as taste samples under this subsection any fermented malt beverages that the brewer did not purchase from the Class "A" licensee on whose premises the taste 18 samples are provided. A brewer may provide taste samples of any fermented malt 19 20beverages that the brewer purchased from the retail licensee or that the brewer 21produced on premises covered by its brewer's permit and brings to the retail 22premises, but the brewer may not leave at the retail premises any unused fermented 23malt beverages not purchased from the retail licensee. A brewer may provide taste $\mathbf{24}$ samples under this subsection through an individual representing the brewer who 25is hired by the brewer and who is not employed by or an agent of a wholesaler. All

provisions of this subsection that apply to a brewer apply equally to any individual
 representing a brewer.

SECTION 26ej. 125.34 (6) of the statutes is amended to read:

4 125.34 (6) Except as provided in ss. 125.29 (3), (3m) (b) and (c), and (7) and 5 125.30 (4), a brewer or out-of-state shipper may sell, transport, and deliver 6 fermented malt beverages only to a wholesaler.

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SECTION 26ek. 125.51 (1) (a) of the statutes is amended to read:

8 125.51 (1) (a) Subject to sub. (2) (e) 2., every municipal governing body may 9 grant and issue "Class A" and "Class B" licenses for retail sales of intoxicating liquor, 10 and "Class C" licenses for retail sales of wine, from premises within the municipality 11 to persons entitled to a license under this chapter as the issuing municipal governing 12 body deems proper and may authorize an official or body of the municipality to issue 13 temporary "Class B" licenses under sub. (10). No "Class B" license may be issued to 14 a winery under sub. (3) (am) unless the winery has been issued a permit under s. 15125.53 and the winery is capable of producing at least 5,000 gallons of wine per year in no more than 2 locations. 16

17 **SECTION 26em.** 125.51 (2) (am) of the statutes is amended to read:

18 125.51 (2) (am) In addition to the authorization under par. (a) and s. 125.06 19 (13), a "Class A" license authorizes the licensee to provide, free of charge, to 20 customers and visitors who have attained the legal drinking age, taste samples of 21intoxicating liquor other than wine that are not in original packages or containers 22and that do not exceed 0.5 fluid ounces each, for consumption on the "Class A" 23premises. No "Class A" licensee may provide more than one such taste sample per 24day to any one person. Taste samples may be provided under this paragraph only 25between the hours of 11 a.m. and 7 p.m. and may not exceed the quantities specified

1	in s. 125.69 (9) (b). Any representative of a manufacturer, rectifier, winery, or
2	out-of-state shipper issued a permit under s. 125.52, 125.53, or 125.58 may assist
3	the "Class A" licensee in dispensing or serving the taste samples. No "Class A"
4	licensee may provide as taste samples under this paragraph intoxicating liquor other
5	than wine that the "Class A" licensee did not purchase from a wholesaler.
6	SECTION 26en. 125.51 (2) (e) 3. of the statutes is amended to read:
7	125.51 (2) (e) 3. Notwithstanding par. pars. (a) and (am) and s. 125.06 (13)
8	125.69 (9), a person issued a "Class A" license under subd. 2. may not make retail
9	sales, or provide taste samples, of any intoxicating liquor other than cider-
10	Paragraph (am) does not apply to a person issued a "Class A" license under subd. 2,
11	and may not allow a winery, manufacturer, or rectifier to provide taste samples of any
12	intoxicating liquor other than cider, on the "Class A" premises.
13	SECTION 26eo. 125.51 (3) (a) of the statutes is amended to read:
$13\\14$	SECTION 26eo. 125.51 (3) (a) of the statutes is amended to read: 125.51 (3) (a) A "Class B" license authorizes the retail sale of intoxicating liquor
14	125.51 (3) (a) A "Class B" license authorizes the retail sale of intoxicating liquor
$14\\15$	125.51 (3) (a) A "Class B" license authorizes the retail sale of intoxicating liquor by the glass and not in the original package or container for consumption on the
14 15 16	125.51 (3) (a) A "Class B" license authorizes the retail sale of intoxicating liquor by the glass and not in the original package or container for consumption on the premises where sold or for consumption off the premises if the licensee seals the
14 15 16 17	125.51 (3) (a) A "Class B" license authorizes the retail sale of intoxicating liquor by the glass and not in the original package or container for consumption on the premises where sold or for consumption off the premises if the licensee seals the container of intoxicating liquor with a tamper-evident seal before the intoxicating
14 15 16 17 18	125.51 (3) (a) A "Class B" license authorizes the retail sale of intoxicating liquor by the glass and not in the original package or container for consumption on the premises where sold or for consumption off the premises if the licensee seals the container of intoxicating liquor with a tamper-evident seal before the intoxicating liquor is removed from the premises. In addition, wine may be sold in the original
14 15 16 17 18 19	125.51 (3) (a) A "Class B" license authorizes the retail sale of intoxicating liquor by the glass and not in the original package or container for consumption on the premises where sold or for consumption off the premises if the licensee seals the container of intoxicating liquor with a tamper-evident seal before the intoxicating liquor is removed from the premises. In addition, wine may be sold in the original package or container in any quantity to be consumed off the premises where sold.
14 15 16 17 18 19 20	125.51 (3) (a) A "Class B" license authorizes the retail sale of intoxicating liquor by the glass and not in the original package or container for consumption on the premises where sold or for consumption off the premises if the licensee seals the container of intoxicating liquor with a tamper-evident seal before the intoxicating liquor is removed from the premises. In addition, wine may be sold in the original package or container in any quantity to be consumed off the premises where sold. This paragraph does not apply in municipalities in which the governing body elects
14 15 16 17 18 19 20 21	125.51 (3) (a) A "Class B" license authorizes the retail sale of intoxicating liquor by the glass and not in the original package or container for consumption on the premises where sold or for consumption off the premises if the licensee seals the container of intoxicating liquor with a tamper-evident seal before the intoxicating liquor is removed from the premises. In addition, wine may be sold in the original package or container in any quantity to be consumed off the premises where sold. This paragraph does not apply in municipalities in which the governing body elects to come under par. (b) or to a winery that has been issued a "Class B" license.

1	125.51 (3) (b) In all municipalities electing by ordinance to come under this
2	paragraph, a retail "Class B" license authorizes the sale of intoxicating liquor to be
3	consumed by the glass on the premises where sold or off the premises if the licensee
4	seals the container of intoxicating liquor with a tamper-evident seal before the
5	intoxicating liquor is removed from the premises. The "Class B" license also
6	authorizes the sale of intoxicating liquor in the original package or container, in any
7	quantity, to be consumed off the premises where sold. This paragraph does not apply
8	to a winery that has been issued a "Class B" license. Paragraph (am) applies to all
9	wineries that have been issued a "Class B" license.
10	SECTION 26er. 125.51 (3) (bg) of the statutes is created to read:
11	125.51 (3) (bg) 1. In this paragraph, "bulk container" means a container
12	exceeding 1.75 liters in volume.
13	2. This paragraph applies only with respect to a "Class B" licensee exercising
14	its authority under par. (a) or (b) to make retail sales of intoxicating liquor for
15	consumption on the premises where sold or for consumption off the premises if the
16	licensee seals the container of intoxicating liquor with a tamper-evident seal before
17	the intoxicating liquor is removed from the premises.
18	3. Notwithstanding s. 125.03 (2) and any rule promulgated thereunder, a
19	"Class B" licensee may, on the licensed premises, prepare, store, and dispense mixed
20	drinks containing intoxicating liquor, in advance of sale as described in subd. 2., if
21	all of the following apply:
22	a. The mixed drink is provided to the consumer in a glass or other container
23	not exceeding 72 ounces in volume.
24	b. The mixed drink has not been stored in a container for more than 48 hours

25 prior to its sale to a customer.

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1	c. If the mixed drink is stored in or dispensed from a bulk container, the bulk
2	container does not exceed 5 gallons in volume and is labeled in compliance with the
3	requirements established under subd. 4.
4	d. The licensee has not stored the mixed drink in or dispensed the mixed drink
5	from a wine bottle and has ensured compliance with ss. 125.68 (8) (a) 2. and 3. and
6	125.69 (6), as well as compliance with any other applicable state or federal food safety
7	regulation and any federal alcohol regulation.
8	4. The division shall prescribe the form of the label to be used by "Class B"
9	licensees under subd. 3. c., but the form shall require the licensee to disclose on the
10	label all of the following information:
11	a. That the container holds a batch of premixed drinks and the date and time
12	the batch was prepared.
13	b. Following the words "expiration date," the date and time that is 48 hours
14	after the date and time the batch was prepared.
15	c. The words "contains alcohol."
16	d. The name of the person who prepared the batch of premixed drinks in the
17	container.
18	e. The ingredients of the batch of premixed drinks, unless the label contains
19	a recipe title for the batch and the recipe, with a complete ingredient list, is
20	maintained on the "Class B" premises and is available for inspection.
21	5. Section 125.68 (9) (b) does not apply with respect to a container used by a
22	"Class B" licensee solely to prepare, store, or dispense mixed drinks in compliance
23	with this paragraph.
24	SECTION 26es. 125.51 (3) (bm) of the statutes is amended to read:

1 125.51 (3) (bm) Notwithstanding pars. (a) and (b) and s. 125.04 (3) (a) 3. and $\mathbf{2}$ (9), a "Class B" license authorizes a person operating a hotel to furnish a registered 3 guest who has attained the legal drinking age with a selection of intoxicating liquor 4 in the guest's room which is not part of the "Class B" premises. Intoxicating liquor 5furnished under this paragraph shall be furnished in original packages or containers 6 and stored in a cabinet, refrigerator or other secure storage place. The cabinet, 7 refrigerator or other secure storage place must be capable of being locked. The 8 cabinet, refrigerator or other secure storage place shall be locked, or the intoxicating 9 liquor shall be removed from the room, when the room is not occupied and when 10 intoxicating liquor is not being furnished under this paragraph. A key for the lock 11 shall be supplied to a guest who has attained the legal drinking age upon request at 12 registration. The hotel shall prominently display a price list of the intoxicating 13 liquor in the hotel room. Intoxicating liquor may be furnished at the time the guest 14 occupies the room, but for purposes of this chapter, the sale of intoxicating liquor 15furnished under this paragraph is considered to occur at the time and place that the 16 guest pays for the intoxicating liquor. Notwithstanding s. 125.68 (4) (c), the guest 17may pay for the intoxicating liquor at any time if he or she pays in conjunction with 18 checking out of the hotel. An individual who stocks or accepts payment for alcohol 19 beverages under this paragraph shall be the licensee, the agent named in the license 20 if the licensee is a corporation or limited liability company, or the holder of a 21manager's or operator's license or operator's permit, or be supervised by one of those 22individuals.

23

SECTION 26et. 125.51 (3) (bs) 2. of the statutes is amended to read:

125.51 (3) (bs) 2. Notwithstanding pars. (a) and (b) and s. 125.04 (3) (a) 3. and
(9), a "Class B" license authorizes a person operating a coliseum to furnish the holder

1 of a coliseum suite who has attained the legal drinking age with a selection of $\mathbf{2}$ intoxicating liquor in the coliseum suite that is not part of the "Class B" premises. 3 Intoxicating liquor furnished under this subdivision shall be furnished in original 4 packages or containers and stored in a cabinet, refrigerator or other secure storage 5 place. The cabinet, refrigerator or other secure storage place or the coliseum suite must be capable of being locked. The cabinet, refrigerator or other secure storage 6 7 place or the coliseum suite shall be locked, or the intoxicating liquor shall be removed 8 from the coliseum suite, when the coliseum suite is not occupied and when 9 intoxicating liquor is not being furnished under this subdivision. Intoxicating liquor 10 may be furnished at the time the holder of the coliseum suite occupies the coliseum 11 suite, but for purposes of this chapter, the sale of intoxicating liquor furnished under 12this subdivision is considered to occur at the time and place that the holder pays for 13the intoxicating liquor. Notwithstanding s. 125.68 (4) (c), the holder of a coliseum 14suite may pay for the intoxicating liquor at any time if he or she pays in accordance with an agreement with the person operating the coliseum or with the 1516 concessionaire. An individual who stocks or accepts payment for alcohol beverages 17under this subdivision shall be the licensee, the agent named in the license if the 18 licensee is a corporation or limited liability company, or the holder of a manager's or operator's license or operator's permit, or be supervised by one of those individuals. 19 20**SECTION 26eu.** 125.51 (3) (f) of the statutes is amended to read: 21125.51 (3) (f) A "Class B" license may be issued only to a holder of a retail Class 22"B" license to sell fermented malt beverages unless the "Class B" license is the kind

of "Class B" license specified under par. (am) or is a temporary "Class B" license under
sub. (10).

25

SECTION 26ev. 125.51 (3m) (a) of the statutes is repealed.

