



ROBIN J. VOS

SPEAKER OF THE WISCONSIN STATE ASSEMBLY

Members of the Assembly Committee on State Affairs,

Thank you for the opportunity to provide testimony in support of Assembly Bill 304 which makes long overdue updates to our state's laws regulating the alcohol industry.

It's no secret that Wisconsin is known for our robust alcohol industry. It's an important piece of our state's history, culture and, most importantly, our economy. Wisconsin is home to a flourishing market of breweries, wineries, and distilleries, in addition to thousands of bars, restaurants, taverns, and grocers – all of which are impacted by our state's alcohol regulations.

Beyond the effect these regulations have on so many in our state, we have also witnessed more recent changes in the market, like increases in craft breweries, small wineries, and new beverage products coming onto the scene. For these reasons, it's more important than ever to modernize our alcohol beverage laws for the 21st century to ensure future continued success for all those impacted.

It's not an easy feat to get all those involved in our alcohol beverage industry on the same page, with many differing perspectives and interests, but this bill demonstrates a strong consensus and significant progress in accomplishing that goal.

This comprehensive piece of legislation will provide clarity and consistency across and within tiers; improve regulatory structures; create a new division dedicated to the education of, promotion of, and oversight and enforcement of the industry; and other needed updates to Chapter 125 of our statutes. Most importantly, this legislation will strengthen our overall beverage industry to ensure it can continue to prosper in the years to come.

I hope you all can join me in supporting Assembly Bill 304 which provides a rare opportunity to act on good faith negotiations among the alcohol beverage industry. Thank you again for the opportunity to show my support for this important piece of legislation.

Robin J. Vos
Speaker of the Assembly

ALCOHOL BEVERAGE LEGISLATION

Expands Brewery Winery and Distillery Retail Sales / Full-Service Taprooms	Creates Statutory Framework for Contract Production	Expands Small Winery Cooperative Wholesaler Permit to Include Distilled Spirits	Clarifies Hard Seltzers as Fermented Malt Beverages	Creates Division of Alcohol Beverages	Creates Public Place and Event Venue Regulations	Creates Uniform Closing Hours for Retailers and Producers
Doubles Brewpub Production and Self-Distribution Caps	Removes Cap on Number of Production Permits for Intoxicating Liquor	Creates Wine-Only Bars / Remove Certain Class C Wine License Restrictions	Increases the Number of Manufacturer's Permits per Legal Entity	Imposes Common Carrier and Fulfillment House Requirements	Increases SafeRide Funding	Requires SafeRide Program Notification upon License Issuance
Standardizes Hours of Operation for Nonretail Activity	Allows Producers to Bring Alcohol Beverages to Licensed Retailers to Provide Free Samples	Allows Brewpubs to Satisfy Permit Requirement Through Sale of Beer from Another Brewpub	Expands Availability of Winery Permits to Manufacturers and Rectifiers	Allows Premixing of Cocktails by Class B License Holders	Allows County-Wide Transfer of Class B Licenses	Creates Statewide Alcohol Beverage Seller/Server License
Allows Recapping Bottles of Wine	Clarifies Taxation of Alcohol Sales Between Producers	Allows Wineries to Sell Wine to Other Producers	Modifies Cross-Tier Restrictions to Allow Incidental and Indirect Interests	Reduces Penalty for Retailer-to-Retailer Beer Purchases	Clarifies Axe Throwing Facility Licensing	Extends Closing Hours during Republican National Convention



DEVIN LEMAHIEU

STATE SENATOR

Assembly Committee on State Affairs
Testimony on Assembly Bill 304
June 13, 2023

Chairman Swearingen and Members,

Thank you for hearing testimony on Assembly Bill 304, which makes various changes to improve alcohol beverage regulation and further advance an already successful industry. The proposed legislation would add consistency across regulations for brewers, brewpubs, wineries and distillers/rectifiers and provide clarity to the existing three-tier system.

As you well know Mr. Chairman, the stakeholders in the alcohol industry have worked for years without success in an attempt to come together to address concerns and issues with current state law. This bill contains the fruits of these negotiations in a historic compromise. AB 304 has the collective support of over eleven different industry organizations, many of which you will hear from today.

Under our existing alcohol beverage regulatory structure, Wisconsin has developed one of the most robust alcohol beverage industries in the country. Forbes magazine has highlighted that 3 of the top 25 cities in the country to launch a successful craft brewery are located right here (Madison (#2); La Crosse (#9); Milwaukee (#23)). Our craft beer production ranks 7th nationwide, producing over 1 million barrels of craft beer annually. We are also home to dozens of wineries and small winery cooperatives with over 50 small winery members. More distilleries are opening each year, with over 40 established distilled spirit producers already in business.

The economic impact of the Beverage Retailers in Wisconsin is impressive:

- The direct retail sales of the beverage alcohol industry are responsible for \$8.52 billion in total economic activity
- Establishments that sell alcohol employ as many as 140,042 people, and generate an additional 32,941 jobs in supplier and ancillary industries
- Business selling alcohol, along with their supplier and ancillary industries, pay \$5.15 billion in wages and benefits each year
- The industry and its employees pay over \$1.19 billion in state taxes, and an additional \$1.59 billion in federal taxes

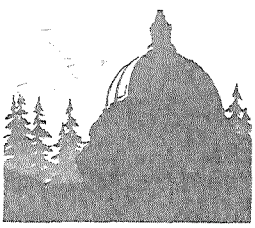
Assembly Bill 304 would implement the following regulatory reforms to further encourage free market competition across the three-tiers:

1. Create a dedicated division at the Department of Revenue for the regulation of the alcohol beverage industry

2. Clarify and expand the permissible activities and abilities under production permits, including full-service retail sales at taprooms
3. Specify the types of passive or limited investments that are allowed across tiers while making clear that a specific statutory exception is necessary or cross-tier ownership would be prohibited
4. Provide clarity on arrangements between producers for contract production of alcohol beverages
5. Make changes to taste samples and various other Chapter 125 provisions, providing consistency in retail license regulation
6. Implement reporting requirements for common carriers shipping alcohol beverages to combat illegal internet sales.

I ask you to support AB 304 which would allow an already dynamic industry to further grow, while ensuring the promotion of health, welfare, safety and competition.

Thank you for your time and I'm happy to answer any questions.



ROB SWEARINGEN

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June 13, 2023

Testimony on the Assembly Bill 304

Assembly Committee on State Affairs

Thank you, Vice-Chairman Green and esteemed committee members, for your attention to Assembly Bill 304. This bill, which has been in the making for over a decade, comes before you today with the widespread consensus of Wisconsin's alcohol industry. It represents a crucial step in modernizing our state's alcohol regulations to meet the evolving needs and preferences of Wisconsinites while promoting responsible consumption.

AB 304 offers us a unique opportunity to foster a more competitive and consumer-friendly marketplace. By leveling the playing field between distillers, breweries, and wineries, we can create a robust alcohol industry that encourages innovation and healthy competition among these sectors.

In addition, the proposed creation of a "Division of Alcohol Beverages" within the Department of Revenue will greatly enhance the enforcement of alcohol laws and regulations. This division will ensure businesses operate in compliance with established guidelines, improving oversight and enforcement mechanisms across the state.

Streamlining processes, such as the statewide utilization of a bartender's license, which would be referred to as an operator's permit, is another significant aspect of AB 304. By reducing bureaucratic burdens and simplifying procedures, we can create a more efficient path for individuals pursuing careers in the alcohol service industry.

AB 304 also prioritizes public safety by including a provision to increase the DUI surcharge for the Safe Ride program by \$25. This demonstrates our commitment to responsible alcohol consumption and resident safety. Allocating additional funds to the Safe Ride program will enhance transportation options for those who have consumed alcohol and reduce the risk of drunk driving incidents.

I would like to express my sincere gratitude to all those who have been involved in the negotiations over the years. In particular, I want to thank Speaker Vos and Majority Leader LeMahieu for their leadership during this process. Additionally, I would like to extend my thanks to Secretary Barca for his valuable input throughout the entire journey.

Finally, I urge the members of the Assembly Committee on State Affairs to unanimously support and advance AB 304. This legislation will not only drive economic growth and innovation but also enhance public safety and consumer choice. By modernizing our alcohol regulations, we can create a more vibrant and prosperous Wisconsin for all its residents.

Thank you for your time and consideration.

Summary of Assembly Bill 304 Provisions:

- Creation of the Division of Alcohol Beverages
- Expands brewery winery and distillery retail sales / full-service taprooms
- Creates statutory framework for contract production
- Expands small winery cooperative wholesaler permit to include distilled spirits
- Clarifies hard seltzers as fermented malt beverages
- Creates public place and event venue regulations
- Creates uniform closing hours for retailers and producers
- Doubles brewpub production and self-distribution caps
- Removes cap on number of production permits for intoxication liquor
- Creates wine-only bars / remove certain class C wine license restrictions
- Increases the number of manufacturer's permits per legal entity
- Imposes common carrier and fulfillment house requirements
- Increases Safe Ride funding
- Requires Safe Ride program notification upon license issuance
- Standardizes hours of operation for nonretail activity
- Allows producers to bring alcohol beverages to licensed retailers to provide free samples
- Allows brewpubs to satisfy permit requirements through sale of beer from another brewpub
- Expands availability of winery permits to manufacturers and rectifiers
- Allows premixing of cocktails by Class B license holders
- Allows county wide transfer of Class B licenses
- Creates statewide alcohol beverage seller/server license
- Allows recapping bottles of wine
- Clarifies taxation of alcohol sales between producers
- Allows wineries to sell wine to other producers
- Modifies cross-tier restrictions to allow incidental and indirect interests
- Reduces penalty for retailer-to-retailer beer purchases
- Clarifies axe-throwing facility licensing
- Extends closing hours during Republican National Convention



Tony Evers
Governor

Peter W. Barca
Secretary of Revenue

Testimony on Assembly Bill 304
June 13, 2023
Peter Barca, Secretary of the Department of Revenue

Good morning, Chairman Swearingen, ranking member Sinicki and members of the Assembly Committee on State Affairs. I appreciate the opportunity to provide testimony for information only on Assembly Bill 304, a bill to rewrite Chapter 125.

