2009 SENATE BILL 294

September 16, 2009 – Introduced by Senators PLALE, MILLER, TAYLOR, GROTHMAN and OLSEN, cosponsored by Representatives HINTZ, GOTTLIEB, SPANBAUER, STRACHOTA, ZIGMUNT, ZEPNICK, LOTHIAN, TOWNSEND, MURSAU, ZIPPERER, BALLWEG and ROYS. Referred to Committee on Transportation, Tourism, Forestry, and Natural Resources.

1   AN ACT *to amend* 125.51 (4) (v) 1.; and *to create* 125.02 (6g) of the statutes;

2   **relating to:** municipal quotas for retail intoxicating liquor licenses.

Analysis by the Legislative Reference Bureau

Current law prohibits a person from selling alcohol beverages at retail unless the seller possesses a license or permit authorizing the sale. A "Class B" license authorizes the retail sale of intoxicating liquor for consumption on the licensed premises and, depending on the type of intoxicating liquor and whether a municipal ordinance has been adopted, may also authorize the retail sale of intoxicating liquor for consumption off the licensed premises, subject to certain limitations. Current law imposes a quota on the number of "Class B" licenses that a municipality may issue. This quota is generally determined by a formula based on the number of licenses previously issued by the municipality and the municipality's population. Current law provides quota exceptions for a full-service restaurant that has a seating capacity of 300 or more persons and for a hotel that has 50 or more rooms and has a restaurant or banquet room meeting certain criteria. Current law also provides a quota exception for certain opera houses and theaters, but a "Class B" license issued under this exception authorizes the sale of intoxicating liquor only for consumption on the premises and only in connection with ticketed performances.

This bill modifies the quota exception for full-service restaurants. The bill provides a quota exception for a full-service restaurant regardless of seating capacity, but creates a definition of "full-service restaurant" that limits the exception to an establishment where meals are prepared, served, and sold for consumption on the premises and in which the sale of alcohol beverages accounts for 50 percent or

less of the establishment's gross receipts. In addition, a "Class B" license issued under this exception authorizes the sale of intoxicating liquor only for consumption on the premises. The bill prohibits a person holding a "Class B" license, other than one issued under this exception, from surrendering that license and applying for a new license under this exception.

For further information see the **_local_** fiscal estimate, which will be printed as an appendix to this bill.

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

1   SECTION 1. 125.02 (6g) of the statutes is created to read:

2   125.02 **(6g)** "Full−service restaurant" means an establishment where meals

3   are prepared, served, and sold to transients or the general public for consumption on

4   the premises and in which the sale of alcohol beverages accounts for 50 percent or

5   less of the establishment's gross receipts for the most recent alcohol beverage

6   licensing year.

7   SECTION 2. 125.51 (4) (v) 1. of the statutes is amended to read:

8   125.51 **(4)** (v) 1. A full−service restaurant ~~that has a seating capacity of 300 or~~

9   ~~more persons~~. Notwithstanding sub. (3) (a) and (b), a "Class B" license issued under

10   this subdivision authorizes the retail sale of intoxicating liquor only for consumption

11   on the premises where sold. If a "Class B" license issued under this subdivision is

12   surrendered to the issuing municipality, revoked, or not renewed, the municipality

13   may not reissue the license to any applicant other than a full−service restaurant. A

14   person that holds a "Class B" license, other than one issued under this subdivision,

15   that is surrendered, revoked, or not renewed may not apply for issuance of a "Class

16   B" license under this subdivision.

17   **(END)**