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1	SECTION 26ew. 125.51 (3m) (c) of the statutes is amended to read:
2	125.51 (3m) (c) <u>A Except as provided under s. 125.69, a</u> "Class C" license may
3	be issued to a person qualified under s. 125.04 (5) for a restaurant in which the sale
4	of alcohol beverages accounts for less than 50 percent of gross receipts and which
5	does not have a barroom or for a restaurant in which the sale of alcohol beverages
6	accounts for less than 50 percent of gross receipts and which has a barroom in which
7	wine is the only intoxicating liquor sold. A "Class C" license may not be issued to a
8	foreign corporation, a foreign limited liability company or, except a person acting as
9	an agent for or in the employ of another.
10	SECTION 26ex. 125.51 (3r) (a) 3. of the statutes is amended to read:
11	125.51 (3r) (a) 3. Prior to the opened, partially consumed bottle of wine being
12	taken off the licensed premises, the licensee securely reinserts the cork into the
13	bottle to the point where the top of the cork is even with the top of the bottle <u>, or</u>
14	securely reattaches the original cap to the bottle, and the cork is reinserted or the cap
15	$\underline{\text{is reattached}}$ at a time other than during the time period specified in s. 125.68 (4) (c)
16	3.
17	SECTION 26ey. 125.51 (3r) (b) of the statutes is amended to read:
18	125.51 (3r) (b) This subsection does not apply to a "Class B" license issued to
19	a winery under sub. (3) (am). Nothing in this subsection restricts a licensee's
19 20	a winery under sub. (3) (am). Nothing in this subsection restricts a licensee's authorization for retail sales of wine under subs. (3) (a) and (b) and (3m) (b).
20	authorization for retail sales of wine under subs. (3) (a) and (b) and (3m) (b).
20 21	authorization for retail sales of wine under subs. (3) (a) and (b) and (3m) (b). SECTION 26ez. 125.51 (4) (a) 1. of the statutes is amended to read:

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1	125.51 (4) (e) 1. A municipality may make a request to another municipality
2	that is contiguous with, or within 2 miles of, located in whole or in part in the same
3	<u>county as</u> the requesting municipality that the other municipality transfer a reserve
4	"Class B" license to the requesting municipality. If the request is granted, the reserve
5	"Class B" license shall be transferred.
6	SECTION 26fc. 125.51 (4) (v) 5. of the statutes is created to read:
7	125.51 (4) (v) 5. An event venue certified by the division under s. 125.24 (5) (b).
8	Except as provided in this subdivision, a license may not be issued under this
9	subdivision unless the license application is received by the municipality no later
10	than the first day of the 7th month beginning after the effective date of this
11	subdivision [LRB inserts date]. Except as provided in this subdivision, if a "Class
12	B" license issued under this subdivision is surrendered to the issuing municipality,
13	not renewed, or revoked, the municipality may not reissue the license. The
14	municipality may reissue the license if the licensee sells or transfers ownership of
15	the licensed premises or a business operated on the licensed premises and the license
16	is surrendered or not renewed in connection with the sale or transfer of the property
17	or business, the licensee continued to operate the licensed premises as a qualifying
18	event venue, as defined in s. 125.24 (5) (a), from the time of license issuance until the
19	time the license is surrendered or not renewed, the license is reissued for the same
20	location, and the applicant for reissuance of the license satisfies the requirements
21	under this chapter to hold the license and certifies to the municipality that the
22	applicant will continue to operate the licensed premises as a qualifying event venue,
23	as defined in s. 125.24 (5) (a).
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24

SECTION 26fd. 125.51 (5) (a) 1. of the statutes is amended to read:

1 125.51 (5) (a) 1. The department division shall issue "Class B" permits to clubs $\mathbf{2}$ that are operated solely for the playing of golf or tennis and are commonly known as 3 country clubs and to clubs which are operated solely for curling, ski jumping, or 4 vachting. A "Class B" permit may be issued only to a club that holds a valid certificate $\mathbf{5}$ issued under s. 73.03 (50), that is not open to the general public, and that is located 6 in a municipality that does not issue "Class B" licenses or to a club located in a municipality that issues "Class B" licenses, if the club holds a valid certificate issued 7 8 under s. 73.03 (50), is not open to the general public, was not issued a license under 9 s. 176.05 (4a), 1979 stats., and does not currently hold a "Class B" license. The 10 permits may be issued by the department division without regard to any quota under sub. (4). The holder of a "Class B" permit may sell intoxicating liquor for consumption 11 12by the glass and not in the original package or container on the premises covered by 13 the permit.

14

SECTION 26fe. 125.51(5)(a) 4. of the statutes is amended to read:

15 125.51 (5) (a) 4. The department division may annually issue a "Class B" permit 16 to any club that holds a valid certificate issued under s. 73.03 (50), is organized to 17 engage in sports similar to curling, golf, tennis or yachting and that held a license 18 from July 1, 1950, to June 30, 1951, as long as it is continuously operated under 19 substantially the same circumstances under which it operated during the year 20 beginning July 1, 1950, if the club is located in a municipality that does not issue 21 "Class B" licenses.

22

SECTION 26ff. 125.51 (5) (b) 2. of the statutes is amended to read:

125.51 (5) (b) 2. The department division shall issue a "Class B" permit to a
 concessionaire that holds a valid certificate issued under s. 73.03 (50) and that
 conducts business in an operating airport or public facility, if the county or

1 municipality which owns the airport or public facility has, by resolution of its $\mathbf{2}$ governing body, annually applied to the department division for the permit. The 3 permit authorizes the sale of intoxicating liquor for consumption by the glass and not 4 in the original package or container on the premises. 5 **SECTION 26fg.** 125.51 (5) (b) 4. of the statutes is amended to read: 6 125.51 (5) (b) 4. The department division may not issue a permit under this 7 paragraph to any county or municipality or officer or employee thereof. 8 **SECTION 26fh.** 125.51 (5) (c) 1. of the statutes is amended to read: 9 125.51 (5) (c) 1. The department division may issue a "Class B" permit to any 10 person who holds a valid certificate issued under s. 73.03 (50) and who is gualified 11 under s. 125.04 (5) authorizing the sale of intoxicating liquor for consumption on any 12 vessel having a regular place of mooring located in any waters of this state as defined 13under s. 29.001 (45) and (63) if the vessel either serves food and has an approved 14passenger capacity of not less than 40 individuals and the sale of intoxicating liquor 15and fermented malt beverages on the vessel accounts for less than 50 percent of the 16 gross receipts of all of the food and beverages served on the vessel or if the vessel has 17an approved passenger capacity of at least 100 individuals and the sale of 18 intoxicating liquor and fermented malt beverages on the vessel accounts for less than 19 50 percent of the gross receipts of the vessel. The department division may issue the 20permit only if the vessel leaves its place of mooring while the sale of intoxicating 21liquor is taking place and if the vessel fulfills the requirement under par. (c) 1m. A 22permit issued under this subdivision also authorizes the permittee to store 23intoxicating liquor purchased for sale on the vessel on premises owned or leased by $\mathbf{24}$ the permittee and located near the vessel's regular place of mooring. The permittee 25shall describe on the permit application under s. 125.04 (3) (a) 3. the premises where

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the intoxicating liquor will be stored. The premises shall be open to inspection by the
 department <u>division</u> upon request.

3

SECTION 26fi. 125.51 (5) (d) 2. of the statutes is amended to read:

4 125.51 (5) (d) 2. Upon application, the department division shall issue a 5"Class B" permit to a tribe that holds a valid certificate issued under s. 73.03 (50) and 6 that is gualified under s. 125.04 (5) and (6). The permit authorizes the retail sale of 7 intoxicating liquor for consumption on the premises where sold by the glass and not 8 in the original package or container. The permit also authorizes the sale of 9 intoxicating liquor in the original package or container, in multiples not to exceed 4 10 liters at any one time, to be consumed off the premises where sold, except that wine 11 is not subject to the 4-liter limitation.

12

SECTION 26fj. 125.51 (5) (f) 2. and 5. of the statutes are amended to read:

13 125.51 (5) (f) 2. The department division may issue "Class B" permits for 14 locations within racetrack grounds to any person that holds a valid certificate issued 15under s. 73.03 (50), that is gualified under s. 125.04 (5) and (6), and that is the owner 16 or operator of the racetrack grounds or is designated by the owner or operator of the 17racetrack grounds to operate premises located within the racetrack grounds. Subject 18 to subd. 4., the permit authorizes the retail sale of intoxicating liquor, by the glass 19 and not in the original package or container, on the premises covered by the permit, 20 for consumption anywhere within the racetrack grounds. If the department division 21issues more than one permit under this paragraph for the same racetrack grounds, 22no part of the premises covered by a permit under this paragraph may overlap with 23premises covered by any other permit issued under this paragraph.

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

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1	SECTION 26fk. 125.52 (1) (a) of the statutes is amended to read:
2	125.52 (1) (a) The department division shall issue manufacturers' and
3	rectifiers' permits which authorize the manufacture or rectification, respectively, of
4	intoxicating liquor on the premises covered by the permit. A person holding a
5	manufacturer's or rectifier's permit may manufacture and bottle wine, pursuant to
6	the terms of the permit, without procuring a winery permit.
7	SECTION 26fm. 125.52 (1) (b) 1. of the statutes is renumbered 125.52 (1) (b)
8	(intro.) and amended to read:
9	125.52 (1) (b) (intro.) A manufacturer's or rectifier's permit entitles <u>authorizes</u>
10	the permittee to <u>engage in any of the following activities:</u>
11	<u>1. To sell intoxicating liquor in original unopened packages or containers</u> to
12	wholesalers holding a permit under s. 125.54 ,.
13	2. To sell or transfer, in bulk or in any state of packaging, intoxicating liquor
14	to wineries holding a permit under s. $125.53_{\overline{7}}$ and to other manufacturers and
15	rectifiers holding a permit under this section, from the premises described in the
16	permit. Except as provided in subd. 2., no sales may be made for consumption on the
17	premises of the permittee.
18	SECTION 26fn. 125.52 (1) (b) 2. of the statutes is renumbered 125.52 (1) (b) 6.
19	and amended to read:
20	125.52 (1) (b) 6. Notwithstanding s. 125.09 (1), a manufacturer's or rectifier's
21	permit authorizes the retail sale of intoxicating liquor that is manufactured or
22	rectified on the premises, for consumption on or off the premises. A manufacturer's
23	or rectifier's permit also authorizes the provision of <u>To provide</u> taste samples, free of
24	charge and in an amount not exceeding a total of 1.5 fluid ounces to any one person,
25	of intoxicating liquor that is manufactured or rectified on the premises, for

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1	consumption on the premises. The department may prescribe additional regulations
2	for the sale of intoxicating liquor under this subdivision, if the additional regulations
3	do not conflict with the requirements applicable to holders of "Class B" licenses.
4	Notwithstanding any other provision of this chapter, the authorization under this
5	subdivision applies with respect to a person who holds any permit under this section,
6	a winery permit under s. 125.53, and either a "Class A" license or a "Class B" license
7	issued under s. 125.51 (3) (am), all issued for the same premises or portions of the
8	same premises, on the manufacturer's or rectifier's premises or at the
9	manufacturer's or rectifier's full-service retail outlet if the taste samples are of
10	alcohol beverages the manufacturer or rectifier is authorized to sell under sub. (4)
11	(c), or as authorized under s. 125.69 (9).
12	SECTION 26fo. 125.52 (1) (b) 3., 4. and 5. of the statutes are created to read:
13	125.52 (1) (b) 3. To transfer intoxicating liquor to, or receive intoxicating liquor
14	from, another manufacturer or rectifier holding a permit under this section or a
15	winery holding a permit under s. 125.53, in bulk or in any state of packaging, for
16	purposes of further manufacturing, bottling, or storage.
17	4. To sell, ship, transport, and deliver intoxicating liquor, in bulk or in any state
18	of packaging, that has been manufactured by the manufacturer or rectifier to
19	another manufacture or rectifier holding a permit under this section.
20	5. To transport intoxicating liquor between the production premises and any
21	depot, warehouse, or full-service retail outlet maintained by the manufacturer or
22	rectifier or other premises for which the manufacturer or rectifier holds a permit
23	under this chapter.
24	SECTION 26fp. 125.52 (2) of the statutes is amended to read:

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1 125.52 (2) LIMITED MANUFACTURER'S PERMIT. The department division shall issue 2 a limited manufacturer's permit which authorizes the use or sale of the intoxicating 3 liquor produced only if it is rendered unfit for use as a beverage and is used or sold 4 for use as fuel. The department division shall notify the department of natural 5 resources of the name and address of any person to whom a limited manufacturer's 6 permit is issued.

7

SECTION 26fq. 125.52 (4) and (5) of the statutes are created to read:

8 125.52 (4) RETAIL SALES; FULL-SERVICE RETAIL OUTLETS. (a) 1. Notwithstanding 9 ss. 125.04 (9) and 125.09 (1), a manufacturer or rectifier may make retail sales, on 10 the manufacturing or rectifying premises, of intoxicating liquor that has been 11 manufactured or rectified by the manufacturer or rectifier on the manufacturing or 12 rectifying premises or on other premises of the manufacturer or rectifier, for 13 on-premises or off-premises consumption.

14
2. Notwithstanding ss. 125.04 (9) and 125.09 (1), if a manufacturer or rectifier
15 produced, on all manufacturing or rectifying premises operated by the manufacturer
16 or rectifier in this state, a cumulative total of at least 1,500 liters of intoxicating
17 liquor in any one of the 3 preceding calendar years, the manufacturer or rectifier may
18 engage in full-service retail sales on the manufacturing or rectifying premises.

(b) Notwithstanding ss. 125.04 (9) and 125.09 (1), and subject to pars. (d) and
(g), if a manufacturer or rectifier produced, on all manufacturing or rectifying
premises operated by the manufacturer or rectifier in this state, a cumulative total
of at least 1,500 liters of intoxicating liquor in any one of the 3 preceding calendar
years, the manufacturer or rectifier may engage in full-service retail sales at off-site
locations identified in the manufacturer's or rectifier's permit. Subject to pars. (f)
and (g), the number of retail sales locations a manufacturer or rectifier is allowed in

addition to the manufacturing or rectifying premises is determined by the
 cumulative volume of intoxicating liquor the manufacturer or rectifier produced on
 all manufacturing or rectifying premises operated by the manufacturer or rectifier
 in this state in any one of the 3 preceding calendar years, as follows:

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- If the manufacturer's or rectifier's cumulative volume in a year was at least
 1,500 liters of intoxicating liquor but less than 5,000 liters of intoxicating liquor, the
 manufacturer or rectifier may establish one full-service retail outlet.
- 8 2. If the manufacturer's or rectifier's cumulative volume in a year was at least 9 5,000 liters of intoxicating liquor but less than 35,000 liters of intoxicating liquor, the 10 manufacturer or rectifier may establish not more than 2 full-service retail outlets.
- 3. If the manufacturer's or rectifier's cumulative volume in a year was at least
 35,000 liters of intoxicating liquor, the manufacturer or rectifier may establish not
 more than 3 full-service retail outlets.
- 14 (c) 1. Except as provided in subd. 2. and par. (f), a manufacturer or rectifier may 15make full-service retail sales of alcohol beverages on the manufacturing or rectifying 16 premises and at any of its full-service retail outlets only if the alcohol beverages were 17purchased by the manufacturer or rectifier from a wholesaler holding a permit under 18 s. 125.28 or 125.54, from a brewer authorized to make sales to retailers under s. 125.29 (3m), from a brewpub authorized to make sales to retailers under s. 125.295 19 20 (1) (g), or from a permittee under s. 125.30 authorized to make sales to retailers under 21s. 125.30 (4).
- 22 2. A manufacturer or rectifier is not required to purchase from another 23 permittee intoxicating liquor produced by the manufacturer or rectifier that the 24 manufacturer or rectifier sells at retail on the manufacturing or rectifying premises 25 or at a full-service retail outlet of the manufacturer or rectifier.

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3. Subject to subd. 2. and par. (f), a manufacturer or rectifier engaged in full-service retail sales on manufacturing or rectifying premises or at a full-service retail outlet of the manufacturer or rectifier is subject to ss. 125.33 (9) and 125.69 (6) to the same extent as if the manufacturer or rectifier were a retail licensee.

5

(d) 1. A manufacturer or rectifier may not commence sales of alcohol beverages at a full-service retail outlet unless, prior to commencing such sales, the manufacturer or rectifier receives approval from the municipality in which the full-service retail outlet is located and from the division as provided in par. (g).