AB 304, provides for a long-overdue rewrite of Chapter 125 and the creation of a Division on Alcohol Beverages in the Department of Revenue. This new division will oversee the regulation and enforcement of alcoholic beverages and includes many new provisions, including the creation of 4 new permits (common carrier, fulfillment house, no sale event venue and statewide bartender); legalization and regulation of contract production agreements, licensing agreements, and alternating proprietorships for all alcohol beverage types; and creation of new off-site retail outlets. DOR is enthusiastic about much-needed changes in the bill to level the playing field between the various types of alcohol permittees, retain the three-tier structure, and bring the law in line with evolving industry practices.

The Department appreciates the opportunity we've had to provide input on key substantive aspects of the bill. We want to be a full partner in finalizing the language of Chapter 125 to ensure clarity in the law, avoid confusion for permittees, and ensure the new fees are used to the benefit of the alcohol industry, while at the same time maintaining DOR's high standards for customer service. However, the structure, size, and tight implementation dates in the bill as currently drafted would prevent the Department from providing timely customer service and fully enforcing the new law.

The \$2.5M PR appropriated in the bill does not adequately fund the division. The 4 new permits and 2 new monthly reports in the bill is more work than can be accomplished by the 20 staff proposed in the bill while maintaining the same level of service. Significant resources are also needed to administer contract production agreements, off-site retail outlets, and new reports from fulfillment houses and common carriers. **The bill is estimated to generate \$3.7M in program revenue, which is enough to fund a new 25 FTE Alcohol Division. Based on experience and workloads, 25 positions are the minimum number DOR needs to set the division on a successful path. The alcohol industry deserves to have the funds they generate provide service and protection for them. These funds should not continue to lapse into the general fund, as the industry already pays many other general fund taxes.**

Using the full amount of the fee-generated revenue on the new alcohol division would eliminate the need to transfer 8 desperately needed vacancies in the Division of Income, Sales and Excise Taxes (IS&E) to staff the new division. This would also save the \$14M GPR annually that these 8 positions generate.

It bears repeating that all the program revenue generated by the proposed permit fees on the alcohol industry should be used to provide quality customer service to the permittees. **DOR does not want the alcohol industry to have to wait months for alcohol beverage permits because the division does not have adequate staff to process permits.**

The lack of resources in the new division also jeopardizes Wisconsin's substantial Tobacco Settlement Funds. Wisconsin received \$124.5M in settlement funds in FY22 alone. If the department fails to "diligently enforce" cigarette and tobacco laws, the tobacco companies could seek to reduce

Wisconsin's annual allotment through arbitration, a tactic they have used in every eligible allotment to date.

In order to safeguard settlement funds, the Department requests the creation of 1 GPR special agent for a total of 2 GPR agents who will concentrate on cigarette, gaming and tobacco enforcement. These agents are GPR funded out of fairness to the alcohol industry, which has legitimate concerns about using alcohol fee revenue to fund non-alcohol-related enforcement. **Without an additional GPR-funded staff person dedicated to tobacco enforcement, Wisconsin could lose its tobacco settlement funds. Missouri is currently facing that situation, so it is an important and real concern.**

Additionally, the Division structure required by the bill forces the Department to overfund management positions and underfund positions related to customer service because state regulations require each bureau director to have three direct reports. **DOR asks that the draft specify the functions of the new division without mandating the structure.** This flexibility could be accomplished simply by deleting the word "separate" in 15.433(2)(b), which is created by the bill.

Finally, the Department will not be able to create some aspects of the division and the new permits by the effective dates in the bill. With two exceptions, the bill contains an effective date of 4 months after publication. The Department needs more time to hire employees, organize the division, create forms and guidance, and implement computer programming for the multiple new permits and new reports. **DOR needs a minimum of 15 months to adequately implement the significant changes in the bill.**

Thank you for the opportunity to testify on this important bill. The Department applauds the work done by the authors and the industry on this comprehensive rewrite. However, it is vital to the success of new Division of Alcohol Beverages that these concerns are addressed. This Committee, with all its good work in the alcohol field, is the perfect body to make these adjustments during the executive session on this bill.

Assembly Committee on State Affairs

June 13, 2023

2023 Assembly Bill 304

**On behalf of the Wisconsin Beer Distributors Association and
the Wisconsin Wine and Spirit Institute**

Testimony of Mike B. Wittenwyler

Appearing today before the committee as outside legal counsel to both the Wisconsin Wine and Spirit Institute and the Wisconsin Beer Distributors Association.

- Have worked for nearly 25 years on alcohol beverage matters in Wisconsin, providing counsel to suppliers, wholesalers and retailers as well as those businesses that provide goods and services related to the industry.
- Member of the 2018 Wisconsin Legislative Study Committee on Alcohol Beverages Enforcement.

Assembly Bill 304 – An Update on Regulating the Alcohol Beverage Industry

Assembly Bill 304 is a long overdue, comprehensive update to Wisconsin's alcohol beverage laws.

- The proposed legislation would make various changes to improve alcohol beverage regulation and further develop an already successful industry.
- These changes add consistency across regulations for brewers, brewpubs, wineries and distillers/rectifiers and clarity to the existing three-tier system.
- The proposed changes also strengthen the overall alcohol beverage industry and regulatory framework by creating a new division dedicated to promoting and regulating the alcohol beverage industry.

Will briefly address four provisions of the proposed legislation but am available to answer questions on any aspect of the bill.

Alcohol Beverage Regulatory Body

Most states have administrative commissions or agencies dedicated to oversight of the alcohol beverage industry.

- These entities have staff familiar with trade practices and they play a more significant role in education – for industry participants, local governments, law enforcement and the general public.

- States without dedicated agencies typically have dedicated alcohol divisions or units structured within other, larger government departments.
- Wisconsin currently has neither.

Under the current structure, about a dozen employees within the Wisconsin Department of Revenue (“DOR”) handle alcohol beverage regulation in addition to their other subject matter responsibilities. As a result, there is no agency or employee dedicated solely to the education and enforcement of the state’s alcohol beverage laws and regulations.

This proposal would create a new Division of Alcohol Beverages within DOR to serve this function for Wisconsin. The Division would be charged with administering regulatory programs, promoting regulatory transparency, promoting statutory changes to create clarity, consistency and simplicity in alcohol beverage regulatory requirements and ensuring active, consistent enforcement of alcohol beverage laws.

- Create a Division of Alcohol Beverages dedicated exclusively to alcohol beverage education, regulation and enforcement. The Division and its staff would be located within DOR and part of DOR for budgetary and administrative purposes.
- The Division would be headed by a Division Administrator who would be appointed by the DOR Secretary, subject to Senate confirmation.
- The Administrator would be a full-time, salaried employee, appointed outside the classified service. The Administrator would have the authority to appoint and supervise staff necessary to carry out permitting, audit, education and enforcement duties. These staff would be appointed within the classified service.
- Staff reporting to the Administrator would include a director of enforcement, a director of legal education and community outreach and a director of legal services. All three positions would report directly to the Administrator.

The new Division’s statutory authority will derive from existing provisions in Chapter 125. Proposed legislation would not expand the Division’s substantive regulatory jurisdiction beyond DOR’s existing jurisdiction under Chapter 125. The legislation would not interfere with a municipality’s or district attorney’s existing jurisdiction under Chapter 125.

Interest Restriction Modifications

Under current law and guidance from Department of Revenue, individuals who are owners and employees of licensees and permittees are greatly restricted in any investment into an entity that is licensed or permitted in a different, restricted tier. The proposal would make several changes to the interest restrictions in state law by allowing incidental, passive investments, while ensuring independence among regulated entities across tiers. Unless there is a specific statutory exception, however, cross-tier ownership would be prohibited and the prohibition on cross-tier ownership would

apply to all producers, wholesalers and retailers of alcohol beverages regardless of subchapter and type of alcohol beverage product sold.

Specify Permissible Passive Investment Arrangements

Under the proposal, state law would be modified to make clear that minority, passive investments do not violate the cross-tier restrictions. The specify that:

- Individuals and entities subject to Chapter 125 on a license or permit (that is, individuals identified on a manager's or operator's license and individuals identified as an officer, director, member, manager or agent of a corporation or limited liability company holding a license or permit) would be considered "restricted investors".
- "Restricted investors" would also include any individual or entity holding more than a 10% ownership interest.
- The aggregate amount of ownership held by restricted investors could not at any time exceed 49% of the ownership of the entity in the other tier.
- No single restricted investor could hold more than a 10% ownership interest, including any passive or disregarded entities connected to the restricted investor.
- A restricted investor would be strictly limited to a passive investment and could not be involved in the day-to-day operations of the permittee/licensee or exert any control over such operations beyond their ability to vote as an investor.
- A restricted investor could not serve as an officer, director, manager, operator or agent of the licensee/permittee in the other tier.

To be able to monitor such investments, licensees and permittees would be required to disclose the ownership interest of any restricted investor to the department.

Nothing would limit or modify the ability under current law to have ownership or investments within a tier. For example, a person could hold an unlimited ownership in multiple breweries, distilleries or wineries at the same time. Similarly, a person could have ownership interest in multiple wholesalers, including both fermented malt beverage and intoxicating liquor wholesalers. And, a person could have an ownership interest in multiple retail licensees. The restrictions ownership and exception passive investments only applies to cross-tier ownership.

Exclude Real Estate Investments from Cross-Tier Ownership Restrictions

The proposed legislation would specify that the mere act of owning real estate is a permissible passive investment, even if that real estate is leased to a licensee or permittee. For example, if a brewery or restricted investor owns a building that also contains retail space, that space could be leased to a restaurant provided that the brewery does not have any day-to-day involvement in the restaurant or control over its operation. Similarly, a tenant could not be party to a licensing or exclusivity agreement or other arrangement with the landlord that would limit the tenant from operating in an arm's-length and independent manner. And, such restriction on day-to-day involvement, control or exclusivity would need to be included as a term in the lease using standard language contained in state law.

