

Public Hearing
Committee on Agriculture, Small Business, and Tourism
Thursday, March 6, 2014

Amended written testimony on Senate Bill 597
Submitted by
Dancing Dragonfly Winery
St. Croix Falls, WI

Chairman Moulton,

Thank you for the opportunity to provide this amended written testimony on **Senate Bill 597**, relating to closing hours for retail sales by wineries and the possession and consumption of intoxicating liquor and fermented malt beverages on retail premises of wineries.

We STRONGLY SUPPORT the change in 125.68(4)(c)3m, extending the closing hours for retail sales by wineries.

Without a change in the law, wineries are at risk of not being a viable business. The wine industry in Wisconsin is growing, creating new jobs and revenue for the state, especially in rural areas. By allowing the extension of retail sales on winery premises, you are creating more business and job opportunities.

Due to other provisions in the law, many wineries do not sell their wines outside of their premises. By extending the hours, you are giving our customers increased opportunity to purchase our products.

Extending hours increases tourism. Wineries provide numerous benefits to our communities. They are a destination, bringing people from all over, especially from the Twin Cities, into Wisconsin. By extending the hours, you give tourist more time to enjoy the area.

Change will not hinder sales at bars and taverns. Wineries do not compete with Tavern League customers. People visit wineries for one of two reasons: (1) The experience of tasting wine, understanding wine, in a calm, serene environment; or (2) To attend an organized event, such as a wedding.

Telling the father of a bride that they cannot drink any wine after 9:00 pm is a major disincentive to having weddings at wineries. If we lose that business, it almost always goes to large hotels in the Minneapolis/St. Paul area, not other Wisconsin sites. We believe this to be true of all wineries along the St. Croix and Upper St. Croix winery trails. We expect it is also true (but with Illinois hotels as competition) for wineries in Southeastern Wisconsin.

We STRONGLY SUPPORT the change in 125.68(13), allowing the carry-in of distilled spirits and beers on the winery premises.

Wineries can hire more people. In the first three months we were open, we lost over ten weddings due to the fact that we cannot sell liquor. Each of those weddings would have yielded perhaps 100 hours of added work for a people in our community, and substantial tax revenues.

The current law seriously hinders our competitiveness with venues in the Twin Cities. Since the law does not allow wineries to sell beer or liquor, but our competition can, we are less attractive to event planners (especially weddings), and our revenue is significantly limited when we do attract the events. Allowing distilled spirits and beer on premises makes our venues more attractive, thus more successful.

Changing the law is not a threat to other Wisconsin providers. Our setting does not compete with tavern owners. (How many weddings take place in a bar?) Our competition is large hotels and event centers, but many of the wineries are in areas where large hotels do not exist. In many areas, the winery is the only option for special events.

We propose allowing wineries to serve distilled spirits and beer, but ONLY if a person (other than winery owners) rents the premises for a special event.

Maintains the three-tier structure of alcohol distribution. This proposal retains strong barriers between producers, wholesalers, and retailers. We do not want to sell liquor, drink-by-drink (or even bottle-by-bottle) to the public on a day-to-day basis. We do want to provide liquor in our Event Center when a person rents our space.

Removes unintended negative consequences for wineries. By allowing "hosts" to carry-in their own distilled spirits and beers, you remove most of the winery's profitability from events, such as weddings on the premises.

Thank you for your consideration of these issues. We are available to discuss these issues in greater detail, if you wish. We have made a large investment, both monetarily and emotionally, to create our winery and Event Center. Wineries provide numerous benefits to our communities. Thank you for supporting them to be viable businesses.

Bill and Christine Bluhm, Owners
Dancing Dragonfly Winery, St. Croix Falls, WI 715-483-9463



State Senator Sheila Harsdorf

Date: March 6, 2014
To: Senate Committee on Agriculture, Small Business, and Tourism
Fr: Senator Sheila Harsdorf
Re: Senate Bill 597—Special events at wineries

Dear Chair Moulton and Committee Members,

Thank you for holding a public hearing on Senate Bill 597 (SB 597), which would allow Wisconsin wineries wishing to host special events, such as wedding receptions, to serve alcoholic beverages to guests at the event in addition to wine. I appreciate the opportunity to speak in support of SB 597.

The wine industry is a rapidly growing industry in our state and it is becoming increasingly popular to hold special events at wineries. However, it has come to my attention that unlike other banquet facilities that serve beer and distilled spirits, under current law, wineries with a retail “Class B” license may only serve wine. This is a barrier for wineries that are trying to market their facility for wedding receptions and other events as guests often enjoy beer and mixed drinks in addition to wine. Under this bill, wineries holding a retail “Class B” license, which allows wineries to sell and serve wine on premise, would also be permitted to allow the individual who has contracted to rent the winery for a special event to carry-in distilled spirits and beer. Only the winery could serve the carried-in distilled spirits and beer to guests at the special event.

Additionally, under current law, wineries are unable to serve wine past 9:00 PM. The 9:00 PM closing serving time is restrictive to wineries wishing to host wedding receptions as these celebrations generally go well beyond 9:00 PM. This legislation would allow wineries to extend their closing hours to 12:00 midnight.

Wisconsin’s wine industry benefits all regions of our state and spans numerous sectors. As the wine industry continues to contribute to Wisconsin’s agricultural heritage and tourism, it is important that we remove regulatory barriers that impede the future opportunities of this growing industry. Many winery owners would like to expand their businesses by hosting special events and some wineries already have facilities to do so. This legislation will help winery owners grow their businesses by marketing their winery as a location to host special events.

I urge your support for this legislation in order to help encourage Wisconsin’s growing wine industry. Thank you again for allowing me to speak in favor of SB 597. I would welcome the opportunity to respond to any questions.