9 2. Subject to par. (f), a municipality may limit the scope of alcohol beverages 10 offered for sale at a full-service retail outlet only with respect to alcohol beverages 11 that are not of the same type as those produced by the person holding the 12 manufacturer's or rectifier's permit. A municipality may not limit the sale, at a 13full-service retail outlet, of alcohol beverages produced by the person holding the 14 manufacturer's or rectifier's permit. If a municipality limits the scope of alcohol 15beverages offered for sale, the provision of taste samples is limited to those alcohol 16 beverages authorized to be sold.

3. Except as provided in subd. 2., a municipality's approval under subd. 1. shall
be based on the same standards and criteria that the municipality has established
by ordinance for the evaluation and approval of retail license applications. A
municipality may not impose any requirement or restriction in connection with the
approval under subd. 1. that the municipality does not impose on retail licensees.

22 23 (e) 1. A manufacturer or rectifier may operate a restaurant at any full-service retail outlet under this subsection and on the manufacturing or rectifying premises.

 $\mathbf{24}$

25

If the manufacturer or rectifier operates a restaurant as provided in subd.
 and is authorized under this subsection to make retail sales of wine at the

1 restaurant, the manufacturer or rectifier may make retail sales of wine in an opened $\mathbf{2}$ original bottle, in a quantity not to exceed one bottle, for consumption both at the 3 restaurant and away from the restaurant if all of the following apply:

4

a. The purchaser of the wine orders food to be consumed at the restaurant.

 $\mathbf{5}$

b. The manufacturer or rectifier provides a dated receipt that identifies the 6 purchase of the food and the bottle of wine.

7 c. Prior to the opened, partially consumed bottle of wine being taken away from 8 the restaurant, the manufacturer or rectifier securely reinserts the cork into the 9 bottle to the point where the top of the cork is even with the top of the bottle, or 10 securely reattaches the original cap to the bottle, and the cork is reinserted or the cap 11 is reattached at a time other than during the hours in which the manufacturer or 12rectifier is prohibited under sub. (5) (b) from making retail sales for off-premises 13consumption.

14 (f) 1. If a manufacturer or rectifier may establish one or more full-service retail 15outlets under pars. (b) and (g) and the manufacturer or rectifier also holds a brewer's 16 permit or winery permit or both and, as such, may establish full-service retail outlets 17under s. 125.29 (7) (b) and (g) or 125.53 (3) (b) and (g), the aggregate number of 18 full-service retail outlets that may be established is the maximum number authorized under par. (b), under s. 125.29 (7) (b), or under s. 125.53 (3) (b), whichever 19 20 is greatest, but not exceeding 3 full-service retail outlets. Under these 21circumstances, each authorized full-service retail outlet shall serve as the 22 full-service retail outlet associated with each applicable permit, regardless of 23whether the permittee would otherwise be entitled to fewer full-service retail outlets 24when calculated under par. (b) or s. 125.29 (7) (b) or 125.53 (3) (b).

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1 2. If a manufacturer or rectifier may engage in full-service retail sales on the $\mathbf{2}$ manufacturing or rectifying premises as provided in par. (a) 2. and the manufacturer 3 or rectifier also holds a brewer's permit or winery permit or both, the manufacturer 4 or rectifier may make retail sales on the manufacturing or rectifying premises of 5 fermented malt beverages produced under its brewer's permit or wine produced under its winery permit without first purchasing the fermented malt beverages or 6 7 wine from a wholesaler holding a permit under s. 125.28 or 125.54 or receiving the 8 fermented malt beverages under authorization of s. 125.29 (3m) (b), 125.295 (1) (g), 9 or 125.30 (4).

If a person holds more than one manufacturer's permit or rectifier's permit
 under this section, or more than one combination permit authorized under s. 125.55
 (1), the retail sales authority under this subsection for manufacturing or rectifying
 premises applies with respect to each permit, but the limit on full-service retail
 outlets is an aggregate maximum, regardless of the number of permits held.

(g) 1. An application for a manufacturer's or rectifier's permit, including an application for an amendment to the manufacturer's or rectifier's permit, shall specify each full-service retail outlet of the manufacturer or rectifier and particularly describe the premises of the full-service retail outlet.

2. The division shall establish a process for approval of a manufacturer's or rectifier's full-service retail outlet and for revocation of this approval. The division shall approve a manufacturer's or rectifier's full-service retail outlet, and may not revoke this approval, unless the manufacturer or rectifier has violated a provision of this chapter related to full-service retail outlets. The division's failure to approve, or revocation of approval of, a full-service retail outlet described in a manufacturer's or rectifier's application or permit does not affect any other full-service retail outlet or the manufacturing or rectifying premises as described in the application or
 permit.

3 3. If the division approves a full-service retail outlet, the manufacturer's or
rectifier's permit, as initially issued or as amended, shall particularly describe the
premises constituting the full-service retail outlet, which shall be considered part
of the premises under the manufacturer's or rectifier's permit.

4. If the division approves a full-service retail outlet, the agent appointed
under s. 125.04 (6) for the manufacturer's or rectifier's permit shall also serve as the
agent for the full-service retail outlet.

5. Section 125.04 (12) (a) does not apply to a manufacturer's or rectifier's
full-service retail outlet. Upon notice to the division, a manufacturer or rectifier may
relocate any full-service retail outlet to a new location within this state once per
calendar year, except that one full-service retail outlet of a manufacturer or rectifier
may be relocated without limitation on frequency in each calendar year.

(5) CLOSING HOURS. (a) On a manufacturer's or rectifier's premises, no person
may sell alcohol beverages at retail for on-premises consumption, provide taste
samples of alcohol beverages, or consume alcohol beverages during the closing hours
applicable to a Class "B" licensee under s. 125.32 (3) (a). A full-service retail outlet
under sub. (4) shall be subject to the same closing hours applicable to a Class "B"
licensee under s. 125.32 (3) (a).

(b) On a manufacturer's or rectifier's premises and at a full-service retail
outlet, no person may sell alcohol beverages at retail for off-premises consumption
during the hours in which a Class "B" licensee in the municipality where the
manufacturing or rectifying premises or retail outlet is located may not make retail
sales under s. 125.32 (3) (am) and (d).

1	(c) No member of the public or invited guests may be present on a
2	manufacturer's or rectifier's premises during the closing hours applicable to a Class
3	"B" licensee under s. 125.32 (3) (a).
4	(d) Activities authorized under a manufacturer's or rectifier's permit related
5	to the production, shipment, transportation, or delivery of alcohol beverages may
6	occur at any time.
7	SECTION 26fr. 125.52 (7) of the statutes is repealed.
8	SECTION 26fs. 125.53 (1) of the statutes is renumbered 125.53 (1) (a) (intro.)
9	and amended to read:
10	125.53 (1) (a) (intro.) The department division shall issue only to a
11	manufacturing winery in this state that holds a valid certificate issued under s. 73.03
12	(50) a winery permit authorizing the <u>permittee to engage in the following activities:</u>
13	<u>1. The manufacture and bottling of wine on the premises covered by the permit</u>
14	for sale <u>, in original unopened packages or containers</u> , to wholesalers holding a
15	permit under s. 125.54. A winery permit also authorizes the permittee to, on
16	<u>2. On</u> the winery premises and without obtaining a rectifier's permit, possess
17	possessing intoxicating liquor and mix or blend mixing or blending intoxicating
18	liquor to produce wine sold to wholesalers holding a permit under s. 125.54. A winery
19	holding a permit under this section may offer on the premises, manufacturers or
20	rectifiers holding a permit under s. 125.52, and wineries holding a permit under this
21	section.
22	7. The provision of free taste samples of wine manufactured on the premises
23	to persons who have attained the legal drinking age. A permittee under this section
24	may also have either one "Class A" license or one "Class B" license, but not both. The
25	"Class A" license or "Class B" license may either be issued for the winery premises

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or for real estate owned or leased by the winery. If a "Class A" or "Class B" liquor
license has also been issued to the winery, the winery may provide wine
manufactured, mixed, or blended on the winery premises directly to the "Class A" or
"Class B" premises and may offer the taste samples on the "Class A" or "Class B"
premises on the winery premises or at the winery's full-service retail outlet if the
taste samples are of alcohol beverages the winery is authorized to sell under sub. (3)
(c), or as authorized under s. 125.69 (9).

8 (b) A winery holding a permit under this section may also make retail sales of 9 wine, and provide taste samples of wine, on county or district fair fairgrounds as 10 provided in s. 125.51 (10), but this wine sold at retail or provided as taste samples 11 shall be purchased from a wholesaler holding a permit under s. 125.54.

- SECTION 26ft. 125.53 (1) (a) 3., 4., 5. and 6. of the statutes are created to read: 125.53 (1) (a) 3. The sale or transfer, in bulk or in any state of packaging, of wine to wineries holding a permit under this section and to manufacturers and rectifiers holding a permit under s. 125.52, from the winery premises.
- 4. The sale, shipment, transportation, and delivery of wine, in bulk or in any
 state of packaging, that has been manufactured by the winery to another winery
 holding a permit under this section or a manufacturer or rectifier holding a permit
 under s. 125.52.

5. The receipt of intoxicating liquor from another winery holding a permit under this section or a manufacturer or rectifier holding a permit under s. 125.52, in bulk or in any state of packaging, for purposes of further manufacturing, bottling, or storage.

6. The transportation of wine between the winery premises and any depot,

warehouse, or full-service retail outlet maintained by the winery or other premises

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SECTION 26fu. 125.53 (3) and (4) of the statutes are created to read:

for which the winery holds a permit under this chapter.

125.53 (3) (a) 1. Notwithstanding ss. 125.04 (9) and 125.09 (1), and subject to
subd. 3., a winery may make retail sales, on the winery premises, of wine that has
been manufactured or bottled by the winery on the winery premises or on other
premises of the winery, for on-premises or off-premises consumption.

9 2. Notwithstanding ss. 125.04 (9) and 125.09 (1), and subject to subd. 3., if a 10 winery manufactured or bottled, on all winery premises operated by the winery in 11 this state, a cumulative total of at least 1,000 gallons of wine in any one of the 3 12 preceding calendar years, the winery may engage in full-service retail sales on the 13 winery premises.

If a winery held a "Class B" license immediately preceding the effective date
of this subdivision [LRB inserts date], for a location other than the winery
premises, that location shall be considered the winery premises for purposes of the
retail sales authorization under subds. 1. and 2. and that location shall be in addition
to any retail sales locations authorized under par. (b).

(b) Notwithstanding ss. 125.04 (9) and 125.09 (1), and subject to pars. (d) and
(g), if a winery manufactured or bottled, on all winery premises operated by the
winery in this state, a cumulative total of at least 1,000 gallons of wine in any one
of the 3 preceding calendar years, the winery may engage in full-service retail sales
at off-site locations identified in the winery permit. Subject to pars. (f) and (g), the
number of retail sales locations a winery is allowed in addition to the winery
premises is determined by the cumulative volume of wine the winery manufactured

or bottled on all winery premises operated by the winery in this state in any one of 1 $\mathbf{2}$ the 3 preceding calendar years, as follows:

3 1. If the winery's cumulative volume in a year was at least 1,000 gallons of wine 4 but less than 5,000 gallons of wine, the winery may establish one full-service retail 5outlet.

- 6 2. If the winerv's cumulative volume in a year was at least 5,000 gallons of wine 7 but less than 25,000 gallons of wine, the winery may establish not more than 2 8 full-service retail outlets.
- 9 3. If the winery's cumulative volume in a year was at least 25,000 gallons of 10 wine, the winery may establish not more than 3 full-service retail outlets.
- 11 (c) 1. Except as provided in subd. 2. and par. (f), a winery may make full-service 12 retail sales of alcohol beverages on the winery premises and at any of its full-service 13retail outlets only if the alcohol beverages were purchased by the winery from a 14 wholesaler holding a permit under s. 125.28 or 125.54, from a brewer authorized to make sales to retailers under s. 125.29 (3m), from a brewpub authorized to make 1516 sales to retailers under s. 125.295 (1) (g), or from a permittee under s. 125.30 17authorized to make sales to retailers under s. 125.30 (4).

18 $\mathbf{2}$. A winery is not required to purchase from another permittee wine manufactured or bottled by the winery that the winery sells at retail on the winery 19 20 premises or at a full-service retail outlet of the winery.

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3. Subject to subd. 2. and par. (f), a winery engaged in full-service retail sales 22on winery premises or at a full-service retail outlet of the winery is subject to ss. 23125.33 (9) and 125.69 (6) to the same extent as if the winery were a retail licensee.

24(d) 1. A winery may not commence sales of alcohol beverages at a full-service 25retail outlet unless, prior to commencing such sales, the winery receives approval 2023 – 2024 Legislature – 100 –

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from the municipality in which the full-service retail outlet is located and from the division as provided in par. (g).

2. Subject to par. (f), a municipality may limit the scope of alcohol beverages offered for sale at a full-service retail outlet only with respect to alcohol beverages that are not of the same type as those produced by the person holding the winery permit. A municipality may not limit the sale, at a full-service retail outlet, of alcohol beverages produced by the person holding the winery permit. If a municipality limits the scope of alcohol beverages offered for sale, the provision of taste samples is limited to those alcohol beverages authorized to be sold.

3. Except as provided in subd. 2., a municipality's approval under subd. 1. shall
 be based on the same standards and criteria that the municipality has established
 by ordinance for the evaluation and approval of retail license applications. A
 municipality may not impose any requirement or restriction in connection with the
 approval under subd. 1. that the municipality does not impose on retail licensees.

(e) 1. A winery may operate a restaurant at any full-service retail outlet under
this subsection and on the winery premises.

17 2. If the winery operates a restaurant as provided in subd. 1., the winery may
18 make retail sales of wine in an opened original bottle, in a quantity not to exceed one
19 bottle, for consumption both at the restaurant and away from the restaurant if all
20 of the following apply:

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a. The purchaser of the wine orders food to be consumed at the restaurant.

b. The winery provides a dated receipt that identifies the purchase of the foodand the bottle of wine.

c. Prior to the opened, partially consumed bottle of wine being taken away from
the restaurant, the winery securely reinserts the cork into the bottle to the point

where the top of the cork is even with the top of the bottle, or securely reattaches the
original cap to the bottle, and the cork is reinserted or the cap is reattached at a time
other than during the hours in which the winery is prohibited under sub. (4) (b) from
making retail sales for off-premises consumption.

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5 (f) 1. If a winery may establish one or more full-service retail outlets under 6 pars. (b) and (g) and the winery also holds a manufacturer's or rectifier's permit or 7 brewer's permit or both and, as such, may establish full-service retail outlets under 8 s. 125.29 (7) (b) and (g) or 125.52 (4) (b) and (g), the aggregate number of full-service 9 retail outlets that may be established is the maximum number authorized under par. 10 (b), under s. 125.29 (7) (b), or under s. 125.52 (4) (b), whichever is greatest, but not 11 exceeding 3 full-service retail outlets. Under these circumstances, each authorized 12full-service retail outlet shall serve as the full-service retail outlet associated with each applicable permit, regardless of whether the permittee would otherwise be 1314entitled to fewer full-service retail outlets when calculated under par. (b) or s. 125.29 15(7) (b) or 125.52 (4) (b).