Allow Marital Property Agreements to Avoid Cross-Tier Ownership Restrictions.

Presently, the Department of Revenue does not recognize pre-marital agreements or other marital property planning documents as a mechanism to avoid cross-tier ownership restrictions. For example, a husband cannot own a brewery if his wife owns a bar even when there is marital property agreement in place.

The proposal would amend state law to recognize the use of such agreements to allow spouses to avoid triggering cross-tier ownership restrictions. The existence of such an agreement would need to be disclosed on any license/permit application and a copy provided to the clerk or department issuing the licenses or permit. The department also develop an affidavit to be signed by each individual swearing to a complete lack of involvement in the day-to-day operations of each respective business as well as a lack of control. Violation of this affidavit would be subject to penalty and license revocation.

Intoxicating Liquor Wholesaler – Limitation on Multiple Permits

Under current law, no person shall be issued more than two intoxicating liquor wholesaler permits.

The proposal would eliminate this limitation as intoxicating liquor wholesalers are already subject to bona fide wholesaler requirements.

Classification of Hard Seltzers

The Department has informally communicated to industry stakeholders that it believes hard seltzers are intoxicating liquors unless they contain malt and hops.¹

- Specifically, the Department considers hard seltzers not containing malt and hops to be wine – a type of intoxicating liquor – because these hard seltzers are made from sugar which is an agricultural product.

¹ “Alcohol beverages” are defined in current state law to include fermented malt beverages and intoxicating liquor. Wis. Stats. § 125.02(1). “Intoxicating liquor” includes both distilled spirits and wine.

“Fermented malt beverages” means in current law any beverage made by the alcohol fermentation of an infusion in potable water of barley malt and hops, with or without unmalted grains or decorticated and degerminated grains or sugar containing 0.5 percent or more of alcohol by volume. Wis. Stat. § 125.02(6).

“Intoxicating liquor” means in current law all ardent, spirituous, distilled or vinous liquors, liquids or compounds, whether medicated, proprietary, patented or not, and by whatever name called, containing 0.5 percent or more of alcohol by volume, which are beverages, but does not include “fermented malt beverages”. Wis. Stat. § 125.02(8).

“Wine” means in current law products obtained from the normal alcohol fermentation of the juice or must of sound, ripe grapes, other fruits or other agricultural products, imitation wine, compounds sold as wine, vermouth, cider, perry, mead and sake, if such products contain not less than 0.5 percent nor more than 21 percent of alcohol by volume. Wis. Stat. § 125.02(22).

“Distilled spirits” is not defined in current law.

- The classification of hard seltzer – whether it is a fermented malt beverage or intoxicating liquor – is difficult given Wisconsin’s current statutory definitions.
- On one hand, sugar-based hard seltzers do not contain malt, and thus lack one of the key components of being a fermented malt beverage.
- On the other hand, sugar-based hard seltzers do not clearly meet the definition of intoxicating liquors because they are fermented, do not use fruit, and are not distilled.

Given the lack of a clear definition and the need to fit hard seltzers somewhere into the regulatory framework, the Wisconsin alcohol beverage industry has generally adopted a more contextual and functional interpretation. Under such an interpretation, brewed-sugar hard seltzers – despite not containing malt – are more like fermented malt beverages than intoxicating liquors including wine.

Under the proposal, the Wisconsin statutory definition of fermented malt beverages would be modified based on a revised definition of “beer” used in the Code of Federal Regulations:

“Fermented malt beverages” means any beer, ale, porter, and other similar fermented beverages (including sake and similar products) of any name or description containing one-half of one percent or more of alcohol by volume, brewed or produced from malt, wholly or in part, or from any substitute for malt including rice, grain of any kind, bran, glucose, sugar, and molasses, if such products contain not less than 0.5 percent nor more than 21 percent of alcohol by volume.

Conclusion

Wisconsin law on alcohol beverage regulation needs to be updated.

- Assembly Bill 304 is a comprehensive and compromise proposal, better approach than to patchwork of proposals introduced each session.
- Assembly Bill 304 will provide clarity and consistency going forward allowing the industry to continue to grow and prosper.

Thank you for your time.

Ladies and Gentlemen of the Committee on State Affairs

My name is Hayden Thomas Nagy. With my wife Madison, I am part of the third generation of Homestead Meadows Farm of Appleton. My Father Stephen William Nagy present here is a member of the second generation.

Homestead Meadows is one of Wisconsin's original farm-theme event venues. My grandfather and grandmother purchased the farm in 1970 at a farm auction and launched Homestead Meadows in 1981. Last November we were honored with a personal visit by Wisconsin's Secretary of Tourism, Anne Sayers (show newsletter article). During that visit we received the honor of being designated an **'Agricultural Tourism Destination Legacy'** for helping establish the now popular business model of **Agriculture-themed Event Venues—AEVs**.

Since 1981, Homestead Meadows has hosted more than six thousand groups. Events such as farm tours, summer day camps, hayrides and sleigh rides, conservation events and business and social gatherings of all types—including just short of 1,700 weddings. We have also helped establish **Greenville's Greenbelt Preservation District** and **Agricultural Enterprise Area**. Thousands of our events involve enjoyment of alcoholic beverages by guests. All such events are private and are conducted in compliance with every existing State law regarding the purchase and serving of alcoholic beverages.

By all measures, the business model we operate has experienced dynamic growth. There are now several hundred AEVs involving private events hosted on private farms, and not involving the sale and serving of alcohol by the venue owners. In many cases the additional income has become a lifeline for struggling farm families. **But you cannot operate a business on six events per year!**

Assembly Bill 304 makes many thoughtful adjustments to alcohol laws that have become outdated since the days of Prohibition from which they arose. But they also **CRUSH** the business model that has become popular Nationwide through the natural process of evolution of business models. **This kind of evolution is what builds the American economy based on Free Enterprise and Open Competition.**

My Grandfather—István Nagy—the Founder of Homestead Meadows, came to the US as a refugee in 1957 at the age of 12. He experienced the same oppression and war by Russia that the people of Ukraine are experiencing today. My Grandfather worked incessantly to create the American Dream for his Family, building several successful businesses. He's still going strong with his 80th birthday just around the corner.

Pardon me for reminding you of the obvious, that it is YOUR JOB to pass laws that encourage competition and build Wisconsin's robust economy. Your job is NOT to make laws that give advantage to powerful lobbies like members of the Tavern League of Wisconsin. You do not need to travel to the Hungary of the 1950s or Ukraine in the present to see how badly such laws work. Just a short trip to Cuba will open your eyes.

I urge you to **DELETE** all parts of this bill that seek to control what you call **'unlicensed'** event venues.

These venues operate to **fulfill** the preferences of customers. **That is the essence of a successful economy and must be encouraged!**

Bill 304 limits the free enterprise of family-friendly agritourism-based event venues that have modeled successful business plans for over 40 years in Wisconsin.

Homestead Meadows was Wisconsin's first agritourism-based event venue that has operated on the same business model for 40-plus years. This is a third-generation family ran business that has hosted over 1700 weddings and 5000 other events. Our events are family members or colleagues coming together for a very intimate occasion. Many of which had alcoholic beverages that were catered and profited by licensed vendors, who most are associated with the Tavern League of Wisconsin.

Here are some of the significant problems with this bill:

The incongruence of your definition of a "public space" stating that the parking lot of a local professional football stadium or baseball park district, which presents many more public safety concerns, is an exception from your "public space," but an exclusive event where only attendees with an invitation are on the premises of a family ran business is considered a "public space" would be laughable if it wouldn't have horrible implications for our business model and for many businesses beyond the event venue.

I'm sure the exclusions of the parking lots of professional football/baseball stadiums were presented for profitable reasons, but have you stopped to consider how profitable having Agri-tourism event venues in the surrounding communities is?

If this bill is presented as is, not only will this close the doors for many businesses like us, but it will also be closing the doors on many businesses that depend on the relationship we have established. This list includes:

- Caterers
- Liquor Vendors
- Hair Stylists
- Florists
- Bakers
- DJs
- Event Planners and more

As I read this bill, I kept trying to give the benefit of the doubt that we, agritourism-based event venues, were overlooked, not targeted. But the more I read, the more it felt like our successful business model was being looked at as a competition, and so a law is trying to be passed that takes out the competition, us, so that their enterprises, the Tavern league can have more business.

It is without a doubt a conflict of interest for the former president of the tavern league to suggest that agritourism event venues, AEV, be cornered into acquiring a liquor license, which still could be turned down by the local ordinance or be restricted to 6 events per year which would ultimately put us out of business.

Include agritourism-based event venues in your exclusions from a public space. Our business models do not need to change; this bill does.



Mulberry Lane Farm, Inc.

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Tuesday, June 12, 2023

Thank you for allowing me to share this afternoon. My name is Bonnie Keyes from Mulberry Lane Petting Farm and Wedding Barn Venue. We are located 3 miles east of Sherwood in Hilbert, WI. Mulberry Lane Farm owns and operates a 180-acre working farm.

My husband and I approached Calumet County in 2005 asking permission to open a petting farm sharing with them our mission; *to provide an ideal country learning environment where people of all ages can interact and learn about farm animals through "hands-on" group & self-guided tours.* We were issued a CUP (Conditional Use Permit) with no hesitation. Even in 2005 the rural landscape had begun to change, and Calumet County realized the importance of drawing economic dollars to rural WI.

During the 2009 recession our school field trip business was affected as schools removed field trips from their budgets causing our field trip business to flat line. I knew we needed to diversify to stay alive, but how? I was at a loss.

As an answer to prayer after a couple learned their wedding venue fell through just 3 months before their big day, they reached out to us asking if they could host their wedding at our farm. Without realizing it, my prayer was answered. We approached Calumet County a second time asking if our CUP could contain approval to host barn weddings. Again, realizing the importance of keeping the family farm alive, our request was unanimously passed.

Today weddings continue to keep us alive and extend the life of our mission to educate children about farm life. You can see how passing the proposed Bill AB304 would greatly affect our mission by its outlandish restrictions.

