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State of Misconsin 2017 - 2018 LEGISLATURE

LRB-5868/P3 ARG:all

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

AN ACT to amend 125.51 (3) (d) of the statutes; relating to: retail licenses issued

to wineries that also operate breweries.

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. Additionally, a "Class B" license particularly describes the premises for which it is issued.

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.

<u>Bill</u>

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This bill provides that if a winery is issued a "Class B" liquor license to retail sell wine, and the winery also holds a brewer's permit, no part of the winery's "Class B" liquor retail licensed premises may be located on the same premises that is covered by the brewer's permit or on property where the brewery's off-site retail outlet is located.

SECTION 1. 125.51 (3) (d) of the statutes is amended to read:

125.51 (3) (d) "Class B" licenses shall particularly describe the premises for which issued and are not transferable, except as provided in s. 125.04 (12). If a "Class B" license is issued under par. (am) to a winery that also holds a brewer's permit under s. 125.29, no part of the winery's "Class B" licensed premises may be located on premises covered by the brewer's permit or on property where the brewery's retail outlet is located.

SECTION 2. Initial applicability.

(1) This act first applies to "Class B" licenses issued to, or renewed by, wineries after the effective date of this subsection.

11 (END)