16 2. If a winery may engage in full-service retail sales on the winery premises 17as provided in par. (a) 2. and the winery also holds a brewer's permit or 18 manufacturer's or rectifier's permit or both, the winery may make retail sales on the 19 winery premises of fermented malt beverages produced under its brewer's permit or 20 intoxicating liquor produced under its manufacturer's or rectifier's permit without first purchasing the fermented malt beverages or intoxicating liquor from a 2122wholesaler holding a permit under s. 125.28 or 125.54 or receiving the fermented 23malt beverages under authorization of s. 125.29 (3m) (b), 125.295 (1) (g), or 125.30 24(4).

1 3. If a person holds more than one winery permit under this section, the retail $\mathbf{2}$ sales authority under this subsection for winery premises applies with respect to 3 each winery permit, but the limit on full-service retail outlets is an aggregate 4 maximum, regardless of the number of winery permits held.

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5 (g) 1. An application for a winery permit, including an application for an 6 amendment to the winery permit, shall specify each full-service retail outlet of the 7 winery and particularly describe the premises of the full-service retail outlet.

8 2. The division shall establish a process for approval of a winery's full-service 9 retail outlet and for revocation of this approval. The division shall approve a winery's 10 full-service retail outlet, and may not revoke this approval, unless the winery has 11 violated a provision of this chapter related to full-service retail outlets. The 12division's failure to approve, or revocation of approval of, a full-service retail outlet described in a winery's application or permit does not affect any other full-service 1314 retail outlet or the winery premises as described in the application or permit.

153. If the division approves a full-service retail outlet, the winery permit, as 16 initially issued or as amended, shall particularly describe the premises constituting 17the full-service retail outlet, which shall be considered part of the premises under 18 the winerv permit.

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4. If the division approves a full-service retail outlet, the agent appointed under s. 125.04 (6) for the winery permit shall also serve as the agent for the 21full-service retail outlet.

225. Section 125.04 (12) (a) does not apply to a winery's full-service retail outlet. 23Upon notice to the division, a winery may relocate any full-service retail outlet to a $\mathbf{24}$ new location within this state once per calendar year, except that one full-service

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retail outlet of a winery may be relocated without limitation on frequency in each
 calendar year.

3 (4) (a) On winery premises, no person may sell alcohol beverages at retail for
4 on-premises consumption, provide taste samples of alcohol beverages, or consume
5 alcohol beverages during the closing hours applicable to a Class "B" licensee under
6 s. 125.32 (3) (a). A full-service retail outlet under sub. (3) shall be subject to the same
7 closing hours applicable to a Class "B" licensee under s. 125.32 (3) (a).

8 (b) On winery premises and at a full-service retail outlet, no person may sell 9 alcohol beverages at retail for off-premises consumption during the hours in which 10 a Class "B" licensee in the municipality where the winery or retail outlet is located 11 may not make retail sales under s. 125.32 (3) (am) and (d).

(c) No member of the public or invited guests may be present on winery
premises during the closing hours applicable to a Class "B" licensee under s. 125.32
(3) (a).

15 (d) Activities authorized under a winery permit related to the production,
16 shipment, transportation, or delivery of alcohol beverages may occur at any time.

SECTION 26fv. 125.535 (1) of the statutes is amended to read:

18 125.535 (1) AUTHORIZED ACTIVITIES. The department division shall issue direct 19 wine shippers' permits authorizing the permittee to ship wine <u>manufactured or</u> 20 <u>bottled by the permittee</u> directly to an individual in this state who is of the legal 21 drinking age, who acknowledges receipt of the wine shipped, and who is not 22 intoxicated at the time of delivery.

23 SECTION 26fw. 125.535 (2) of the statutes is amended to read:

24 125.535 (2) ANNUAL PERMIT FEE. The department division may, by rule,
25 establish an annual fee, not to exceed \$100, for each permit issued under this section.

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All fees collected under this subsection shall be credited to the appropriation account under s. 20.566(1) (ha).

3 **SECTION 26fx.** 125,535 (3) (b) 2, of the statutes is amended to read: 4 125.535 (3) (b) 2. The winery submits to the department division, with any 5 initial application or renewal for a certificate under s. 73.03 (50) or a permit under 6 par. (a) 3. or 4., a copy of any current license, permit, or authorization issued to the 7 winery by the state from which the winery will ship wine into this state or the 8 winery's federal basic permit. 9 **SECTION 26fy.** 125.535 (3) (b) 3. of the statutes is created to read: 10 125.535 (3) (b) 3. The winery satisfies all requirements under par. (d). 11 **SECTION 26fz.** 125.535 (3) (c) of the statutes is amended to read: 12125.535 (3) (c) Notwithstanding s. 125.04 (5) (a), natural persons obtaining 13direct wine shippers' permits are not required to be residents of this state. 14 Notwithstanding s. 125.04 (5) (a) 5., a person is not required to complete a 15responsible beverage server training course to be eligible for a permit under this 16 section. Corporations and limited liability companies obtaining direct wine shippers' permits are subject to s. 125.04 (6) and any other person, including any natural 1718 person or cooperative, obtaining a direct wine shipper's permit shall appoint an 19 agent, and be subject to all provisions of s. 125.04 (6), in the same manner applicable 20to corporations and limited liability companies. Notwithstanding s. 125.04 (5) (a) 2. and (c), an agent appointed under s. 125.04 (6) by a corporation or limited liability 2122company obtaining a direct wine shipper's permit is not required to be a resident of 23this state.

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SECTION 26gb. 125.535 (3) (d) and (e) of the statutes are created to read:

1 125.535 (3) (d) 1. Unless the permittee or agent of the permittee appointed $\mathbf{2}$ under s. 125.04 (6) is a resident of this state, or unless the permittee maintains a 3 registered agent in this state under s. 180.0501, 180.1507, 183.0105, or 183.1007, a 4 permittee under this section shall appoint and continually engage the services of an 5agent in this state to act as agent for the service of process on whom all processes. 6 and any action or proceeding against the permittee concerning or arising out of the 7 enforcement of any provision of this chapter or ch. 139, may be served in any manner 8 authorized by law. That service shall constitute legal and valid service of process on 9 the permittee. The permittee shall provide to the division, in the form and manner 10 prescribed by the division, the name, address, phone number, and proof of the 11 appointment and availability of the agent.

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2. The permittee shall provide notice to the division 30 calendar days before termination of the authority of an agent under subd. 1. and shall provide proof to the satisfaction of the division of the appointment of a new agent no less than 5 calendar days before the termination of an existing agent appointment. In the event an agent terminates an agency appointment, the permittee shall notify the division of that termination within 5 calendar days and shall include proof to the satisfaction of the division of the appointment of a new agent.

19 3. If a permittee fails to maintain an agent in this state after a permit is issued
20 under this section, the permittee is considered to have appointed the department of
21 financial institutions as the permittee's agent, and the permittee may be proceeded
22 against in courts of this state by service of process upon the department of financial
23 institutions.

(e) The application for a permit under this section shall include a provision thatthe permittee agrees to do all of the following:

1 1. File reports, provide records, and allow inspections and examinations to the $\mathbf{2}$ extent provided in s. 125.025 and ch. 139. 3 2. Pay the expenses reasonably attributable to inspections and examinations 4 made by the division at any premises of the permittee located outside this state. $\mathbf{5}$ 3. Accept service of process and consent to jurisdiction in any proceeding in this 6 state to enforce the provisions of this chapter or ch. 139. 7 **SECTION 26gc.** 125.535 (7) of the statutes is created to read: 8 125.535 (7) Shipments through fulfillment house; common carriers. (a) A 9 permittee under this section may arrange with a fulfillment house to ship wine on 10 the permittee's behalf only if the fulfillment house holds a permit under s. 125.23. 11 (b) All containers of wine shipped directly to an individual in this state shall 12 be shipped using a common carrier holding a permit issued under s. 125.22. 13**SECTION 26gd.** 125.54 (1) of the statutes is amended to read: 14 125.54 (1) AUTHORIZED ACTIVITIES. The department division shall issue 15wholesalers' permits authorizing the permittee to sell, from the premises described 16 in the permit, intoxicating liquor at wholesale to retailers and wholesalers, as well 17as to manufacturers, rectifiers, and wineries for production purposes. The permittee 18 may not sell intoxicating liquor for consumption on the premises. Possession of a 19 permit under this section does not authorize the permittee to sell tax-free 20intoxicating liquor and wine brought into this state under s. 139.03 (5). 21**SECTION 26ge.** 125.54 (3) of the statutes is amended to read: 22125.54 (3) TASTE SAMPLES ON "CLASS A" RETAIL PREMISES. Wholesalers holding 23a permit issued under this section, employees of such wholesalers, and individuals $\mathbf{24}$ representing such wholesalers may not assist or participate in providing taste

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25 samples under s. 125.06 (13) (a) or 125.51 (2) (am) <u>or 125.69 (9)</u>.

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SECTION 26gf. 125.54 (5) of the statutes is amended to read: 1 2 125.54 (5) SALES AREA. No wholesaler may sell any intoxicating liquor before 3 filing with the department division a written statement that the permittee is a 4 distributor of a particular brand in this state, or an area of this state, and that the 5sales of that brand by the permittee and anyone purchasing from the permittee will 6 be limited to the area specified. The permittee shall notify the department division 7 of any change in the area within 7 days of the effective date of the change. 8 **SECTION 26gg.** 125.54 (6) of the statutes is amended to read: 9 125.54 (6) MULTIPLE PERMITS. Not more than 2 Multiple wholesalers' permits 10 may be issued to any one person. In each application for a wholesaler's permit, the 11 applicant shall state that whether application has not been made for more than one 12 any other wholesaler's permit and shall identify any other wholesaler's permit held 13 by the applicant. 14 **SECTION 26gh.** 125.54 (7) (a) 2. of the statutes is amended to read: 15125.54 (7) (a) 2. A permittee under this section shall annually sell and deliver 16 intoxicating liquor to at least 10 retail licensees or permittees that do not have any 17direct or indirect an interest in each other or in the permittee under this section. The 18 department division shall not issue a permit under this section unless the applicant 19 represents to the department division an intention to satisfy this requirement, and 20 shall not renew a permit issued under this section unless the permittee 21demonstrates that this requirement has been satisfied. 22**SECTION 26gi.** 125.54 (7) (c) 3. of the statutes is amended to read: 23125.54 (7) (c) 3. This paragraph shall not affect the authority of any 24municipality or the department division to revoke, suspend, or refuse to renew or

25 issue a license or permit under s. 125.12.

1	SECTION 26gj. 125.54 (7) (d) of the statutes is amended to read:
2	125.54 (7) (d) The department division shall promulgate rules to administer
3	and enforce the requirements under this subsection. The rules shall ensure
4	coordination between the department's division's issuance and renewal of permits
5	under this section and its enforcement of the requirements of this subsection, and
6	shall require that all applications for issuance or renewal of permits under this
7	section be processed by department division personnel generally familiar with
8	activities of intoxicating liquor wholesalers. The department division shall establish
9	by rule minimum requirements for warehouse facilities on premises described in
10	permits issued under this section and for periodic site inspections by the department
11	division of such warehouse facilities.
12	SECTION 26gk. 125.545 (title) of the statutes is amended to read:
13	125.545 (title) Small winery cooperative wholesalers.
14	SECTION 26gm. 125.545 (1) (a) of the statutes is amended to read:
15	125.545 (1) (a) "Member" means a small winery <u>or small manufacturer</u> that
16	meets the requirements established under this section for membership in a
17	cooperative wholesaler and that has been qualified and accepted for membership in
18	a cooperative wholesaler.
19	SECTION 26gn. 125.545 (1) (ar) of the statutes is created to read:
20	125.545 (1) (ar) "Out-of-state manufacturer" means a manufacturer or
21	rectifier of intoxicating liquor that is located in a state other than this state.
22	SECTION 26go. 125.545 (1) (cm) of the statutes is created to read:
23	125.545 (1) (cm) "Small manufacturer" means any manufacturer or rectifier
24	that produces and bottles less than 50,000 gallons of intoxicating liquor other than
25	wine in a calendar year.
1	SECTION 26gp. 125.545 (1) (d) of the statutes is amended to read:
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2	125.545 (1) (d) "Small winery" means any winery that produces and bottles less
3	than <u>25,000</u> <u>50,000</u> gallons of wine in a calendar year.
4	SECTION 26gq. 125.545 (1) (e) of the statutes is amended to read:
5	125.545 (1) (e) "Small winery cooperative wholesaler" or "cooperative
6	wholesaler" means an entity established under this section.
7	SECTION 26gr. 125.545 (1) (em) of the statutes is created to read:
8	125.545 (1) (em) "Wisconsin manufacturer" means a manufacturer or rectifier
9	operating under a permit issued under s. 125.52.
10	SECTION 26gs. 125.545 (2) (a) 1. of the statutes is amended to read:
11	125.545 (2) (a) 1. A cooperative wholesaler may only be created as provided
12	under s. 185.043 $\left(2\right)$ and this section. Each cooperative wholesaler operating under
13	authority of this section shall be organized under ch. 185 but shall be subject to the
14	limitations on such cooperatives imposed by this section. Subject to subd. <u>subds.</u> 3.
15	and 4., only small wineries and small manufacturers may be members of a
16	cooperative wholesaler. The principal purpose of a cooperative wholesaler shall be
17	to sell and distribute wine <u>intoxicating liquor</u> manufactured, blended, or mixed, and
18	also bottled, by its members.
19	SECTION 26gt. 125.545 (2) (a) 3. b. of the statutes is amended to read:
20	125.545 (2) (a) 3. b. The small winery is certified by the department division
21	under sub. (6) (a) as a small winery.
22	SECTION 26gu. 125.545 (2) (a) 4. of the statutes is created to read:
23	125.545 (2) (a) 4. A small manufacturer may become a member of a cooperative
24	wholesaler only if the small manufacturer is certified by the division under sub. (6)
25	(a) as a small manufacturer.