But enough about me. What about you? How will passing Bill AB304 affect YOU, the Committee members who bring this proposal before us.

Your daughter's wedding is scheduled at Mulberry Lane Farm in June of 2024. Because the new required permit limits us to 1 event per month, and your daughter was the last to book with us for June 2024. Moving to another month is out of the question. Six other couples had booked before her for their 2024 celebration. I must contact her and tell her your dad, or your mom forced us to break the wedding contract. We can no longer host your wedding at Mulberry Lane Farm.

continued

*We have learned that no matter the age or the background
there is something about a farm
that brings out the joy and self-worth in others.*

I feel awful as she begins to cry as her dream wedding begins to crumble. How awful will you feel? What will you say to her when she comes running to you, Dad? Or to you, Mom? Will you take ownership of this and tell her; "Gee honey, I didn't realize this would affect MY baby girl." Do you dare?

Will you mind all the money you have already invested in her big day being lost as most contract down payments is non-refundable?

Will you take ownership when the local wedding planner, ceremony officiate, hairdresser, bridal dress shop, seamstress, tuxedo store, florist, invitation printers, cake maker, food vendor, liquor store, DJs, photographer, bus company, local motel, dress rehearsal restaurant, etc. go out of business because of the loss of revenue they'll see because you passed this proposed bill to the Assembly to vote on?

It's not just the family farm you are killing. It's more. WAY more.

I humbly request you remove any verbiage that involves the senseless **no-sale event venue permit** language from this bill. Mulberry Lane Farm's livelihood depends on it and your baby girl's dreams do too.

Thank you.

Barrie Keyes

*We have learned that no matter the age or the background
there is something about a farm
that brings out the joy and self-worth in others.*

Testimony of Phillip G. Molina: Still Point Flower Farm and AB304

Thoughts on the No-Sale Venue Permit and Quota Exemption for Class B Licenses
proposed within Assembly Bill 304

June 13, 2023

Still Point Farm, LLC
Brooklyn, WI
phil@stillpoint.farm
608-630-1351

Thank you, Chairman Swearingen and Committee:

My wife and I operate Still Point Flower Farm down in Brooklyn. We just learned of this bill on Friday and want to request a small amendment that would be huge for us. In fact, as written, this bill would literally force us off of our farm. Let me briefly explain.

First, because our cut flower revenue from our small flower farm cannot sustain us into retirement on its own, we applied for a Conditional Use Permit (or CUP) with our county to be licensed as a Seasonal Event Venue from May through October. Through the CUP application process, we are required to meet all state, county and local code. We provided extensive documentation, a site plan, we addressed noise, lighting, parking and more. Our town even required a separate public hearing. Only after considering all of this our county scheduled their public hearing. So, from our experience, Wisconsin's county and local municipalities have wedding barn licensing covered!

Second, we have no interest in getting into the tavern business. We also don't want to get into the restaurant business, or become a hair salon, makeup studio, photographer, DJ, etc. All we want to do is provide a spectacular space out in the country where families can escape their hectic world and celebrate significant life events together. That's it. We believe business works best when we focus on our expertise and help other complementary rural businesses thrive by sending them business. It's neighbor helping neighbor.

It would seem the No-Sale Venue Permit would offer this option. However, as written, this proposed permit actually forces us attempt to get into the tavern business. Specifically, it limits events with alcohol to one (1) per month and no more than six (6) per year. By cutting off our revenue, there is no way we could afford the capital improvements required nor maintain the ongoing expenses necessary to operate a sustainable event venue. Also, distilled spirits would be expressly forbidden which makes us less appealing and encourages couples to look elsewhere.

So, we are left no option but to attempt to get into the tavern business. However, to qualify for the Class B Quota Exemption, operators must have hosted five (5) or more events with 50 or more people and generated \$20k or more in revenue over the past 12 months. We do not these criteria.

The No-Sale Venue Permit restricts our revenue to make this option unsustainable. And we don't qualify for the Class B license Quota Exemption (which we don't want anyway). Therefore, our solution for staying on our beloved flower farm is effectively pulled off the table and we will become yet another statistic of yet another Wisconsin farmer forced off of their farm.

Please, don't let that happen.

Instead, we ask the committee to make a **Simple Amendment** to exempt private farms from the proposed No-Sale Venue Permit requirement. Don't try to force us into the tavern business and allow Still Point Flower Farm to operate the beautiful agricultural event venue that we are working so hard to create and that Wisconsin residents desire.

Thank you for your consideration,
Phillip and Penny Molina

To: 2023 Assembly Committee on State Affairs

From: Jean Bahn, owner of Farmview Event Barn

N7702 County Road F

Berlin,WI 54923

Re: Proposed AB 304

The proposed changes to the alcohol laws in assembly bill 304 have been five years in the making. After failing to agree on changes in 2019, I remember when the Speaker of the Assembly Robin Voss asked that everyone work together on changes to the law. Some groups did and they were successful in coming to an agreement on changes that will benefit them. While I applaud those who have worked on this bill to modernize the alcohol laws in Wisconsin, claims to members of this legislature and to the press that there is agreement of all changes to the law by all parties affected, and that "everybody gets something out of this and it doesn't do harm to anyone else" are false.

Certain parts of this proposed law will have a huge negative impact on Agricultural Event Venues who have been operating legally and safely by renting space out for family-friendly life celebrations for years with zero incidents or problems. Wisconsin Agricultural Tourism Association has many members that operate non alcohol licensed farm based agricultural event venues and in five years, not once were they or any of their members asked or allowed to be part of the conversation of creating new laws that would affect us. We were never given a list of any problems with our businesses, and never given a chance to give input on how proposed changes would affect us and the people who do business with us. The wineries and breweries have won what they wanted, but at the expense of rural Wisconsin. This legislation clearly targets agricultural event venues in the following ways:

We have never provided, sold, served, stored or handled alcohol yet we will be required to acquire a permit to continue not to sell, serve or provide alcohol. After much research, I have found no other place in the United States that requires a permit for a private event rental space to allow alcohol consumption of people renting the facility for their private party. Most states require no permit or license for a private party that has no sale of alcohol regardless of where it's held. There are a few that require the person renting the venue to obtain a permit to serve alcohol free to their guests.

The proposed no sale permit will restrict our right to economic security by allowing us to have only 1 event a month and a maximum of 6 per year. Private individuals holding their private event at our facility will be restricted as to what they can serve their guests at their own private party. A multitude of other entities who rent property to the public and allow them to have private parties and to drink all types of alcohol have now been given exemptions from this new law. Campgrounds, vacation rentals, private property rentals related to sports, event barns rented out by municipalities – all do exactly what I do, and all are given exemptions from needing to be permitted. None of them are being required to limit the number of rentals they have. Yet agricultural event venues who have been running legally with no issues are being required to be permitted, to severely restrict the number of days they can rent their facility out, and if they want to rent out more days, they have to completely change their business model and turn into a retail place that sells alcohol.

To: 2023 Assembly Committee on State Affairs

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W7675 Hwy 12
Fort Atkinson, WI 53538

June 13, 2023

Dear Members of the Assembly Committee on State Affairs,

I am Afton Krysiak, the proud new owner of Busy Barns Adventure Farm and The Gathering Barn in Fort Atkinson, Wisconsin. Did you ever have a dream? My husband and I always dreamed of owning our own business, something we were proud of, something to pass down to our children. We got married at The Gathering Barn in 2017 and fell absolutely in love with the farm. In 2021 we brought the kids back to see where mommy and daddy got married and were approached by the previous owner to purchase the farm. As a teacher and a firefighter, it was a leap of faith to take on the farm and all that came with it. We saw potential in raising our children on the farm, the positive impact the farm has on its community, and the value in showing our children that contribution. We serve a **wide** range of people: students come from Milwaukee, Madison and Illinois to have first hand experiences with our lovingly cared-for farm animals. We serve wedding couples and their families from all over the United States and even the world who travel to see their loved ones join in their sacred vows on our farm. We provide the rural magic that so many associate with Wisconsin, but are unable to find in their daily lives. If this bill passes it would be devastating to our farm AND our community: devastating to the hotel in Fort Atkinson BUILT to support our venue's need for rooms; devastating to the 20 different catering companies and their staffing who serve food at our venue; devastating to the florists, decorators, DJ's, cake and dessert companies... the shuttles, late night food deliveries, the restaurants, gas stations, and grocery stores. ALL benefiting and thriving on our weddings and their out of town guests attending the weddings on our farm. You aren't only hurting our dream, but you are going to hurt communities across the state that benefit from their local barn venues. Our interests and the interests of other barns like ours were not taken into account. We are not interested in owning a bar, selling liquor, or profiting from the sale of alcohol. We want to connect with families, provide them with value, allow them to celebrate like they would at their own home, but in an iconic Wisconsin atmosphere. Governors have seen the value of keeping barn venues OUT of this kind of systematic overhaul in the past - we URGE you to recognize that value again. We are happy for the business owners who will benefit from the good changes in this bill - they deserve to be able to support their families and grow their businesses, but please do not kill our dreams and those of my fellow farmers by passing this bill AS IT IS WRITTEN. My family would like to continue to sustain our farm and support our community. Thank you for your consideration.

Sincerely,

Afton and Mitch Krysiak
Owners of Busy Barns Adventure Farm

Hello, I am Tina Hinchley. I am a Wisconsin Dairy Farmer. I have been hosting dairy farm tours for over 25 years. Agricultural tourism has helped my family continue dairy farming. I host thousands of tours annually for school groups, families, and visitors from all over the world.

When visitors come to our great state of Wisconsin, they want to see farms, barns, and look across the pastures dotted with cows. Sadly, there are just over 6,000 working family dairy farms left. When Wisconsin farmers sell their cows to find easier ways to make a living, the rural community suffers. The local cooperatives, grocery stores, school districts, churches, and health care, slowly disappear with it.

When a family quits farming often the barns are left to disrepair. The sights of these barns are all over the countryside, hanging in a depressed condition. The history is lost of the farm when the barns are no longer in view. Having a Wedding Barn is a solution and a salvation for these farms.

