

## State Senator Sheila Harsdorf

Date: September 2, 2015

To: Senate Committee on Agriculture, Small Business, and Tourism

Fr. Senator Sheila Harsdorf

Re: Senate Bill 212—Winery closing hours

## Dear Chair Moulton and Committee Members,

Thank you for holding a public hearing on Senate Bill 212 (SB 212), which would allow for the extension of operating hours for Wisconsin's wineries. I appreciate the opportunity to speak in support of this proposal.

Wineries represent one of our state's fastest growing industries and help drive tourism in our communities. We are seeing wineries in my district and around the state investing heavily as they work on building their businesses and attracting new customers. They provide unique and scenic locations to enjoy locally made wine. SB 212 seeks to modernize our state's alcohol licensing laws in recognition of the growing role of wineries in our local and state economies.

Wisconsin law currently mandates that wineries must close by 9:00 PM. This law applies not only to the general business of the winery but any event that is held at the winery. This law has significant negative impacts on the ability of these small businesses to host community events and private gatherings such as weddings. This legislation would allow wineries to extend their closing hours to midnight as a means to further facilitate their growth and local economic development opportunities. It is important to note that the bill maintains local control by allowing local municipalities to restrict wineries' closing hours by ordinance.

The intent of this legislation is to help wineries grow their businesses and better serve their customers, which results in benefits to local economies and job opportunities. Rep. Jarchow and I have worked closely with the Wisconsin Winery Association and our local wineries to draft this legislation that will further facilitate the growth of wineries in our state. This bill was heard by this Committee last legislative session and was supported with a vote of 9-0 at that time.

I urge your support of this legislation that will encourage additional economic development in Wisconsin's wine industry. I would welcome the opportunity to respond to any questions.



Testimony on **SB 212** – closing hours for retail sales by wineries Senate Committee on Agriculture, Small Business, and Tourism Wednesday, September 2, 2015 – 10:00 am

First, I echo Senator Harsdorf's testimony and will offer my own on behalf of Representative Jarchow.

I sit before you today in support of Senate Bill 212. This bill would allow a winery simply to stay open until midnight. Current law allows wineries to stay open until 9:00 pm.

These days, wineries are becoming something more than just a place that makes wine. They are gathering places, tourist destinations and a place to hold events. As the winery industry grows in Wisconsin, so does the variety of things that can happen at a winery. Weddings and wedding receptions are becoming a major part of their business. People want to have their weddings at beautiful locations such as wineries, but they are moving their business elsewhere, sometimes across state lines because of an archaic, Prohibition era law here in Wisconsin. Ending a wedding reception at 9:00 is a deal breaker and Wisconsin businesses are losing because of it.

Business owners who are investing in Wisconsin are unable to expand their businesses to hold weddings because this law is making it unfeasible. In the 28<sup>th</sup> Assembly District, this means business is going across the river to Minnesota. Not only does the winery lose out on the event, but local hotels, restaurants and even bars lose out on extra business. In our area of the state, people come to Wisconsin all the time to hold their events. After passage of this bill, this could only increase.

No matter what side of the aisle we are on, or if we are from North or South of Highway 29, I firmly believe that everyone in this room wants to see businesses thrive here in our great state. Making it easier for small businesses to do business and bring in tourism dollars should be a top priority for all of us here.

This bipartisan bill makes sense. It makes sense to get government out of the way of further success.

I encourage each one of you to support this bill and stand with small businesses in Wisconsin.

Thank you.

Senator Moulton and other members of the committee,

My name is Todd Roessler. I own a winery in Western Wisconsin very close to the Great River Road and the Mississippi River, near Trempealeau.

I speak in favor of SB 212 concerning the ability for a winery to sell wine until midnight.

Some people believe that wineries are just manufacturing facilities, but our winery is much more. In the small Township to Trempealeau our winery is an integral part of the social life in the area. Our winery sits on a homestead farm with a view of the Minnesota bluffs. We share our inherited good fortune with area residents and visitors following the Great River Road. Elmaro Vineyard sponsors many cultural activities including ballroom dance lessons, painting classes, yoga for 50+ and everyone else and outdoor live music featuring local talent. Within three miles of our winery there are other small businesses that make our rural neighborhood attractive to visitors. We have a small brewery, a pumpkin and vegetable stand, a fruit market and a roadside stand for melons and corn.