1	SECTION 26gv. 125.545 (2) (b) of the statutes is amended to read:
2	125.545 (2) (b) In addition to the requirements specified in s. 185.31 for the
3	board of directors of a cooperative wholesaler, a director representing a member that
4	is a Wisconsin winery or Wisconsin manufacturer shall be either an owner or an
5	employee of that Wisconsin winery <u>or Wisconsin manufacturer</u> . If any out-of-state
6	winery <u>or out-of-state manufacturer</u> is a member of the cooperative wholesaler, at
7	least one director shall be either an owner or an employee of an out-of-state winery
8	or out-of-state manufacturer that is a member of the cooperative wholesaler.
9	SECTION 26gw. 125.545 (2) (c) of the statutes is amended to read:
10	125.545 (2) (c) Notwithstanding any provision of ch. 185, a cooperative
11	wholesaler may not employ any owner or employee of a member. However, an
12	individual that is an owner or an employee of a member may act as a volunteer to
13	assist that cooperative wholesaler in the sale and distribution of wine <u>intoxicating</u>
14	liquor to retailers and other wholesalers in the manner authorized under this
15	section.
16	SECTION 26gx. 125.545 (3) (a) 1. of the statutes is amended to read:
17	125.545 (3) (a) 1. Within 7 days after filing its articles of incorporation under
18	ch. 185, a cooperative wholesaler shall apply to the department division for a
19	wholes aler's permit under s. 125.54. The provisions of s. 125.04 (5) (c) and $(6)shall$
20	apply to a cooperative wholesaler as if the cooperative wholesaler were a corporation
21	or a limited liability company and, for each of these provisions, the department
22	division shall determine whether the cooperative wholesaler is most similar to a
23	corporation or a limited liability company in the context of that provision and apply
24	that provision to the cooperative wholesaler accordingly.

25

SECTION 26hb. 125.545 (3) (a) 2. of the statutes is amended to read:

1	125.545 (3) (a) 2. Notwithstanding s. 125.54 (6), the department division may
2	issue not more than one wholesaler's permit to any cooperative wholesaler. The
3	department division may not issue more than a total of 6 wholesalers' permits to
4	cooperative wholesalers in this state. The department division may not issue any
5	new wholesaler's permit to a cooperative wholesaler after December 31, 2008, but
6	may renew wholesalers' permits that were initially issued to cooperative wholesalers
7	prior to that date.
8	SECTION 26hc. 125.545 (3) (a) 2. of the statutes, as affected by 2023 Wisconsin
9	Act (this act), is amended to read:
10	125.545 (3) (a) 2. Notwithstanding s. 125.54 (6), the division may issue not
11	more than one wholesaler's permit to any cooperative wholesaler. The division may
12	not issue more than a total of 6 wholesalers' permits to cooperative wholesalers in
13	this state. The <u>Except as provided in subd. 2m., the</u> division may not issue any new
14	wholesaler's permit to a cooperative wholesaler after December 31, 2008, but may
15	renew wholesalers' permits that were initially issued to cooperative wholesalers

16 prior to that date.

17

SECTION 26hd. 125.545 (3) (a) 2m. of the statutes is created to read:

18 125.545 (3) (a) 2m. The division may issue new wholesalers' permits to 19 cooperative wholesalers after the effective date of this subdivision [LRB inserts 20 date], but not later than the first day of the 7th month beginning after the effective 21date of this subdivision [LRB inserts date], and may renew wholesalers' permits 22that were initially issued to cooperative wholesalers during this period. The division 23may not issue new wholesalers' permits under this subdivision that cause the total 24number of wholesalers' permits issued to cooperative wholesalers in this state to exceed 6. 25

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SECTION 26he. 125.545 (3) (b) of the statutes is amended to read:

125.545 (3) (b) 1. Notwithstanding s. 125.54 (1), and except as provided in subd.
3., a cooperative wholesaler issued a wholesaler's permit under par. (a) is authorized
to sell and distribute only wine intoxicating liquor. Except as provided in subd. 3.,
a cooperative wholesaler may not sell or distribute any alcohol beverages, or any
other product, except wine intoxicating liquor.

7 2. A cooperative wholesaler shall purchase on consignment wine intoxicating 8 liquor from its members to be resold to retailers and other wholesalers. 9 Notwithstanding s. 125.69 (5), a cooperative wholesaler may not purchase wine 10 intoxicating liquor from any person other than a member. A cooperative wholesaler 11 may not resell or distribute wine intoxicating liquor unless it has been purchased on 12consignment from a member. Notwithstanding s. 125.54 (1), a cooperative wholesaler may not sell or distribute wine intoxicating liquor except to a retailer or 1314 to a wholesaler holding a permit under s. 125.54.

15 3. A cooperative wholesaler may purchase ancillary wine industry trade goods 16 such as bottles, corks, and other supplies used by wineries or manufacturers in the 17 bottling and sale of wine intoxicating liquor if such trade goods do not include any 18 alcohol beverages. Any wine industry trade goods purchased by a cooperative 19 wholesaler under this subdivision may be offered for resale to the cooperative 20 wholesaler's members or to any winery or manufacturer that was formerly a member 21 of the cooperative wholesaler.

4. A cooperative wholesaler shall work with all of its members on evenhanded terms. Any preferential treatment by a cooperative wholesaler for the benefit of a member that is a Wisconsin winery <u>or Wisconsin manufacturer</u>, and any

discrimination against a member that is an out-of-state winery <u>or out-of-state</u>
 <u>manufacturer</u>, is prohibited.

3 **SECTION 26hf.** 125.545 (3) (c) of the statutes is amended to read: 4 125.545 (3) (c) Neither a cooperative wholesaler nor its members are subject 5 to any restriction on dealings under s. 125.69 (1) between wholesalers and wineries 6 or manufacturers. Except as provided in s. 125.54 (7) (e) and as otherwise provided 7 in this section, all provisions of this chapter and ch. 139 that apply to a wholesaler 8 issued a permit under s. 125.54 also apply to a cooperative wholesaler issued a permit under s. 125.54. 9 10 **SECTION 26hg.** 125.545 (4) of the statutes is amended to read: 11 125.545 (4) EXCLUSIVE DISTRIBUTION. A member of a cooperative wholesaler 12may make its wine intoxicating liquor available for purchase by a retailer or another wholesaler only through the cooperative wholesaler of which it is a member. A 1314 member of a cooperative wholesaler may not sell its wine intoxicating liquor directly 15to any other wholesaler or directly to a retailer. 16 **SECTION 26hi.** 125.545 (5) of the statutes is amended to read: 17125.545 (5) BIENNIAL REPORTS. With each application for renewal of a 18 wholesaler's permit issued to a cooperative wholesaler, each cooperative wholesaler 19 shall file with the department division, in the form and manner prescribed by the 20 department division by rule, a biennial report that includes detailed information on 21its members, board of directors, and sale and distribution activities. 22 SECTION 26hj. 125.545 (6) (title) and (a) 1. and 2. of the statutes are amended 23to read:

125.545 (6) (title) Department Division Certification and Rule Making.

24

1 (a) 1. The <u>department division</u> shall, upon application, certify eligible 2 applicants as small wineries and renew prior certifications of eligible applicants as 3 small wineries.

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4 2. Any winery seeking to become a member of, or to maintain its membership 5 in, a cooperative wholesaler may apply to the department division for certification 6 as a small winery. If the winery meets the definition of a small winery under this 7 section, satisfies the requirement under sub. (2) (a) 3. a., and submits any other 8 information that the department division determines is necessary to certify that the 9 winery is operating as a small winery and is eligible for membership in a cooperative 10 wholesaler, the department division shall certify the winery as a small winery. This 11 certification shall remain valid for one year.

SECTION 26hk. 125.545 (6) (a) 1. of the statutes, as affected by 2023 Wisconsin
Act (this act), is amended to read:

14 125.545 (6) (a) 1. The division shall, upon application, certify eligible
 applicants as small wineries <u>or small manufacturers</u> and renew prior certifications
 of eligible applicants as small wineries <u>or small manufacturers</u>.

17

SECTION 26hm. 125.545 (6) (a) 2m. of the statutes is created to read:

18 125.545 (6) (a) 2m. Any manufacturer seeking to become a member of, or to 19 maintain its membership in, a cooperative wholesaler may apply to the division for 20certification as a small manufacturer. If the manufacturer meets the definition of 21a small manufacturer under this section and submits any other information that the 22division determines is necessary to certify that the manufacturer is operating as a 23small manufacturer and is eligible for membership in a cooperative wholesaler, the $\mathbf{24}$ division shall certify the manufacturer as a small manufacturer. This certification 25shall remain valid for one year.

1	SECTION 26hn. 125.545 (6) (a) 3. of the statutes is amended to read:
2	125.545 (6) (a) 3. In certifying any winery under subd. 2., the department
3	division shall classify the winery as either a Wisconsin winery or an out-of-state
4	winery.
5	SECTION 26ho. 125.545 (6) (a) 3m. of the statutes is created to read:
6	125.545 (6) (a) 3m. In certifying any manufacturer under subd. 2m., the
7	division shall classify the manufacturer as either a Wisconsin manufacturer or an
8	out-of-state manufacturer.
9	SECTION 26hp. 125.545 (6) (a) 4. of the statutes is amended to read:
10	125.545 (6) (a) 4. The department division shall refuse to certify under this
11	paragraph any winery that cannot demonstrate it holds all necessary permits for its
12	operations or that the department <u>division</u> finds is otherwise not in full compliance
13	with the laws of this state.
14	SECTION 26hq. 125.545 (6) (a) 4. of the statutes, as affected by 2023 Wisconsin
15	Act (this act), is amended to read:
16	125.545 (6) (a) 4. The division shall refuse to certify under this paragraph any
17	winery <u>or manufacturer</u> that cannot demonstrate it holds all necessary permits for
18	its operations or that the division finds is otherwise not in full compliance with the
19	laws of this state.
20	SECTION 26hr. 125.545 (6) (b) of the statutes is amended to read:
21	125.545 (6) (b) The department division shall promulgate rules to administer
22	and enforce the requirements under this section.
23	SECTION 26hs. 125.545 (7) of the statutes is amended to read:
24	125.545 (7) PENALTIES. (a) Any winery that sells or distributes its wine directly
25	to a retailer, rather than through a wholesaler or cooperative wholesaler, is subject

1 to a fine of not more than \$10,000 and revocation of all of its permits by the 2 department division under s. 125.12 (5). 3 (b) Any cooperative wholesaler that provides preferential treatment to a 4 Wisconsin winery or discriminates against an out-of-state winery is subject to a fine 5 of not more than \$10,000 and revocation of its wholesaler's permit by the department 6 division under s. 125.12 (5). 7 **SECTION 26ht.** 125.545 (7) of the statutes, as affected by 2023 Wisconsin Act 8 (this act), is amended to read: 9 125.545 (7) PENALTIES. (a) Any winery or manufacturer that sells or distributes its wine intoxicating liquor directly to a retailer, rather than through a wholesaler 10 or cooperative wholesaler, is subject to a fine of not more than \$10,000 and revocation 11 12of all of its permits by the division under s. 125.12(5). (b) Any cooperative wholesaler that provides preferential treatment to a 1314 Wisconsin winery or Wisconsin manufacturer or discriminates against an 15out-of-state winery or out-of-state manufacturer is subject to a fine of not more 16 than \$10,000 and revocation of its wholesaler's permit by the division under s. 125.12 (5). 1718 **SECTION 26hu.** 125.55 (1) of the statutes is amended to read: 19 125.55 (1) The department division may issue a combination manufacturer's 20and rectifier's permit. 21**SECTION 26hv.** 125.56 (2) (a) of the statutes is amended to read: 22125.56 (2) (a) The department division shall issue sacramental wine permits 23to organized religious bodies authorizing them to purchase for their own use 24sacramental wine from any permittee under s. 125.52 (1), 125.53 or 125.54. A permit under this subsection does not authorize the resale of sacramental wine by the
 permittee.

SECTION 26hw. 125.56 (2) (c) of the statutes is amended to read:

125.56 (2) (c) Shipments of sacramental wine shall be conspicuously labeled
"for sacramental purposes" and shall meet any other requirements the department
<u>division</u> prescribes by rule.

- 7 SECTION 26hx. 125.56 (2) (d) of the statutes is amended to read:
- 8 125.56 (2) (d) A sacramental wine permit shall be issued free of charge by the
 9 department <u>division</u> and is not subject to s. 125.04 (11) (a).
- 10

3

SECTION 26hy. 125.58 (1) of the statutes is amended to read:

11 125.58 (1) The department division shall issue out-of-state shippers' permits 12 which authorize persons located outside this state to sell or ship intoxicating liquor 13 into this state. Except as provided under sub. subs. (4) and (5), intoxicating liquor 14 may be shipped into this state only to a person holding a wholesaler's permit under 15s. 125.54 or, if shipped from a manufacturer or rectifier in another state holding a 16 permit under this section, to a person holding a manufacturer's or rectifier's permit 17under s. 125.52 or a winery permit under s. 125.53. Except as provided under sub. 18 subs. (4) and (5), a separate out-of-state shipper's permit is required for each 19 location from which any intoxicating liquor is sold or shipped into this state, 20 including the location from which the invoices are issued for the sales or shipments. 21Any person holding an out-of-state shipper's permit issued under this section may 22solicit orders for sales or shipments by the permittee without obtaining the sales 23solicitation permit required by s. 125.65, but every agent, salesperson or other 24representative who solicits orders for sales or shipments by an out-of-state shipper 25shall first obtain a permit for soliciting orders under s. 125.65. No holder of an

out-of-state shipper's permit issued under this section may sell intoxicating liquor
in this state or ship intoxicating liquor into this state unless the out-of-state shipper
is the primary source of supply for that intoxicating liquor.

4 SECTION 26hz. 125.58 (2) of the statutes is renumbered 125.58 (2) (a).

5 SECTION 26jb. 125.58 (2) (b) and (c) of the statutes are created to read:

6 125.58(2) (b) 1. Unless the permittee or agent of the permittee appointed under 7 s. 125.04 (6) is a resident of this state, or unless the permittee maintains a registered 8 agent in this state under s. 180.0501, 180.1507, 183.0105, or 183.1007, a permittee 9 under this section shall appoint and continually engage the services of an agent in 10 this state to act as agent for the service of process on whom all processes, and any 11 action or proceeding against the permittee concerning or arising out of the 12 enforcement of any provision of this chapter or ch. 139, may be served in any manner 13authorized by law. That service shall constitute legal and valid service of process on 14the permittee. The permittee shall provide to the division, in the form and manner 15prescribed by the division, the name, address, phone number, and proof of the 16 appointment and availability of the agent.

2. The permittee shall provide notice to the division 30 calendar days before termination of the authority of an agent under subd. 1. and shall provide proof to the satisfaction of the division of the appointment of a new agent no less than 5 calendar days before the termination of an existing agent appointment. In the event an agent terminates an agency appointment, the permittee shall notify the division of that termination within 5 calendar days and shall include proof to the satisfaction of the division of the appointment of a new agent.