These barns that are restored are creating a business, diversifying an income, and keeping rural communities involved in the events that happen in our country side. What does a wedding cost? Thousands! Thousands of dollars that get dispersed between caterers, decorators, florists, bridal shops, and many more local businesses, and yes, the local liquor stores too.

These weddings help create vibrant downtowns and successful family businesses while also bringing others into our community to witness an amazing celebration, in a beautiful location, with the joy that weddings bring.

Wisconsin is home to many things, and the image of Wisconsin is our dairy barns, standing tall and proud, a legacy that can live forward with the financial prosperity in our rural communities. We do not need to lessen the amount of joyous celebrations that these event barns bring to our State.

I do not agree with the need for no sale venue permits for wedding barns and agricultural-events. This language needs to be removed from AB 304.

Thank you.

Tuesday, June 13th, 2023

2023 Committee of State Affairs,

My name is Ben Ament and I am here today in regards to Assembly Bill 304 and I am asking that all the language in regards to "no-sale event venues" and "wedding barns" be removed completely. My wife and I own and operate two wedding venues in Northeastern WI. We started our first barn venue in 2019 with the dream of being the first couple to be married in our barn. We dedicated one year to renovations and after a lot of time and investing a couple hundred thousand of dollars into preserving and renovating our barn, we had our very first wedding, ours, in July of 2020. We opened a venue so that we could spend time together one day raising our kids and enjoying life out in the country. We now have a seven month old baby and we are able to do just that. We are also working on a second venue location that will open in the fall.

If this language is passed through the way it is proposed, my family and the many others here today along with thousands of businesses throughout Wisconsin that support the wedding & event industry will be significantly impacted, many being forced to close including my business that my wife and I worked so hard to build.

The proposed no-sale permit for event venues would only allow us to do 6 events per year or would force us to get a liquor license and we are not a tavern, and we do not want to be, nor are we trying to compete with businesses with liquor licenses. Our business currently does over 100 events per year between our two venue locations and all are private events such as weddings that are invitation only and are not open to the public. Currently WI Chapter 125 alcohol law states that private party invitation only events do not need a liquor license. The Renter of the "Barn or event venue" is able to purchase alcohol and have it served to guests at no charge, generally referred to as open bar. This works well for us at our venue locations, and we've never had any issues or incidents, and historically has been working well for the last 41 years with no documentations of incidents in the entire state of Wisconsin.

Being limited to 6 events along with the other implications that come along with this no-sale event venue language proposed within the bill would force us to close our business along with many others that support our industry such as food caterers, beverage caterer, bakers, DJ's, photographers, florists, hair and make up artists, shuttle companies, hotels, restaurants, the list goes on). We live on the farm that our barn venue is on and it is our primary means of income. We built our business from the ground up, renovating and preserving our barn so that it could be enjoyed by many for years to come. Our business is in contract to fulfill over 100 weddings and counting over the next 3 years, that is a significant difference from the six events per year that this bill is proposing. And it's not just us, the venue, that would face financial turmoil, it's the half dozen or more additional vendors and local businesses per event alone that already plan on supporting these events within our community. We bring 500+ people to the Fox Valley every single weekend with our two venues alone and we are not the only two venues like this.

Venues like ours have had to go through all the necessary actions to open such as conditional use permits and meeting local code to gain occupancy and operate. We didn't just open overnight and hope for the best. It's taken time, energy, and significant financial investments just like any other business. Our business has been running for years without issue and we would like to keep meeting the demand within our community for unique event spaces. Not only for our sake, but for the hundreds of couples and families that have committed to hosting their wedding at our venues.

It is unfortunate that our group of "event venues" was not invited to the table when this bill was being written, it benefits a lot of businesses, but it is detrimental to the event barn and event venues that do not generate alcohol sales. As I stated earlier, we do not sell alcohol because we are not trying to compete with taverns or those that do, and we would like to keep it that way.

We ask that all language that pertains to no-sale venues/wedding barns please be removed from proposed assembly bill 304.

Thank you for your consideration.
Ben Ament
Brindlewood Barn Venue | 920-716-1620

Thank you Chairman for my time here today.

I own and operate a small, 500bbl/yr brewery in Milwaukee. My business partner and I design and make the beers, manage the attached taproom, plan special events, and clean the kegs...and the bathrooms. We use some of the most expensive ingredients available in our beers, employ unique processes, and target the boutique craft beer market. We package about 30% of our beer in cans, and sell the majority of those directly out of our attached taproom during business hours. We also self-distribute a smaller percentage of our product out of our hatchbacks to various businesses in SE WI.

As a small self distributing brewery, we already face challenges to get our beer to the people in the marketplace, including crowded shelf space, being effectively blocked from festivals (including in our own neighborhood) and sporting events through exclusive sponsorship deals with large distributors, county run beer gardens, and even some retailers.

However, about 12 times per year, we are able to take our beer into communities with events such as pop up beer gardens or other community events around SE WI for a few hours in a municipal park, at a community focused center, or art gallery. These popular summer events contribute significantly to our summer profitability, as WI residents move their recreation outside. We also do events off site such as "Music on the Beerline" in the Harambee neighborhood of Milwaukee. We sell beer to support the event and the community, with portions of the proceeds often going to the cause.

These are increasingly common amongst smaller breweries and welcomed by the communities around the state. Breweries that do this are often under \$1M/year revenue, run by owner-operators, and at the heart of WI small business economy.

This legislation takes several steps towards modernizing the regulation of the alcohol industry in Wisconsin, which are needed and appreciated. However, it contains a few words in a new clause that will create additional hurdles to continue this popular and welcomed practice of beer gardens and other events in the communities around the state.

We currently use our off-site retail outlet to hold these events, selling our own products we are already licensed to produce and sell at retail via 125.29(3)(e-f).

In the proposed legislation AB 304, a new clause 125.29(7)(h) removes this ability if you are **eligible** to acquire a "full-service retail outlet" location, even if you have not done so and have no intent to do so. Eligibility is defined in 125.29(7)(a)(2.) as producing more than 250bbbls/year. This "full-service retail outlet" allows wine and liquor to be sold, which is not our intent at off site locations. In this proposed legislation, a "full-service retail outlet" comes with additional requirements, such as municipal approvals that are "based on the same standards and criteria that the municipality has established by ordinance for the evaluation and approval of retail license applications" since the approval brings the ability to serve wine and liquor that the brewery did not produce. Municipalities have highly varying standards and processes for

obtaining these retail licenses, but they can contain 9 different forms, a waiting period for public comment, council approval, and costs ranging from \$10 to over \$1000. The complexity and potential costs of this approval for a 3 hour community event or a single afternoon pop up beer garden may be unjustified from a calendar and economic perspective. If liquor and wine are not being sold at the retail location, this additional requirement amounts to duplication of regulations, inspections, approvals, and permits already established with the State of WI.

The solution is to remove the words "is eligible to establish" and replace this with "has established." in 125.29(7)(h) as shown below:

125.29(7)(h) A brewer that ~~is eligible to~~ has established a full-service retail outlet under this subsection is not authorized to make retail sales of fermented malt beverages at an off-site retail outlet under sub. (3) (e) and (f).

We propose a brewery is regulated based on what that brewery is actually doing, not what they are eligible (and not yet approved) to do. I thank the committee for letting me speak today, and I'm happy to answer any questions.

Ron Hockersmith
Founder/Director of Beer
Amorphic Beer, LLC
3700 N Fratney St
Milwaukee, WI 53212
ron@amorphicbeer.com
414-213-4989



Tuesday, June 13th 2023

Assembly Committee on State Affairs

Re: Assembly Bill 304: Relating to: creating a no-sale event venue permit.

Michelle Ramirez-White – Policy Coordinator, Wisconsin Farmers Union

Chair Representative Swearingen and members of the committees, thank you for the opportunity to submit testimony of Assembly Bill 304.

Wisconsin Farmers Union's grassroots, member-driven policy reads:

“Tourism provides an economic bonus to rural areas. Family farmers should share the benefit from the economic advantages of tourism. Farmer ties to tourists enlighten the non-farm public on important agriculture issues and their relationship to the greater culture and economy.”

While Wisconsin Farmers Union commends the bill authors for proposing legislation to modernize the laws that govern the sales, distribution and production of alcohol, we strongly urge this committee to eliminate the portion of the bill that would require private event venues to be permitted by the Department of Revenue.

There has been tremendous growth in agricultural tourism and interest in rural event venues in the past several years. Wisconsin Farmers Union welcomes this avenue for rural economic vitality and the opportunity for farms to diversify their income streams by hosting events in repurposed farm buildings.

Although we recognize the good intent of this bill, WFU has concerns that AB 304 would impose a heavy regulatory burden on on-farm event venues. Wisconsin Farmers Union respectfully asks the committee to remove the *No-sale event venue permit* section from the bill or add on-farm event venues to the list of other venues that are exempt from the requirement to obtain a permit from the Department of Revenue.

Thank you for this opportunity to share Wisconsin Farmers Union's thoughts on this issue.

