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State of Misconsin 2017 - 2018 LEGISLATURE

LRB-5865/P3 ARG:all

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 AN ACT to create 125.09 (8) of the statutes; relating to: interest restrictions

applicable to alcohol beverage licensees and permittees.

Analysis by the Legislative Reference Bureau

This bill is explained in the Notes provided by the Joint Legislative Council in the bill.

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the Joint Legislative Council's Study Committee on Alcohol Beverages Enforcement.

Background

A winery is expressly authorized to have either a "Class A" intoxicating liquor (distilled spirits and wine, hereinafter, "liquor") license or a "Class B" liquor license. A "Class A" liquor license authorizes the retail sale of liquor to a consumer for consumption off the premises where sold and in original packages and containers. A "Class B" liquor license issued to a winery authorizes the retail sale of wine to a consumer by the glass or in opened containers on the premise where sold (on-premise consumption). It also authorizes the retail sale of wine to a consumer in the original package or container to be consumed off the premises where sold (off-premise consumption). A "Class B" liquor license issued to a winery does not authorize the sale of fermented malt beverages or any liquor other than wine.

A brewer is expressly authorized under a brewer's permit to retail sell fermented malt beverages ("beer") that it manufactures, as well as beer manufactured by other brewers holding a brewer's permit, for on-premise consumption at the brewery or at an off-site retail outlet established by the brewer. A brewer is also expressly authorized under the brewer's permit to retail sell its own beer and beer manufactured by other brewers in original unopened containers for off-premise consumption. The brewer's permit also expressly authorizes a brewer to retail sell liquor for on-premise consumption by individuals at the brewery premises or an off-site retail outlet established by the brewer, if the brewer held, on June 1, 2011, a license or permit authorizing the retail sale of liquor and if the liquor has been purchased by the brewer from an authorized wholesaler.

A February 2017 informal opinion from the Attorney General concluded that a winery may hold a Class "B" beer license authorizing the retail sale of beer for on-premise consumption. The informal opinion also concluded that a brewer can hold a "Class C" license authorizing the retail sale of wine for on-premise consumption.

Bill

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This bill expressly prohibits any manufacturer holding a permit to produce alcohol beverages (e.g., brewery, brewpub, winery, manufacturer or rectifier), any wholesaler holding a permit to distribute alcohol beverages, or any other person holding a permit under ch. 125, Stats., the Alcohol Beverages Chapter, from obtaining a license authorizing the retail sale of alcohol beverages unless the manufacturer or wholesaler, or other alcohol beverages permittee, is expressly authorized by the Alcohol Beverages Chapter to hold the retail license.

Section 1. 125.09 (8) of the statutes is created to read:

125.09 (8) General interest restrictions. After the effective date of this subsection [LRB inserts date], no retail license under this chapter may be issued to, and no such retail license may be renewed by, a person holding a permit issued under this chapter unless a provision of this chapter expressly authorizes the permittee to hold the retail license.

7 (END)