3. If a permittee fails to maintain an agent in this state after a permit is issued
under this section, the permittee is considered to have appointed the department of

1 financial institutions as the permittee's agent, and the permittee may be proceeded 2 against in courts of this state by service of process upon the department of financial 3 institutions. 4 (c) The application for a permit under this section shall include a provision that 5the permittee agrees to do all of the following: 6 1. File reports, provide records, and allow inspections and examinations to the 7 extent provided in s. 125.025 and ch. 139. 8 2. Pay the expenses reasonably attributable to inspections and examinations 9 made by the division at the premises of the permittee located outside this state. 10 3. Accept service of process and consent to jurisdiction in any proceeding in this 11 state to enforce the provisions of this chapter or ch. 139. 12**SECTION 26jc.** 125.58 (5) of the statutes is created to read: 13125.58 (5) A fulfillment house located outside this state that holds a permit 14 under s. 125.23 may ship wine into this state as provided in s. 125.23 and is not 15required to hold an out-of-state shipper's permit under this section. 16 **SECTION 26jd.** 125.60 (1) of the statutes is amended to read: 17125.60 (1) The department division may issue a wholesale alcohol permit 18 which authorizes the permittee to sell ethyl alcohol of 190 proof or more to persons 19 holding permits or licenses issued under s. 125.61 or 125.62. Nothing in this section 20 requires manufacturers, rectifiers and wholesalers holding permits issued under s. 21125.52 (1) or 125.54 to obtain a wholesale alcohol permit. 22 **SECTION 26je.** 125.61 (1) of the statutes is amended to read: 23125.61 (1) The department division may issue a medicinal alcohol permit 24which authorizes the permittee to purchase and use alcohol for medicinal purposes

1	only. The permit may be issued only to persons who prove to the department <u>division</u>
2	that they use alcohol for medicinal purposes.
3	SECTION 26jf. 125.61 (3) of the statutes is amended to read:
4	125.61 (3) Shipments of medicinal alcohol shall be conspicuously labeled "for
5	medicinal purposes" and shall meet other requirements which the department
6	division prescribes by rule.
7	SECTION 26jg. 125.61 (4) of the statutes is amended to read:
8	125.61 (4) A medicinal permit shall be issued free of charge by the department
9	division and is not subject to s. 125.04 (11) (a).
10	SECTION 26jh. 125.62 (1) of the statutes is amended to read:
11	125.62 (1) The department division may issue an industrial alcohol permit
12	which authorizes the permittee to purchase and use alcohol for industrial purposes
13	only. Such permits may be issued only to persons who prove to the department
14	division that they use alcohol for industrial purposes.
15	SECTION 26ji. 125.62 (3) of the statutes is amended to read:
16	125.62 (3) Shipments of industrial alcohol shall be conspicuously labeled "for
17	industrial purposes" and shall meet other requirements which the department
18	division prescribes by rule.
19	SECTION 26jk. 125.63 (1) of the statutes is amended to read:
20	125.63 (1) The department division may issue an industrial wine permit which
21	authorizes the purchase and use of wine for industrial purposes only. An industrial
22	wine permit may be issued only to persons who prove to the department division that
23	they use wine for industrial purposes.
24	SECTION 26jm. 125.63 (3) of the statutes is amended to read:

1	125.63 (3) Shipments of industrial wine shall be conspicuously labeled "for
2	industrial purposes" and shall meet other requirements which the department
3	division prescribes by rule.
4	SECTION 26jn. 125.65 (1) of the statutes is amended to read:
5	125.65 (1) The department <u>division</u> may issue a permit for wholesale sales for
6	future delivery which authorizes the permittee to solicit orders, and to engage in the
7	sale, of intoxicating liquor for delivery at a future date. A person holding a permit
8	under this section may give a sample of a brand of intoxicating liquor to a "Class A"
9	licensee who has not previously purchased that brand from the permittee.
10	SECTION 26jo. 125.65 (4) (intro.) of the statutes is amended to read:
11	125.65 (4) (intro.) The department division shall require the following
12	information in applications for permits under this section:
13	SECTION 26jp. 125.65 (4) (e) of the statutes is amended to read:
14	125.65 (4) (e) Any other information required by the department division.
15	SECTION 26jq. 125.65 (6) of the statutes is amended to read:
16	125.65 (6) Employers shall furnish the department <u>division</u> with the names of
17	all employees engaged in activities requiring a permit under this section and shall
18	notify the department division whenever an employee begins or terminates
19	employment. Upon leaving employment, an employee shall submit his or her permit
20	to the department division for cancellation.
21	SECTION 26jr. 125.65 (10) of the statutes is amended to read:
22	125.65 (10) The department <u>division</u> may not require a fee for a permit under
23	this section for an individual who is eligible for the veterans fee waiver program
24	under s. 45.44.
25	SECTION 26js. 125.68 (2) of the statutes is amended to read:

1	125.68 (2) Operators' licenses; "Class A," "Class B," "Class C," and other
2	PREMISES. Except as provided under ss. 125.07 (3) (a) 10. and 125.51 (10), no premises
3	operated under a "Class A" or "Class C" license or under a "Class B" license or permit
4	may be open for business, and no person who holds a <u>brewer's permit,</u> manufacturer's
5	or rectifier's permit <u>, or winery permit</u> may allow the sale or provision of taste samples
6	of intoxicating liquor on the <u>brewery premises</u> , manufacturing or rectifying premises
7	as provided in s. 125.52 (1) (b) 2., winery premises, or any retail outlet operated by
8	the brewer, manufacturer, rectifier, or winery under s. 125.29 (7), 125.52 (4), or
9	125.53 (3), unless there is upon the premises either the licensee or permittee, the
10	agent named in the license or permit if the licensee or permittee is a corporation or
11	limited liability company, or some person who has an operator's license and who is
12	responsible for the acts of all persons selling or serving any intoxicating liquor to
13	customers. An operator's license issued in respect to a vessel under s. 125.51 (5) (c) $$
14	is valid outside the municipality that issues it. For the purpose of this subsection,
15	any person holding a manager's license issued under s. 125.18 or any member of the
16	licensee's or permittee's immediate family who has attained the age of 18 shall be
17	considered the holder of an operator's license. No person, including a member of the
18	licensee's or permittee's immediate family, other than the licensee, permittee, or
19	agent may serve or sell alcohol beverages in any place operated under a "Class A" or
20	"Class C" license or under a "Class B" license or permit <u>, or serve or sell intoxicating</u>
21	liquor on brewery premises, manufacturing or rectifying premises, winery premises,
22	or any retail outlet operated by a brewer, manufacturer, rectifier, or winery under s.
23	<u>125.29 (7), 125.52 (4), or 125.53 (3)</u> , unless he or she has an operator's license <u>, is</u>
24	considered to have an operator's license under this subsection, or is at least 18 years
25	of age and is under the immediate supervision of the licensee, permittee <u>,</u> or agent or

a person holding an operator's license, who is on the premises at the time of the
 service.

3 SECTION 26jt. 125.68 (2) of the statutes, as affected by 2023 Wisconsin Act
4 (this act), is amended to read:

5125.68 (2) OPERATORS' LICENSES AND PERMITS; "CLASS A," "CLASS B," "CLASS C," AND OTHER PREMISES. Except as provided under ss. 125.07 (3) (a) 10. and 125.51 (10), no 6 premises operated under a "Class A" or "Class C" license or under a "Class B" license 7 8 or permit may be open for business, and no person who holds a brewer's permit, 9 manufacturer's or rectifier's permit, or winery permit may allow the sale or provision 10 of taste samples of intoxicating liquor on the brewery premises, manufacturing or 11 rectifying premises, winery premises, or any retail outlet operated by the brewer, 12manufacturer, rectifier, or winery under s. 125.29 (7), 125.52 (4), or 125.53 (3), unless 13 there is upon the premises either the licensee or permittee, the agent named in the 14 license or permit if the licensee or permittee is a corporation or limited liability 15company, or some person who has an operator's license or operator's permit and who 16 is responsible for the acts of all persons selling or serving any intoxicating liquor to 17customers. An operator's license issued in respect to a vessel under s. 125.51 (5) (c) 18 is valid outside the municipality that issues it. For the purpose of this subsection, 19 any person holding a manager's license issued under s. 125.18 or any member of the 20 licensee's or permittee's immediate family who has attained the age of 18 shall be 21considered the holder of an operator's license. No person other than the licensee, 22permittee, or agent may serve or sell alcohol beverages in any place operated under a "Class A" or "Class C" license or under a "Class B" license or permit, or serve or sell 2324intoxicating liquor on brewery premises, manufacturing or rectifying premises, 25winery premises, or any retail outlet operated by a brewer, manufacturer, rectifier,

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1 or winery under s. 125.29 (7), 125.52 (4), or 125.53 (3), unless he or she has an $\mathbf{2}$ operator's license or operator's permit, is considered to have an operator's license 3 under this subsection, or is at least 18 years of age and is under the immediate 4 supervision of the licensee, permittee, or agent or a person holding an operator's 5 license or operator's permit, who is on the premises at the time of the service. **SECTION 26iu.** 125.68 (4) (c) 1. of the statutes is amended to read: 6 7 125.68 (4) (c) 1. Subject to subds. 3. and 6. and s. 125.51 (3r) (a) 3., no premises 8 for which a "Class B" license or permit or a "Class C" license has been issued may 9 remain open between the hours of 2 a.m. and 6 a.m., except as otherwise provided 10 in this subdivision and subd. 4. On January 1 premises operating under a "Class B" 11 license or permit are not required to close. On Saturday and Sunday, no premises 12may remain open between 2:30 a.m. and 6 a.m. except that, on the Sunday that 13daylight saving time begins as specified in s. 175.095 (2), no premises may remain 14open between 3:30 a.m. and 6 a.m. This subdivision does not apply to a "Class B" 15license issued to a winery under s. 125.51 (3) (am). 16 **SECTION 26jv.** 125.68 (4) (c) 3. of the statutes is amended to read: 17125.68 (4) (c) 3. Between 12 midnight and 6 a.m. no person may sell 18 intoxicating liquor on "Class B" licensed premises in an original unopened package, 19 container or bottle or for consumption away from the premises or on "Class C" 20licensed premises as authorized under s. 125.51 (3r) (a). A municipal governing body 21may, by ordinance, impose more restrictive hours than are provided in this 22subdivision except with respect to the sale of intoxicating liquor authorized under s. 23125.51 (3r) (a). This subdivision does not apply to a "Class B" license issued to a 24winery under s. 125.51 (3) (am). 25SECTION 26jw. 125.68 (4) (c) 3m. of the statutes is repealed.

SECTION 26x. 125.68 (9) (f) of the statutes is amended to read:

125.68 (9) (f) Every person manufacturing, rectifying or blending intoxicating
liquor sold in this state shall provide the department division with the names,
brands, descriptions, alcoholic content by volume and any other information about
the intoxicating liquor required by the department division. Information required
by this paragraph shall be submitted prior to placing any new blend on the market.
The department division may also require by rule that samples of new products be
submitted for examination and analysis.

9

SECTION 26jy. 125.68 (10) (a) and (b) of the statutes are amended to read:

10 125.68 (10) (a) Except as provided in <u>s. ss. 125.23 and</u> 125.535, no intoxicating 11 liquor may be shipped into this state unless consigned to a person holding a 12 wholesaler's permit under s. 125.54 or, if shipped from a manufacturer or rectifier 13 in another state holding a permit under s. 125.58, consigned to a person holding a 14 manufacturer's or rectifier's permit under s. 125.52 or a winery permit under s. 15 125.53.

(b) Except as provided in -s. ss. 125.23 and 125.535, no common carrier or other
person may transport into and deliver within this state any intoxicating liquor
unless it is consigned to a person holding a wholesaler's permit under s. 125.54 or,
if shipped from a manufacturer or rectifier in another state holding a permit under
s. 125.58, consigned to a person holding a manufacturer's or rectifier's permit under
s. 125.52 or a winery permit under s. 125.53. Any common carrier violating this
paragraph shall forfeit \$100 for each violation.

23

SECTION 26kc. 125.69 (1) of the statutes is repealed and recreated to read:

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1	125.69 (1) INTEREST RESTRICTIONS. (a) Subject to s. 125.20 (6), a manufacturer's
2	or rectifier's permit under s. 125.52 may not be issued to any person who holds, or
3	has an interest in a licensee or permittee holding, any of the following:
4	1. A Class "A" license issued under s. 125.25 or "Class A" license issued under
5	s. 125.51 (2).
6	2. A Class "B" license issued under s. 125.26, "Class B" license issued under s.
7	125.51 (3), or "Class C" license issued under s. 125.51 (3m).
8	3. A Class "B" permit issued under s. 125.27 or "Class B" permit issued under
9	s. 125.51 (5).
10	4. A wholesaler's permit issued under s. 125.28 or 125.54.
11	(b) Subject to s. 125.20 (6), a winery permit under s. 125.53 may not be issued
12	to any person who holds, or has an interest in a licensee or permittee holding, any
13	of the following:
14	1. A Class "A" license issued under s. 125.25 or "Class A" license issued under
15	s. 125.51 (2).
16	2. A Class "B" license issued under s. 125.26, "Class B" license issued under s.
17	125.51 (3), or "Class C" license issued under s. 125.51 (3m).
18	3. A Class "B" permit issued under s. 125.27 or "Class B" permit issued under
19	s. 125.51 (5).
20	4. A wholesaler's permit issued under s. 125.28 or 125.54.
21	(c) Subject to s. 125.20 (6), a wholesaler's permit under s. 125.54 may not be
22	issued to any person who holds, or has an interest in a licensee or permittee holding,
23	any of the following:
24	1. A Class "A" license issued under s. 125.25 or "Class A" license issued under
25	s. 125.51 (2).

1	2. A Class "B" license issued under s. 125.26, "Class B" license issued under s.
2	125.51 (3), or "Class C" license issued under s. 125.51 (3m).
3	3. A Class "B" permit issued under s. 125.27 or "Class B" permit issued under
4	s. 125.51 (5).
5	4. A brewer's permit issued under s. 125.29.
6	5. A brewpub permit issued under s. 125.295.
7	6. A winery permit issued under s. 125.53.
8	7. A manufacturer's or rectifier's permit issued under s. 125.52.
9	8. An out-of-state shipper's permit issued under s. 125.30 or 125.58.
10	(d) Subject to s. 125.20 (6), an out-of-state shipper's permit under s. 125.58
11	may not be issued to any person who holds, or has an interest in a licensee or
12	permittee holding, any of the following:
13	1. A Class "A" license issued under s. 125.25 or "Class A" license issued under
14	s. 125.51 (2).
15	2. A Class "B" license issued under s. 125.26, "Class B" license issued under s.
16	125.51 (3), or "Class C" license issued under s. 125.51 (3m).
17	3. A Class "B" permit issued under s. 125.27 or "Class B" permit issued under
18	s. 125.51 (5).
19	4. A wholesaler's permit issued under s. 125.28 or 125.54.
20	(e) Subject to s. 125.20 (6), a "Class A" license may not be issued to any person
21	who holds, or has an interest in a permittee holding, any of the following:
22	1. A wholesaler's permit issued under s. 125.28 or 125.54.
23	2. A brewer's permit issued under s. 125.29.
24	3. A brewpub permit issued under s. 125.295.
25	4. A winery permit issued under s. 125.53.