Sincerely,

Michelle Ramirez-White

Policy Coordinator, Wisconsin Farmers Union



2801 Fish Hatchery Road | Madison, WI 53713 | (608) 270-9950 | (800) 589-3211 | FAX (608) 270-9960 | www.wirestaurant.org

June 13, 2023

TO: Assembly Committee on State Affairs
Rob Swearingen, Chair

FR: Susan Quam, Executive Vice President

RE: Support of AB 304

Thank you, Chair Swearingen and members of the committee, for the opportunity today to testify on behalf of our 7,000 member locations, of whom the vast majority have Class B or Class C alcohol licenses. The Wisconsin Restaurant Association (WRA) supports AB 304, which makes substantial changes to Wisconsin's alcohol statutes. This bill contains many changes to modernize provisions in Wisconsin Statute 125, and also clarifies what is now only considered policy interpretations, makes some common industry practices legal and provides a more prominent place for alcohol law interpretation and enforcement at the state agency level. Here are key provisions that the WRA would like to point out key updates that will help restaurants in Wisconsin:

- **Allows batching of cocktails.** The batching or keging of cocktails in bars and restaurants has become the industry norm across the country and here in Wisconsin. Employee shortages and the need for consistency, along with consumer demand for specialty, labor intensive or aged cocktails have driven the trend, which began prior to the pandemic. We all love that hand muddled Old Fashioned, but on a busy Friday fish fry, the ability to have a batch of precisely measured Old Fashioneds in a container or on tap not only ensure speedy service, but also ensures that proportions of ingredients are measured properly and served in the proper size. However, batching of cocktails in Wisconsin is considered rectifying and not allowed under Chapter 125 - and most of the industry is unaware they are breaking the law by doing so. This bill will make batching cocktails legal as long as the container or keg is properly labeled with name, ingredients, date mixed, name of person mixing and expiration date of 48 hours after mixing. Up to 5-gallon containers can be used and can be dispensed into a container of up to 72 ounces (such as a pitcher). This is a very important update to Chapter 125 that is much needed as the hospitality industry changes to meet consumer demands
- **Creates a statewide Operators ("bartenders") Permit issued by the state Department of Revenue that is accepted in all municipalities.** Many employees in the restaurant and bar business work for businesses with more than one location or they work two jobs for different employers. Often, the locations are in two different municipalities. In order for them to have supervisory roles in the establishments they would need to have Operators Licenses issued by different municipalities, which can be an expensive endeavor. By establishing a state issued Operator's Permit, this bill eliminates a server/bartender who works at restaurants in two different municipalities from having to pay for two separate licenses and the permit follows them wherever they work in the state
- **Allows Class B establishments in 14 counties in southeast Wisconsin to stay open until 4:00 a.m. during the 2024 Republican National Convention (RNC) in Milwaukee.** Similar to legislation introduced in 2019 for the 2020 Democratic convention, this provision will allow attendees to the convention who often do not get back to their convention hotels until after midnight or 1:00 a.m. in the morning to enjoy food and drink at local restaurants and hotels past the current 2:00 a.m. bar time. Our research shows that every major city and surrounding area that has hosted a nation convention in the past decades has at extended bar time to 4:00 a.m. (if it was not at that time already) to accommodate the convention goers and to allow hospitality businesses to thrive during those four days

- **Adds “recapping” to current wine recorking.** I am not sure how many committee members were in the Legislature when the “Merlot to Go” bill was passed that allowed establishments to “recork” a partially drank bottle of wine and allow the customer to take it home with them. AB 304 updates current law allowing customers to take home unfinished bottles of wine by either recorking or recapping the bottle, since more wines now come with caps instead of corks
- **Modernizes laws to support craft breweries, wineries, and distilleries.** Many restaurants find success from selling beverage alcohol from local craft producers. AB 304 provides greater clarity and consistency in regulations regarding craft producers and promotes their growth in their communities. Many of these craft businesses are tourism attractions as well and bring travelers to communities that also brings businesses to local restaurants/bars and hotels which is why WRA believes these changes are much needed
- **Creates a dedicated Division of Alcohol Enforcement in the Department of Revenue.** Over many years, the staff dedicated to educating on and interpreting alcohol law at the Department of Revenue has been diminished, either by choice of the department or by retirement. The creation of a Division of Alcohol Enforcement will provide more resources for law interpretation – and enforcement – at the state level, providing more clarity for retailers, manufacturers, wholesalers, and local municipalities
- **Removes felony penalty for purchasing beer from Class A retailer.** We have always thought is very strange that if after a busy Friday night, a restaurant/bar purchases a bottle of spirits from a local Class A retailer, because they ran out of it, they risk a fine of \$100. If a restaurant/bar currently purchases beer from a Class A retailer under the same situation, the penalty is \$10,000 and time in jail. AB 304 makes the penalty the same as purchasing wine and spirits - \$100, which is a much more reasonable penalty for the offense

AB 304 is a massive bill that has many other provisions that clarifies or modernizes alcohol law and is much needed for the hospitality industry in Wisconsin. We encourage its passage and swift implementation

The Wisconsin Restaurant Association (WRA) represents over 7,000 restaurant locations statewide and represents all segments of the restaurant and hospitality industry. Our membership includes food establishments of all types and sizes, such as seasonal drive-ins, supper clubs, diners, bars, locally owned franchisees, fine-dining, and hotels/resorts. Over 75 percent of our membership are independent restaurants or restaurant groups. Regardless of ownership type, all restaurants are the cornerstones of their neighborhoods and communities. Restaurants not only provide great food, drink, and hospitality, they support schools, teams, charities and churches with fundraising and donations. They provide meeting places to celebrate, mourn and organize, or just provide a safe, tasty meal for a busy family.

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Ron Hockersmith
Founder/Director of Beer
Amorphic Beer, LLC
3700 N Fratney St
Milwaukee, WI 53212
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414-213-4989

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We currently use our off-site retail outlet to hold these events, selling our own products we are already licensed to produce and sell at retail via 125.29(3)(e-f).

In the proposed legislation AB 304, a new clause 125.29(7)(h) removes this ability if you are **eligible** to acquire a "full-service retail outlet" location, even if you have not done so and have no intent to do so. Eligibility is defined in 125.29(7)(a)(2.) as producing more than 250bbbls/year. This "full-service retail outlet" allows wine and liquor to be sold, which is not our intent at off site locations. In this proposed legislation, a "full-service retail outlet" comes with additional requirements, such as municipal approvals that are "based on the same standards and criteria that the municipality has established by ordinance for the evaluation and approval of retail license applications" since the approval brings the ability to serve wine and liquor that the brewery did not produce. Municipalities have highly varying standards and processes for



To: Members of the Assembly Committee on State Affairs
Representative Rob Swearingen, Chair

From: Kathi Kilgore, WHLA Contract Lobbyist

Date: June 13, 2023

Re: Support for AB 304

On behalf of the hundreds of Wisconsin Hotel & Lodging Association members across the state, we encourage you to support AB 304, which includes an extended bar time during RNC 2024.

The RNC Convention in Milwaukee poses an incredible opportunity to showcase the hospitality of Wisconsin. The event will bring 50,000 people from all over the United States to Wisconsin. The eyes of the world will be on our state.

Many of the convention attendees will need to travel 1-2 hours to their lodging accommodations, making Wisconsin's 2:00 am bar time too early for them to enjoy a glass of Wisconsin wine, beer or distilled spirit with their dinner or truly experience a Wisconsin supper club. It is important for the hospitality industry to meet the expectations and needs of our customers in a safe setting that is properly licensed to serve alcohol.

For some of the convention attendees, this will be their first trip to Wisconsin. We want them to see our beautiful state and want to return for a long-relaxing vacation with their families or to hold a corporate retreat, business meeting, conference or convention here.

The economic impact on Wisconsin of the RNC Convention is not just for a week in July 2024, but can impact our tourism economy for years to come.

This is our time to shine. Please help Wisconsin's tourism and hospitality industry roll out the red carpet for our visitors and support AB 304.

Thank you for your consideration.

It would seem the No-Sale Venue Permit would offer this option. However, as written, this proposed permit actually forces us attempt to get into the tavern business. Specifically, it limits events with alcohol to one (1) per month and no more than six (6) per year. By cutting off our revenue, there is no way we could afford the capital improvements required nor maintain the ongoing expenses necessary to operate a sustainable event venue. Also, distilled spirits would be expressly forbidden which makes us less appealing and encourages couples to look elsewhere.

So, we are left no option but to attempt to get into the tavern business. However, to qualify for the Class B Quota Exemption, operators must have hosted five (5) or more events with 50 or more people and generated \$20k or more in revenue over the past 12 months. We do not these criteria.

The No-Sale Venue Permit restricts our revenue to make this option unsustainable. And we don't qualify for the Class B license Quota Exemption (which we don't want anyway). Therefore, our solution for staying on our beloved flower farm is effectively pulled off the table and we will become yet another statistic of yet another Wisconsin farmer forced off of their farm.

Please, don't let that happen.

Instead, we ask the committee to make a **Simple Amendment** to exempt private farms from the proposed No-Sale Venue Permit requirement. Don't try to force us into the tavern business and allow Still Point Flower Farm to operate the beautiful agricultural event venue that we are working so hard to create and that Wisconsin residents desire.

Thank you for your consideration,
Phillip and Penny Molina

Testimony of Phillip G. Molina: Still Point Flower Farm and AB304

Thoughts on the No-Sale Venue Permit and Quota Exemption for Class B Licenses
proposed within Assembly Bill 304

June 13, 2023

Still Point Farm, LLC
Brooklyn, WI
phil@stillpoint.farm
608-630-1351

Thank you, Chairman Swearingen and Committee:

My wife and I operate Still Point Flower Farm down in Brooklyn. We just learned of this bill on Friday and want to request a small amendment that would be huge for us. In fact, as written, this bill would literally force us off of our farm. Let me briefly explain.

First, because our cut flower revenue from our small flower farm cannot sustain us into retirement on its own, we applied for a Conditional Use Permit (or CUP) with our county to be licensed as a Seasonal Event Venue from May through October. Through the CUP application process, we are required to meet all state, county and local code. We provided extensive documentation, a site plan, we addressed noise, lighting, parking and more. Our town even required a separate public hearing. Only after considering all of this our county scheduled their public hearing. So, from our experience, Wisconsin's county and local municipalities have wedding barn licensing covered!

Second, we have no interest in getting into the tavern business. We also don't want to get into the restaurant business, or become a hair salon, makeup studio, photographer, DJ, etc. All we want to do is provide a spectacular space out in the country where families can escape their hectic world and celebrate significant life events together. That's it. We believe business works best when we focus on our expertise and help other complementary rural businesses thrive by sending them business. It's neighbor helping neighbor.