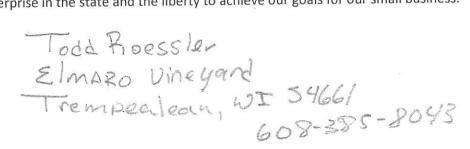
The creation of a wine is half art and half science. My wife, Laura, has a biochemistry degree from UW Madison. My mother-in-law, Lynita, has a certificate in winemaking from UC Davis and uses her acquired knowledge to create beautiful wines that have won 10 gold medals in 2015, including a Sweepstakes award, or best of show, from the Long Beach Grand Cru in California. Lynita and I attended the tasting and poured our wines. The California wine connoisseurs were very interested in Wisconsin wines.

The hours of operation extension to midnight will allow us to provide wine to a wedding at our vineyard. Vineyards have long been used for weddings as the vineyard symbolizes long life and health. Our vineyard provides this setting and is used several times a summer.

We have heard that the Tavern League is opposed to wineries being able to serve wine until midnight. I wonder what the restaurants thought when taverns started to serve food? Or what the pool halls thought when the taverns installed a pool table? Or last, but far from least, what the casinos think of taverns installing gambling machines?

Times change and the operation of businesses changes with the times. Just a few years ago there were only a handful of wineries in the state and none using wine grapes that would interest a wine person from California. Now, we have taken the top honor at a wine competition in Los Angeles! Just as the Cold Climate grapes have evolved to enable production of award-winning wines, the wineries in the State of Wisconsin have become more than manufacturing plants. They are a social center for their communities.

In closing, I would like to request the committee approve the revisions in SB212. It will represent the enabling of free enterprise in the state and the liberty to achieve our goals for our small business.



## Committee Members:

This is to express our strong support for Senate Bill 212 scheduled for a hearing tomorrow, Wednesday, September 2, 2015. Because of our location on the border of Wisconsin and Minnesota, we believe the passage of this bill is necessary for the continued success of our Wisconsin winery business. We are also in support of Senate Bill 223 and Senate Bill 226.

We are the owners of Villa Bellezza Winery and Vineyards, located on Great River Road in Pepin, Wisconsin. Pepin is on the western border of Wisconsin in the scenic Lake Pepin area of the Mississippi River. Our winery is one of the largest wineries in Wisconsin with an annual production of over 5,000 cases / 60,000 bottles. And, although our winery opened just 3 years ago, we attract over 30,000 visitors each year.

In order for our business to continue to be successful, we must continue to increase traffic to our front door. Requiring Wisconsin tasting rooms to close at 9 PM is creating a competitive disadvantage for Villa Bellezza and all Wisconsin wineries. Our Minnesota winery neighbors, just across the river and border, are able to remain open until 12 midnight and later. This allows Minnesota wineries to consider opening full service restaurants with standard service hours — an addition that helps support a year round, rather than seasonal business. Later tasting room closing times also create opportunities to schedule evening promotions to increase traffic — public special ticketed events like dinners, dances, concerts, holiday celebrations or even movies after dark. Without competitive extended hours, Wisconsin wineries are limited to daytime promotions to bring more visitors to their front doors.

Villa Bellezza is located in the new "Upper Mississippi River Valley" American Viticultural Area (AVA), -- now the largest viticultural area in the world. This wine area designation confirms great potential for developing more vineyards and wineries along this beautiful Mississippi River valley. If Wisconsin does not work to level the playing field, winery development will move to the Minnesota side of the Mississippi and revenues gained from this fast growing winery tourism industry will go to Minnesota as well.

On the day of this important hearing, all Wisconsin wineries are in their busiest season of harvest and crush. If not for this unfortunate timing, many more owners like us would be attending this hearing to express our support for these bills personally. Vote "Yes" for 212 and make sure that Wisconsin wins its Midwest state share of wine industry revenues. Vote "Yes" to also ensure Wisconsin claims its development share in "The Upper Mississippi River Valley" AVA -- an exciting new wine region.

Julianne and Derick Dahlen **Villa Bellezza Winery and Vineyards** Pepin, WI

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September 1, 2015

## TO: Members of the Agriculture, Small Business and Tourism Committee

My family currently owns Fawn Creek Winery located in Wisconsin Dells. In five years, we have grown our business from a no-employees-except-family-members operation producing 18,000 bottles of wine in 2011 to a business employing 34 part-time persons and producing 100,000 bottles of wine in 2015.

We are asking you to support Senate Bill 212, Senate Bill 223 and Senate Bill 226. These bills would help the Wisconsin wine industry immensely.

I understand that our group does not have the clout of the Tavern League or the Distribution Lobby but our business is growing and is an important part of the small-business/tourism markets. We deserve your support.

Wisconsin's motto of "Open for Business" will be tested with this vote. A "No" vote on these bills would indicate to me that the State is only "open for business" for a chosen few.

Respectfully submitted,

Dan Hanson on behalf of Fawn Creek Winery Ownership Group

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