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1	5. A manufacturer's or rectifier's permit issued under s. 125.52.
2	6. An out-of-state shipper's permit issued under s. 125.30 or 125.58.
3	(f) Subject to s. 125.20 (6), a "Class B" license or permit or "Class C" license may
4	not be issued to any person who holds, or has an interest in a permittee holding, any
5	of the following:
6	1. A wholesaler's permit issued under s. 125.28 or 125.54.
7	2. A brewer's permit issued under s. 125.29.
8	3. Except as provided in s. 125.295 (1) (h), (2) (a) 6. e., and (3) (c), a brewpub
9	permit issued under s. 125.295.
10	4. A winery permit issued under s. 125.53.
11	5. A manufacturer's or rectifier's permit issued under s. 125.52.
12	6. An out-of-state shipper's permit issued under s. 125.30 or 125.58.
13	SECTION 26ke. 125.69 (1) (a) 5., (b) 5m., (c) 9. and (d) 5. of the statutes are
14	created to read:
15	125.69 (1) (a) 5. A no-sale event venue permit issued under s. 125.24.
16	(b) 5m. A no-sale event venue permit issued under s. 125.24.
17	(c) 9. A no-sale event venue permit issued under s. 125.24.
18	(d) 5. A no-sale event venue permit issued under s. 125.24.
19	SECTION 26kg. 125.69 (4) (e) of the statutes is amended to read:
20	125.69 (4) (e) Costs. The cost of administering this subsection shall be charged
21	to the manufacturer, rectifier and wholesaler permittees. The department <u>division</u>
22	shall determine the costs and shall establish the procedure for apportioning the cost
23	against the permittees and provide for the method of payment to the department
24	division.
25	SECTION 26ki. 125.69 (7) of the statutes is amended to read:

1 125.69 (7) LICENSE OR PERMIT REVOCATION. The violation of sub. (1), (3) or (5), 2 or s. 125.20 (5) (d) as it relates to sub. (1), is sufficient cause for the revocation of the 3 license or permit of any licensee or permittee receiving the benefit from the 4 prohibited act as well as the revocation of the license or permit of the licensee or 5 permittee committing the prohibited act.

6

SECTION 26km. 125.69 (9) of the statutes is created to read:

125.69 (9) PROVIDING TASTE SAMPLES ON RETAIL PREMISES. (a) Subject to par. (e),
with the consent of the "Class A," "Class B," or "Class C" licensee, a winery,
manufacturer, or rectifier may provide, free of charge, on "Class A," "Class B," or
"Class C" premises, taste samples of intoxicating liquor to any person who has
attained the legal drinking age for consumption on the premises between the hours
of 11 a.m. and 7 p.m.

(b) A taste sample of wine may not exceed 3 fluid ounces and a person may not
receive more than 2 taste samples of wine per day. A taste sample of intoxicating
liquor other than wine may not exceed 0.5 fluid ounces and a person may receive not
more than one taste sample of such intoxicating liquor per day.

(c) A winery, manufacturer, or rectifier may provide taste samples of any
intoxicating liquor purchased from the retail licensee or of any intoxicating liquor the
winery, manufacturer, or rectifier produced on premises covered by its winery
permit, manufacturer's permit, or rectifier's permit and brings to the retail premises,
but the winery, manufacturer, or rectifier may not leave at the retail premises any
unused intoxicating liquor not purchased from the retail licensee.

23 (d) Any representative of a manufacturer, rectifier, or winery issued a permit
24 under s. 125.52 or 125.53 may assist the retail licensee in dispensing or serving the
25 taste samples.

- (e) This subsection authorizes taste samples only of wine on "Class C" licensed
 premises.".
- 3 **17.** Page 19, line 8: after that line insert: 4 "SECTION 40b. 139.01 (2p) of the statutes is created to read: $\mathbf{5}$ 139.01 (**2**p) "Division" means the division of alcohol beverages in the 6 department. 7 **SECTION 40c.** 139.01 (4) of the statutes is amended to read: 139.01 (4) "License," and "fermented malt beverages" have the same meaning 8 9 as in s. 125.02, and "licensed premises" are premises described in licenses and permits issued by the department division, cities, villages, or towns under the 10 11 authority of said section. 12SECTION 40d. 139.01 (4) of the statutes, as affected by 2023 Wisconsin Act 13(this act), section 40c, is amended to read: 139.01 (4) "License," and "fermented malt beverages" have the same meaning 14as in s. 125.02, and "licensed premises" are premises described in licenses and 1516 permits issued by the division, cities, villages, or towns under the authority of said 17section, other than a permit issued under s. 125.175. 18 SECTION 40e. 139.01 (4) of the statutes, as affected by 2023 Wisconsin Act (this act), section 40d, is amended to read: 19 139.01 (4) "License," and "fermented malt beverages" have the same meaning 2021as in s. 125.02, and "licensed premises" are premises described in licenses and 22permits issued by the division, cities, villages, or towns under the authority of said section, other than <u>a permit permits</u> issued under s. ss. 125.175 and 125.24. 2324**SECTION 40f.** 139.01 (6) of the statutes is amended to read:

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1 139.01 (6) A "rectifier" is a person who rectifies, purifies or refines distilled $\mathbf{2}$ spirits or wines by any process other than by original and continuous distillation 3 from mash, wort or wash, through continuous closed vessels or pipes, until the 4 manufacture thereof is complete, or who has in his or her possession any still or leach $\mathbf{5}$ tub or keeps any other apparatus for the purpose of refining in any manner distilled 6 spirits or the other liquors, or who after rectifying and purifying distilled spirits, by 7 mixing such spirits or liquors with any materials, manufactures any spurious, 8 imitation or compound liquors for sale, and any person who, without rectifying, 9 purifying or refining distilled spirits, by mixing such spirits with any materials, 10 manufactures any spurious, imitation or compound liquors for sale under the name of "whiskey," "brandy," "gin," "rum," "spirits," "cordials" or any other name, and who 11 12is also a distiller or is under substantially the same management or control as a 13 distiller. A rectifier may sell at wholesale intoxicating liquors rectified by him or her 14 without any other license than that of a rectifier. "Rectifier" does not include a "Class 15B" licensee that prepares, stores, or dispenses mixed drinks in advance of sale in compliance with s. 125.51(3) (bg). 16

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SECTION 40g. 139.03 (5) (a) of the statutes is amended to read:

18 139.03 (5) (a) No person who enters this state from another state may have in 19 his or her possession and bring into the state any intoxicating liquor or wine. The 20 prohibition in this paragraph does not apply to a person who changes his or her 21domicile from another state or a foreign country to this state and who brings into this 22state intoxicating liquor and wine constituting household goods. The prohibition in 23this paragraph does not apply to intoxicating liquor or wine consigned to any person 24having a permit from the secretary <u>division</u> to engage in the sale of such intoxicating 25liquor or wine.

1	SECTION 40h. 139.04 (4) of the statutes is amended to read:
2	139.04 (4) Sale or shipment of fermented malt beverages by a brewer to a
3	bottler <u>or between brewers,</u> or of intoxicating liquor <u>, whether</u> in bulk <u>or any state of</u>
4	packaging, between manufacturers, rectifiers, and wineries.
5	SECTION 40i. 139.06 (3) of the statutes is amended to read:
6	139.06 (3) In shipping intoxicating liquor <u>, whether</u> in bulk for the purpose of
7	bottling or rectifying to a rectifier located within the state or in any state of
8	packaging, to a manufacturer or rectifier holding a permit under s. 125.52, the
9	manufacturer <u>or rectifier</u> shall securely affix thereto a label or statement, in such
10	form as is prescribed by the secretary, reciting that the shipment is made for the
11	purpose of bottling or rectifying a tax-exempt transfer between producers as
12	authorized under s. 139.04 (4). Each manufacturer or rectifier making such
13	shipments shall file an information report that shows the dates and quantities of
14	shipments and the name and address of each consignee.
15	SECTION 40j. 139.08 (3) of the statutes is amended to read:
16	139.08 (3) POLICE POWERS. The department of revenue shall enforce and the
17	duly authorized employees of the department shall have all necessary police powers
18	to prevent violations of s. 134.65 , <u>and</u> this subchapter and ch. 125 .
19	SECTION 40k. 139.08 (4) of the statutes is amended to read:
20	139.08 (4) INSPECTION FOR ENFORCEMENT. Duly authorized employees of the
21	department of justice and the department of revenue and any sheriff, police officer,
22	marshal, or constable, within their respective jurisdictions, may at all reasonable
23	hours enter any licensed premises, and examine the books, papers, and records of
24	any brewer, brewpub, manufacturer, bottler, rectifier, wholesaler, or retailer, for the
25	purpose of inspecting the same and determining whether the tax and fee imposed by

ss. 139.01 to 139.25 have been fully paid, and may inspect and examine, according 1 $\mathbf{2}$ to law, any premises where fermented malt beverages or intoxicating liquors are 3 manufactured, sold, exposed for sale, possessed, or stored, for the purpose of 4 inspecting the same and determining whether the tax imposed by ss. 139.01 to 5139.25 has been fully paid, and whether ss. 139.01 to 139.25 and ch. 125 are being 6 complied with. Any refusal to permit such examination of such premises is sufficient 7 grounds under s. 125.12 for revocation or suspension of any license or permit granted 8 for the sale of any fermented malt beverages or intoxicating liquors and is punishable 9 under s. 139.25 (10). **SECTION 40m.** 139.08 (5) of the statutes is created to read: 10

11 139.08 (5) RETENTION OF CERTAIN RECORDS. Notwithstanding any retention 12 schedule established for the department's records under s. 16.61, the department 13 shall retain for 3 years after receipt by the department all reports submitted to the 14 division under ss. 125.22 (2) and 125.23 (5) and all records received by the division 15 relating to these reports.

16

SECTION 40n. 139.11 (1) of the statutes is amended to read:

17139.11 (1) PRESERVATION OF RECORDS. Every person who manufactures, 18 rectifies, distributes, imports, transports, stores, warehouses, or sells intoxicating 19 liquor or fermented malt beverages shall keep complete and accurate records of all 20 such liquor or malt beverages purchased, sold, manufactured, rectified, brewed, 21fermented, distilled, produced, stored, warehoused, imported, or transported within 22this state. Such records shall be of a kind and in the form prescribed by the secretary 23and shall be safely preserved to ensure accessibility for inspection by the secretary 24or by the division as provided in s. 125.025 (3). A person required to keep records 25under this subsection may keep such records in electronic form only.

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SECTION 400. 139.11 (1) of the statutes, as affected by 2023 Wisconsin Act (this act), is amended to read:

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3 139.11 (1) PRESERVATION OF RECORDS. Every person who manufactures, 4 rectifies, distributes, imports, transports, stores, warehouses, or sells intoxicating liquor or fermented malt beverages shall keep complete and accurate records of all $\mathbf{5}$ 6 such liquor or malt beverages purchased, sold, manufactured, rectified, brewed, 7 fermented, distilled, produced, stored, warehoused, imported, or transported within 8 this state. Such records shall be of a kind and in the form prescribed by the secretary 9 and shall be safely preserved to ensure accessibility for inspection by the secretary or by the division as provided in s. 125.025 (3). A person required to keep records 10 11 under this subsection may keep such records in electronic form only. Any common 12carrier or fulfillment house required to submit reports under s. 125.22 or 125.23 shall maintain, for 3 years, all records related to the reports or otherwise required to be 13kept under this subsection.". 14

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18. Page 19, line 15: after that line insert:

16 "SECTION 41b. 139.11 (4) (a) 2. of the statutes is amended to read:

17139.11 (4) (a) 2. A current list, available on paper and on the department's Internet site, providing detailed information regarding every person issued a 18 19 wholesalers permit under s. 125.28, brewers permit under s. 125.29, brewpub permit 20under s. 125.295, or out-of-state shippers permit under s. 125.30. The information 21provided under this subdivision shall include the name and address of the permit 22holder and the date on which the department division issued the permit. 23

SECTION 41c. 139.11 (4) (b) 2. of the statutes is amended to read:

1 139.11 (4) (b) 2. A current and regularly updated list, made available on paper $\mathbf{2}$ and on the department's Internet website, of permit holders that minimally includes 3 detailed information on the name, address, contact person, and date of permit 4 issuance for every common carrier permit issued under s. 125.22, fulfillment house 5permit issued under s. 125.23, manufacturer's and rectifier's permit issued under s. 6 125.52, winery permit issued under s. 125.53, direct wine shipper's permit issued 7 under s. 125.535, wholesaler's permit issued under s. 125.54, and out-of-state 8 shipper's permit issued under s. 125.58.

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SECTION 41d. 139.22 of the statutes is amended to read:

10 **139.22** Confiscation. If a duly authorized employee of the department of 11 revenue or the department of justice or any sheriff, police officer, marshal, or 12 constable, within his or her respective jurisdiction, discovers any fermented malt 13 beverages upon any premises other than the premises of a brewer, brewpub, or 14 bottler, or any intoxicating liquor upon any premises other than the premises of a 15manufacturer, rectifier, winery, or wholesaler, and upon which the tax has not been 16 paid or which was possessed, kept, stored, manufactured, sold, distributed, or 17transported in violation of ss. 139.01 to 139.25 and ch. 125, the employee or any such 18 officer may immediately seize the fermented malt beverages or intoxicating liquors. 19 Any such fermented malt beverages or intoxicating liquors so seized shall be held 20 transferred by the department of revenue to the division and disposed of under s. 21125.14 (2) (e).

22

SECTION 41e. 139.25 (9) of the statutes is amended to read:

139.25 (9) FAILURE TO KEEP RECORDS. Failure to comply with s. 139.11 (1) shall
carry a penalty of revocation by the secretary of revenue division of the license or
permit.".