316 W. Washington Ave., Suite 600
Madison, WI 53703
Phone: 608-267-2380
Fax: 608-267-0645
Email: league@lwm-info.org
Website: lwm-info.org

To: Assembly Committee on State Affairs
Date: June 13, 2023
RE: Assembly Bill 304, the Alcohol Reform Bill

Hi Chairman Swearingen and honored members of the committee. We are grateful to have the opportunity to provide comments on Assembly Bill 304, the Alcohol Reform Bill.

We are grateful to the bill authors, Speaker Vos, and Senator LeMahieu. A bill involving so many alcohol provisions does affect communities, neighborhoods, and families all across our state. We do support much of the bill, and we are asking for changes only to three provisions to enable local authorities to properly enforce this legislation. The modifications we are requesting apply to the creation of a DOR-issued bartenders license, to the DOR-permitted no sale event venue, and to the effective date for local ordinances.

Creation of a DOR-issued bartenders license usable anywhere in the state

Our members have strong concerns that the state will be able to do the due diligence to adequately review applications, both because of the potential number of licenses and because of the lack of staff at the state level to do that work. Municipalities would prefer to remain involved in the licensing process and to be allowed to have more restrictive local ordinances.

Problem bartenders can have a huge impact not only on what happens at the bar where they work, but on entire neighborhoods. Many relevant convictions, including sale to underage, overserving, etc., are at the municipal level, and there is no statewide database for municipal violations. If this provision is enacted, we strongly suggest the state use CCAP data and include municipal court data.

Municipalities also regularly use both suspension and revocation of bartender licenses to deal with problem bars. Municipalities need to retain this ability to suspend or revoke a license to protect public safety and make bar districts vibrant destinations.

Our members also have strong concerns about the state's ability to renew licenses. Municipalities currently are able to act on revocation or non-renewal if a bartender fails to meet expected service standards. Municipalities would like to see these standards/requirements incorporated into the State's operator license, or failing that, allow the municipality the option of requiring an operator's license for bartending in a municipality.

It would be beneficial if operator's licenses are made searchable on the DOR's website for enforcement purposes, so that law enforcement and municipalities can access and verify that someone has a legitimate operator's permit.

Finally, losing the ability to license will cost municipalities in lost revenue. A solution to this is reciprocity.

Creation of a DOR-permitted "No-sale event venue"/"Wedding Barns"

We agree that these event locations need to be licensed, but as municipalities are the responsible entities for zoning, occupancy, and policing these venues, local licensing and local control would better allow each municipality to enforce, monitor, and police these venues.

The words “to rent” under s.125.09(1)(b)(1) of the bill should be deleted in order to effectively enforce the prohibition against consumption of alcohol beverages in public places. The way the bill is currently written seems to suggest that any place not “rented” or available for rent would not be included. This means an owner of a place would not be held liable if they are allowing consumption on the property and hosting the event themselves, rather than renting it out to someone else. For example, this would not prohibit the consumption of alcohol in buildings where the occupant is throwing full-on, illegal after-sets (after bar closing) and nightclub activities that are open to members of the public. This has been a frequent and ongoing problem in municipalities.

It would be extremely beneficial if the state checks with the municipality on zoning approval before issuing the venue license. A municipality’s zoning code has specific restrictions in some areas regarding activity and alcohol licenses, and this is important for the state to know. Also, if the applicant is someone who has been a frequent participant in the illegal after-sets and nightclub-type activity, the municipality will likely be aware and can inform the state in regard to a licensing decision.

Clarification on the type of business that will qualify for the permit would be helpful. The limit of no more than one event per month will be problematic for seasonal locations. Six days a year will not be enough for many venues and will very likely cause problems with enforcement for venues trying to exceed that number. But six days/year will likely be sufficient for those small businesses only wanting to occasionally serve wine.

Municipalities across the state strongly doubt that the state will have the enforcement capabilities for this provision. Municipalities continuously investigate unlicensed premises, and they do prefer licensing to be local or to have the ability to have more restrictive local ordinances.

Change to effective date for local ordinances

There are a few instances where the bill says it is subject to local approval but then makes the municipality’s approval subject to “the same standards and criteria that the municipality has established by ordinance for the evaluation and approval of retail license applications.” (See, e.g., p. 80, lines 13 – 17 and pp 109-110, lines 23 – 2). However, because the decision on whether to issue a retail license in the first instance is a local decision, most municipalities do not have standards and criteria established by ordinance for evaluating and approving retail license applications. We would love to have these provisions deleted or have an effective date of January 1, 2025, for these provisions, in order to give municipalities time to establish and/or update any ordinances. This effective date matches the effective date in AB 266/SB 296 which also has municipalities updating their ordinances.

Again, we have the utmost respect for the bill authors. There are many provisions of the bill that we support and incorporating the above changes to Assembly Bill 304 can help ensure that our communities across the state thrive economically with the best standards in place to protect their neighborhoods, families, residents, and businesses. These changes will also help to limit the number of bad actors in the alcohol industry.

Thank you.

Koss, Thomas

From: Corkran, Taylor
Sent: Tuesday, June 13, 2023 1:22 PM
To: Rep.Green; Rep.Summerfield; Rep.Schraa; Brooks, Rob; Rep.Spiros; Rep.Moses; Rep.Callahan; Rep.Gustafson; Rep.Sinicki; Rep.Ohnstad; Rep.Cabrera; Rep.Baldeh; Rep.Hong; Vesperat, Jeryn; Koss, Thomas; Lauer, Ethan; Lee, Carson; Braaten, Alex; Palmer, Linda; Schaefer, Christopher; Bowler, Cameil; Behm, Maryjane; Cooper, Wyatt; Villarreal, Jorge; Petrova, Iva; Lindvall, Michael; Elmikashfi, Nada
Subject: FW: AB304 - Amendment to the language requested

FYI

-----Original Message-----

From: Rebecca Mumm <themummbarn@gmail.com>
Sent: Tuesday, June 13, 2023 10:47 AM
To: Rep.Swearingen <Rep.Swearingen@legis.wisconsin.gov>; Rep.Green <Rep.Green@legis.wisconsin.gov>; Corkran, Taylor <Taylor.Corkran@legis.wisconsin.gov>
Subject: AB304 - Amendment to the language requested

Dear Representatives

I am an Event Venue owner in Polk County and have been for seven years. I am writing this with regards to the proposed bill AB304 and the following section:

No Sale Event Event Venue and the days deccribed within this section at no more than six days per year - at one a month. I am in support of a permit, but your limiting days is very concerning.

This is a very limiting to our types of spaces. I would like to propose no more than 20 days per year and no restrictions on months, I am not sure the meaning of these restrictions are and the benefits behind them. Having 20 events will still be a limitation for most of our spaces but gives options for revenue gained vs 6 which you could never financially support your business with all the expenses behind insurance, supplies, waste management, staffing, etc. I hope you will truly look at this area and adjust the days to be more economically sound for our businesses. This may cause businesses to close and in some of our very rural areas we bring financial gain to our townships with people traveling through for these types of events, buying gas, hotel stays, meal and alcohol purchases at other establishments. I know our small town establishments gain this when our events close around 11:30pm and then they can still participate in their spaces until 2:00am.

I appreciate you listening to my suggestions, and I hope you take them to heart and evaluate this language before making a decision. Thank you very much Rebecca Mumm

Sent from my iPhone

Koss, Thomas

From: Corkran, Taylor
Sent: Tuesday, June 13, 2023 1:19 PM
To: Rep.Green; Rep.Summerfield; Rep.Schraa; Brooks, Rob; Rep.Spiros; Rep.Moses; Rep.Callahan; Rep.Gustafson; Rep.Sinicki; Rep.Ohnstad; Rep.Cabrera; Rep.Baldehy; Rep.Hong; Vesperat, Jeryn; Koss, Thomas; Lauer, Ethan; Lee, Carson; Braaten, Alex; Palmer, Linda; Schaefer, Christopher; Bowler, Cameil; Behm, Maryjane; Cooper, Wyatt; Villarreal, Jorge; Petrova, Iva; Lindvall, Michael; Elmikashfi, Nada
Subject: FW: Public Hearing Opposition of AB304
Importance: High

Members,

FYI

From: croixviewfarm@gmail.com <croixviewfarm@gmail.com>
Sent: Tuesday, June 13, 2023 9:31 AM
To: Corkran, Taylor <Taylor.Corkran@legis.wisconsin.gov>
Cc: Sheila Everhart <sheilageverhart@gmail.com>; Corkran, Taylor <Taylor.Corkran@legis.wisconsin.gov>; Rep.Swearingen <Rep.Swearingen@legis.wisconsin.gov>
Subject: Public Hearing Opposition of AB304
Importance: High

Good Morning Taylor,

Please note that the following is to be put into public comment for the hearing today regarding AB304.

I am an agricultural event venue in western Wisconsin. Operating as the current law stands since 2016, without issue. The newly proposed Consumption on Premises permit is something that we are not only against but completely squashes our business model and most models like ours. It is said that 'all parties' agreed. I'm unsure which parties we are discussing because none of us (ag event venues/members of WATA) to my knowledge were asked to the table.

Limiting this group to 6 events a year when some are doing 100 or better would not only put us out of business but also the local economy. Think of the other business and tax dollars these businesses are bringing into the community. Hotels, Restaurants, BARS, caterers, hair stylists, DJ's, etc. All of which pay sales and income tax to the state. So now you are also reducing the revenue the state itself is getting. That number is for lack of a better word, laughable.

I wonder...are we going to limit the days a tavern is open? And we sure made sure to list tailgating as an exception. Mustn't mess with Packer/Brewer/Badger games.

Facts:

- We have been operating in compliance with the current law. With no documented issues. And I'd say that is true for most venues like ours.
- This completely infringes on our economic liberty, and the economic impact it would have far outreaches just the venues itself. It would strike the state right in the pocket book.
- The folks that should have been 'brought to the table' clearly weren't. Or the committee was able to find venues only doing 6 events a year, which I don't even know how that's possible.

Please remove the ridiculous language and perhaps ask a business that this truly effects to the table.