1	19. Page 21, line 17: after that line insert:
2	"SECTION 49c. 185.043 (2) of the statutes is amended to read:
3	185.043 (2) If the cooperative is formed for purposes of operating as a small
4	winery cooperative wholesaler under s. 125.545, 3 or more individuals, at least one
5	of whom must be a resident and all of which must be owners of small wineries
6	certified by the <u>division of alcohol beverages in the</u> department of revenue under s.
7	125.545 (6) (a), may form a cooperative by signing, acknowledging, and filing articles.
8	Membership in a cooperative formed under this subsection is limited to small
9	wineries certified by the department of revenue <u>division of alcohol beverages</u> under
10	s. 125.545 (6) (a).
11	SECTION 49d. 185.043 (2) of the statutes, as affected by 2023 Wisconsin Act
12	(this act), is amended to read:
13	185.043 (2) If the cooperative is formed for purposes of operating as a small
14	winery cooperative wholesaler under s. 125.545, 3 or more individuals, at least one
15	of whom must be a resident and all of which must be owners of small wineries <u>or</u>
16	small manufacturers certified by the division of alcohol beverages in the department
17	of revenue under s. 125.545 (6) (a), may form a cooperative by signing,
18	acknowledging, and filing articles. Membership in a cooperative formed under this
19	subsection is limited to small wineries or small manufacturers certified by the
20	division of alcohol beverages under s. 125.545 (6) (a).
21	SECTION 49e. 227.52 (1) of the statutes is amended to read:
22	227.52(1) Decisions of the department of revenue other than decisions relating
23	to alcohol beverage permits issued under ch. 125.
24	SECTION 49f. 230.08 (2) (e) 11. of the statutes is amended to read:

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1	230.08 (2) (e) 11. Revenue — 7 <u>8</u> .".
2	20. Page 21, line 19: delete lines 19 to 25 and substitute:
3	"230.36 (1m) (b) 2. (intro.) A conservation warden, conservation patrol boat
4	captain, conservation patrol boat engineer, member of the state patrol, state motor
5	vehicle inspector, University of Wisconsin System police officer, security officer, or
6	security person, other state facilities police officer, special tax agent, excise tax
7	investigator <u>special agent</u> employed by the department of revenue <u>who is authorized</u>
8	to act under s. 73.031, and special criminal investigation agent employed by the
9	department of justice at all times while:".
10	21. Page 22, line 3: after that line insert:
11	"SECTION 51m. 346.657 (1) of the statutes, as affected by 2023 Wisconsin Act
12	9, is amended to read:
13	346.657 (1) If a court imposes a fine or a forfeiture for a violation of s. 346.62
14	or $346.63(1)$ or (5) , or a local ordinance in conformity therewith, or s. $346.63(2)$ or
15	(6) or 940.25, or s. 940.09 where the offense involved the use of a vehicle, it shall
16	impose a safe ride program surcharge under ch. 814 in an amount of 50 575 in
17	addition to the fine or forfeiture, plus costs, fees, and other surcharges imposed under
18	ch. 814.".
19	22. Page 24, line 21: after that line insert:
20	"SECTION 64b. Tax 8.87 of the administrative code is repealed.
21	SECTION 64c. Nonstatutory provisions.
22	(1) TRANSFER OF ALCOHOL BEVERAGES REGULATION AND ENFORCEMENT FUNCTIONS.
23	(a) <i>Definitions</i> . In this subsection:
24	1. "Department" means the department of revenue.

- 1
- 2. "Division" means the division of alcohol beverages in the department.

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3. "Secretary" means the secretary of revenue.

3 (b) Assets and liabilities. On the effective date of this paragraph, the assets and
4 liabilities of the department primarily related to alcohol beverages regulation and
5 enforcement under ch. 125, as determined by the secretary, become the assets and
6 liabilities of the division.

(c) *Tangible personal property.* On the effective date of this paragraph, all
tangible personal property, including records, of the department that is primarily
related to alcohol beverages regulation and enforcement under ch. 125, as
determined by the secretary, is transferred to the division.

(d) Contracts. All contracts entered into by the department in effect on the effective date of this paragraph that are primarily related to alcohol beverages regulation and enforcement under ch. 125, as determined by the secretary, remain in effect and are transferred to the division. The division shall carry out any obligations under those contracts unless modified or rescinded by the division to the extent allowed under the contract.

(e) Position and employee transfers. On the effective date of this paragraph, all
positions, and the incumbent employees who hold those positions, in the department
with duties that are primarily related to alcohol beverages regulation and
enforcement under ch. 125, as determined by the secretary, are transferred to the
division.

(f) *Employee status*. Employees transferred under par. (e) have all the rights
and the same status under ch. 230 in the division that they enjoyed in the
department immediately before the transfer. Notwithstanding s. 230.28 (4), no

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employee transferred under par. (e) who has attained permanent status in class is required to serve a probationary period.

2

(g) Rules and orders. All rules promulgated by the department that relate to alcohol beverages regulation and enforcement under ch. 125 and that are in effect on the effective date of this paragraph remain in effect until their specified expiration dates or until amended or repealed by the division. All orders issued by the department that relate to alcohol beverages regulation and enforcement under ch. 125 and that are in effect on the effective date of this paragraph remain in effect until their specified expiration dates or until modified or rescinded by the division.

10 (h) *Pending matters*. Any matter pending with the department on the effective 11 date of this paragraph that is primarily related to alcohol beverages regulation and 12 enforcement under ch. 125, as determined by the secretary, is transferred to the 13 division. All materials submitted to or actions taken by the department with respect 14 to the pending matters are considered as having been submitted to or taken by the 15 division.

(i) *Fees.* All fees established by the department related to permits issued under
ch. 125 that are in effect on the day before the effective date of this paragraph shall
remain in effect until modified or rescinded by the division.

(j) Secretary to develop plan for orderly transfer. The secretary shall develop a plan for an orderly transfer from the department to the division and shall resolve any disagreement between the department and the division with respect to any matter specified in this subsection. The secretary's plan for orderly transfer shall include the transfer of positions under par. (e) plus the transfer of a sufficient number of currently vacant authorized FTE positions in the department to total 20.0 FTE positions in the division as well as initial staffing assignments in the division.

1 (2) TRANSITION; PERMIT ISSUER. On the effective date of this subsection, any $\mathbf{2}$ permit issued by the department of revenue under ch. 125 prior to the effective date 3 of this subsection shall be considered to have been issued by the division of alcohol 4 beverages. 5 (3) EXPIRATION OF RETAIL LICENSES HELD BY PRODUCERS. Notwithstanding s. 6 125.04 (11) (b), any retail license issued under ch. 125 to a winery or a brewer shall 7 expire on the effective date of this subsection and the license shall be nonrenewable. 8 (4) RETAIL CLOSING HOUR EXCEPTION FOR 2024 NATIONAL POLITICAL CONVENTION. 9 (a) In this subsection: 10 1. "Convention period" means the period beginning on the first day of a national 11 political convention held in Milwaukee in the summer of 2024 until the day after the 12convention's last day. 132. "Municipality" has the meaning given in s. 125.02 (11). 14 3. "Southeast Wisconsin municipality" means a municipality any part of which 15is located within Kenosha, Racine, Walworth, Rock, Milwaukee, Waukesha, 16 Jefferson, Dane, Ozaukee, Washington, Dodge, Columbia, Sheboygan, or Fond du 17Lac County. 18 (b) 1. Notwithstanding s. 125.32 (3) (a), but subject to subds. 2. and 3., during the convention period, the closing hours for premises operating under a Class "B" 19 20license issued by a southeast Wisconsin municipality shall be between 4 a.m. and 6 21a.m. 222. A southeast Wisconsin municipality may establish a process to designate, 23and may so designate, any licensee holding a license issued by the southeast $\mathbf{24}$ Wisconsin municipality and to which subd. 1. would otherwise apply as ineligible or 25disgualified for the extended closing hour specified in subd. 1.

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1	3. 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. 1.
3	and retain during the convention period the closing hours specified in s. 125.32 (3)
4	(a).
5	(c) 1. Notwithstanding s. 125.68 (4) (c) 1., but subject to subds. 2. and 3., during
6	the convention period, the closing hours for premises operating under a "Class B" or
7	"Class C" license issued by a southeast Wisconsin municipality shall be between 4
8	a.m. and 6 a.m.
9	2. A southeast Wisconsin municipality may establish a process to designate,
10	and may so designate, any licensee holding a license issued by the southeast
11	Wisconsin municipality and to which subd. 1. would otherwise apply as ineligible or
12	disqualified for the extended closing hour specified in subd. 1.
13	3. Notwithstanding s. 125.68 (4) (c) 5., a southeast Wisconsin municipality may,
14	by ordinance adopted after the effective date of this subdivision, opt out of subd. 1.
15	and retain during the convention period the closing hours specified in s. $125.68(4)$
16	(c) 1.
17	(d) 1. Notwithstanding ss. 125.29 (8) (a), 125.52 (5) (a), and 125.53 (4) (a), but
18	subject to subds. 2. and 3., during the convention period, the closing hours for a
19	full-service retail outlet under s. 125.29 (7), 125.52 (4), or 125.53 (3), and the
20	on-premises sales hours on brewery premises, manufacturing or rectifying
21	premises, and winery premises, operating in a southeast Wisconsin municipality
22	shall be between 4 a.m. and 6 a.m.

23 2. A southeast Wisconsin municipality may establish a process to designate,
24 and may so designate, premises in the municipality of any permittee under s. 125.29,

1	125.52, or 125.53 to which subd. 1. would otherwise apply as ineligible or disqualified
2	for the extended closing hour specified in subd. 1.
3	3. A southeast Wisconsin municipality may, by ordinance adopted after the
4	effective date of this subdivision, opt out of subd. 1. and retain during the convention
5	period the closing hours specified in ss. 125.29 (8) (a), 125.52 (5) (a), and 125.53 (4)
6	(a), as unaffected by par. (b).
7	(5m) TRANSITION; INITIAL IMPLEMENTATION AUTHORITY. The administrator of the
8	division of income, sales and excise tax in the department of revenue shall have
9	interim authority to undertake all measures necessary to implement the changes in
10	this act by the effective date of each change, including taking action in preparation
11	for the creation of a division of alcohol beverages and appointment of a division
12	administrator and bureau directors.
13	SECTION 64d. Initial applicability.
14	(1) SAFE RIDE SURCHARGE. The treatment of s. 346.657 (1) first applies to
15	violations committed on the effective date of this subsection.
16	(2) JURISDICTION OVER OUT-OF-STATE PERMITTEES. The treatment of s. 125.535 (3)
17	(b) 3., (c), (d), and (e), the renumbering of s. 125.58 (2), the renumbering and
18	amendment of s. 125.30 (3), the amendment of s. 125.30 (2), and the creation of ss.
19	$125.30\ (2)\ (d)$ and (3) (b) and 125.58 (2) (b) and (c) first apply with respect to permits
20	issued after the effective date of this subsection.".

- 21 23. Page 24, line 22: delete "day" and substitute "first day of the 5th month
 22 beginning".
- 23 **24.** Page 25, line 2: after that line insert:

1	"(2m) DOR Enforcement; alcohol vapor devices. The treatment of ss. 40.02
2	(48) (am) 19. and (c), 71.78 (1), (1g), (4) (b) and (v), (5), and (6), 71.83 (6), 72.06, 73.03
3	(51b), 73.031, 77.61 (5) (am), (b) 2. and 15., (c), and (d), 78.80 (3), 125.02 (1c), 125.09
4	(8), 134.65 (1a), 139.11 (4) (a) (intro.), 139.38 (6), 139.44 (2), (2m), (8) (a), (am), (b),
5	(c), and (d), 139.82 (6), 230.36 (1m) (b) 2. (intro.) and (2m) (a) 9., 565.01 (6c), 565.02
6	(9) (intro.), 565.17 (5) (a) and (d), 565.40 (title) and (4), 565.50 (2), (2m), (3), and (4),
7	and 946.82 (4), the renumbering of s. 565.02 (8) (e), and the renumbering and
8	amendment of s. 565.02 (8) (f) take effect on the day after publication.
9	(3m) TRANSITION; INITIAL IMPLEMENTATION AUTHORITY. SECTION 64c of this act
10	takes effect on the day after publication.
11	(4m) Fulfillment houses and common carriers. The treatment of ss. 125.02
12	(6d), 125.025 (3) (by Section 21m), 125.12 (5) (a) (by Section 25L), 125.22, 125.23,
13	125.535 (7), 125.68 (10) (a) and (b), 139.08 (5), 139.11 (1) (by Section 400), and 139.11
14	(4) (b) 2. takes effect on the first day of the 13th month beginning after publication.
15	(5m) New Permit Fees. The treatment of s. 125.04 (8) (title), the renumbering
16	of s. 125.04 (8), and the creation of s. 125.04 (8) (b) take effect on the first day of the
17	13th month beginning after publication.
18	(6m) COOPERATIVE WHOLESALERS. The treatment of ss. 125.545 (title), (1) (a),
19	(ar), (cm), (d), (e), and (em), (2) (a) 1., 3. b., and 4., (b), and (c), (3) (a) 2. (by Section
20	26hc) and 2m., (b), and (c), (4), (6) (a) 1. (by SECTION 26hk), 2m., 3m., and 4. (by
21	SECTION 26hq), and (7) (by SECTION 26ht) and 185.043 (2) (by SECTION 49d) takes effect
22	on the first day of the 13th month beginning after publication.
23	(7m) Operator's permit. The treatment of ss. 125.02 $(14m)$ (by Section 21g),
24	125.04 (3) (a) (intro.) (by SECTION 21rm) and (5) (a) 5. (by SECTION 23h) and (d) 1., 2.,
25	and 3. a., 125.045 (2) (a) (by Section 24g), 125.06 (3g), 125.07 (3) (a) 10., 125.175,

1	$125.26\;(2m)$ and $(2s)\;(b),125.32\;(2)$ (by Section 26dy), 125.51 (3) (bm) and (bs) 2.,
2	125.68 (2) (by Section 26jt), and 139.01 (4) (by Section 40d) takes effect on the first
3	day of the 13th month beginning after publication.
4	(8m) No-fee event venue permits; consumption of alcohol in public places.
5	The treatment of ss. 125.02 (14m) (by Section 21h), 125.09 (1) (b) and (c), 125.24 ,
6	$125.51\ (4)\ (v)\ 5.,$ and $139.01\ (4)\ (by\ Section\ 40e),$ the renumbering and amendment
7	of s. 125.09 (1), the amendment of ss. 125.04 (8) (b) and 125.20 (5) (c) and (d), and the
8	creation of ss. 125.28 (2) (b) 1. j., 125.29 (2) (a) 6., 125.295 (2) (a) 6. g., 125.30 (3) (c)
9	5., and 125.69 (1) (a) 5., (b) 5m., (c) 9., and (d) 5. take effect on the first day of the 25th $(1)^{10}$
10	month beginning after publication.
11	(9m) Administrative rules. The repeal of s. Tax 8.87, Wis. Adm. Code, takes

- 12 effect as provided in s. 227.265.".
- 13

(END)