Sincerely,

Sara Haase
Owner - Croix-View Farm

Koss, Thomas

From: Ron Hockersmith <ron@amorphicbeer.com>
Sent: Tuesday, June 13, 2023 7:38 PM
To: Rep.Swearingen; Rep.Green
Cc: Koss, Thomas; Rep.Summerfield; Rep.Schraa; Brooks, Rob; Rep.Spiros; Rep.Moses; Rep.Callahan; Rep.Gustafson; Rep.Sinicki; Rep.Ohnstad; Rep.Cabrera; Rep.Baldehy; Rep.Hong
Subject: Small Change to 125.29(7)(h) in AB 304

Dear Assembly State Affairs Committee,

Thanks for the opportunity to testify today. In general I support the Alcohol bill, but there is one addition that causes problems that is easily fixed.

Brewers (and our customers) that take advantage of the current off site retail outlet for community events and do not intend to serve liquor and wine will be negatively impacted by AB 304, but only because of the inclusion of one word, that was likely accidental and is easily modified as shown below in order to align the law with what the brewer is actually doing, not what they are "eligible" to do:

125.29(7)(h) A brewer that is eligible to has established a full-service retail outlet under this subsection is not authorized to make retail sales of fermented malt beverages at an off-site retail outlet under sub. (3) (e) and (f).

The off site retail outlet capability is removed for brewers making more than 250bbl/yr by this clause (this is almost every brewer in the state), and replaced only with the "full-service retail outlet" which allows liquor and wine. Because of liquor and wine, the legislation then requires municipal approval aligned with their local ordinances, standards, and criteria for approving liquor permits. We (and many other breweries) have no intent to sell liquor or wine at these events, so we will be forced through a duplicate and potentially complex process depending on which of the 1800 municipalities we are dealing with, only to get permission to sell the beer we made that we already have permission to sell. For example, in Milwaukee, the process today takes four months, involves council approval, a public comment period, and costs up to \$850. This could be for a single 3 hour pop up event, rendering it economically infeasible.

I'm not an expert in automotive sales, but I suspect a brewery is "eligible" to sell cars with the right permits. Does that mean the brewery should close on Sundays even if they have no intent to sell cars because they are eligible? That's what the text of 125.29(7)(h) does, and it's easy to correct.

Thanks for reading,
Ron

--

Ron Hockersmith
Founder/Director of Beer
Amorphic Beer
3700 N Fratney St
Milwaukee, WI 53212
414-213-4989
ron@amorphicbeer.com

To: Committee on State Affairs, Chair, Representative Swearingen and members:
Representative Green, Summerfield, Schraa, Brooks, Spiros, Moses, Callahan, Gustafson, Sinicki,
Ohnstad, Cabrera, Baldeh, Hong.

From Maureen Busalacchi, Alcohol Policy Specialist

Date: June 13, 2023

RE: AB 304 testifying for information only.

Thank you for holding a public hearing on proposal AB 304. It is my understanding that many businesses and organizations involved in manufacturing, distribution or retail sales of alcohol were involved in this proposal.

My name is Maureen Busalacchi. I'm the Director of the Wisconsin Alcohol Policy Project (WisAPP). WisAPP is administered through the Medical College of Wisconsin's Comprehensive Injury Center and is funded by the Wisconsin Department of Health Services: Division of Care and Treatment Services.

I am speaking for information only today, as an alcohol policy specialist, on Assembly Bill 304. My professional views are my own, and I am not speaking on behalf of the Medical College of Wisconsin.

The backdrop of changes to alcohol manufacturing, distribution and retail sales should also recognize the burden of excessive alcohol use in Wisconsin. Increasing production, locations for sales and changing regulations increases access to alcohol and may result in changes to alcohol consumption. Source: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3860569/>

According to Centers for Disease Control data on the DHS website, [Wisconsin ranks third](#) in the country for the number of adults who drink alcohol:

- More Wisconsin adults report current alcohol use in the past 30 days (64.8%) than the U.S. average (55.1%).
- When Wisconsin adults drink, they drink more often and have more alcohol than adults in other states. They drink an average of 2.6 standard drinks when they drink.
- Only 38% of Wisconsin adults who binge drink think they put themselves at risk.
 - Reference: <https://www.dhs.wisconsin.gov/alcohol/index.htm>

On top of this, Wisconsin has seen dramatic increases in death rates related to alcohol consumption. The jump of 25% alcohol-attributable deaths from 2019 to 2020 is alarming. Equally concerning is the fact that the death rate hasn't come back down to pre-2019 levels. Source: <https://www.dhs.wisconsin.gov/alcohol/deaths-county.htm>

[Excessive alcohol use](#) covers four aspects: binge drinking defined as consuming 4 or more drinks on an occasion for women and 5 or more drinks on occasion for men.

Heavy Drinking, is defined as 8 or more drinks for women and 15 or more for men

Any alcohol use during pregnancy and any alcohol use by anyone under 21. Please note that nationally, 89% of binge drinkers do not have an alcohol use disorder. Source:

https://www.cdc.gov/pcd/issues/2014/14_0329.htm

Alcohol Attributable deaths include some of what we'd expect:

Alcohol deaths directly related to drinking include alcohol-induced liver cirrhosis and alcohol poisoning. It also includes deaths we may not consider like suicide, homicides, falls, as well as cancers, chronic disease, and other fatal injuries.

One in five deaths for people aged 20 - 49 is attributable to excessive alcohol use.

https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2798004?utm_source=For_The_Media&utm_medium=referral&utm_campaign=ftm_links&utm_term=110122

- Furthermore, most of these deaths are not from alcohol-related motor-vehicle crashes. In fact, nationally, 85% of alcohol-attributable deaths are not from motor-vehicle crashes. Source: Centers for Disease Control and Prevention. *Alcohol-Related Disease Impact (ARDI) application*. 2014. Retrieved from https://nccd.cdc.gov/DPH_ARDI/default/default.aspx. [Google Scholar]

I share this information so that you may be aware of the grave issue of alcohol consumption in our state. Alcohol over consumption kills more than twice the number of people in our state than opioid overdose deaths. 3,207 for alcohol and 1,427 for opioids. These tragic deaths are preventable.

Sources: <https://www.dhs.wisconsin.gov/alcohol/deaths-county.htm> and <https://www.dhs.wisconsin.gov/opioids/dashboards.htm>

Resources, enforcement, and prevention are critical to reduce excessive alcohol consumption as it is the [fourth leading](#) preventable cause of death in our country.

Source on prevention: <https://www.thecommunityguide.org/search/?query=alcohol&dpage=1>

As you look at making changes to the alcohol environment in our state, please consider the impact of more alcohol access and availability. It can cause many deaths and lost productivity. Our employers pay a steep price for the binge drinking that occurs in our state. According to [Wisconsin's Burden of Binge Drinking report](#), employers lose \$2.6 billion annual in lost productivity related to binge drinking.

And 22% of adults in Wisconsin indicate binge drinking in the past month compared to 16% of adults in the US. <https://www.dhs.wisconsin.gov/scaoda/adhoccommitteereports.htm>

I would be remiss if I did not also mention underage drinking rates in our state continue to outpace the nation. (source: <https://www.dhs.wisconsin.gov/alcohol/youth-use.htm>) They have dropped over the last decade, which is good news. However, our kids don't see alcohol as a risky behavior when compared to other states. (source: <https://www.dhs.wisconsin.gov/alcohol/index.htm>) And it is critical that enforcement of minimum age drinking laws occurs regularly and across the state. (source: <https://www.thecommunityguide.org/resources/what-works-preventing-excessive-alcohol-consumption.html>)

Alcohol Age Compliance Checks are not funded in Wisconsin. They are an excellent tool to ensure our children do not have easy access to alcohol via a retail establishment. It's binge drinking in the teen years that can lead to many issues later in life, including use of other substances, including opioids. Source: <https://www.cdc.gov/alcohol/fact-sheets/alcohol-and-other-substance-use.html>

The alcohol laws we have in Wisconsin were developed for important reasons. Making changes without thoroughly considering all the implications may well be dangerous and even deadly for our citizens. If you consider anything regarding what I am saying today, it is to go slow when it comes to making alcohol more accessible in a state that already struggles with premature death, injury and disease related to excessive alcohol consumption.

Thank you.

Maureen Busalacchi
608-335-0005
mbusalacchi@mcw.edu



Wisconsin Agricultural Tourism Association

4618 West County Road A ♦ Janesville, WI 53548

♦Director@wiagtourism.com ♦608-774-1354

June 13, 2023 - Written Statement for Public Hearing; Assembly Committee on State Affairs

Wisconsin Agricultural Tourism Association opposes AB 304 as written.

The mission of WATA is to educate, advocate for and support its members (working farms, farmers and farm families). The existence of many family farms is threatened by the high cost of inputs, global competition, and by being squeezed out of markets. WATA's goals are to help working family farms

- Remain solvent
- Remain producers contributing to the family, community and state economy

To these ends, agricultural tourism is a way to diversity farm income and pump economic vitality within their communities and the state.

Agricultural tourism is a growing economic engine all of the world because it meets both consumer and farmer demands. Agricultural tourism helps offset the loss of traditional farm income as it satisfies growing consumer demand to have meaningful experiences on working farms. Many farms meet this demand by offering opportunities for private events -- by-invitation-only activities -- at agricultural event venues on their farms. These private events are value-added efforts that allow farms to generate critical income by offering unique, rural, local and outdoor experiences that also educate consumers about where their food, fiber and fuel comes.

WATA Agricultural Event Venues are 100% compliant with Chapter 125 and is consistent with current Department of Revenue Guidance. Documentation filed by WISCONSIN LEGISLATIVE COUNCIL STUDY COMMITTEE MEMORANDUM Melissa Schmidt, Senior Staff Attorney on August 15, 2018.

Alcohol beverage retail licenses are required for a location in which a **sale of alcohol beverages** takes place. OR **whenever consumption of alcohol beverages occurs at a public place.**

Current law does not, however, define the term "public place" for purposes of the prohibition of consumption of alcohol beverages described above. In an email message to Legislative Council staff from Tyler Quam, DOR, dated January 23, 2018, Mr. Quam explained DOR's guidance on the term "public place" for purposes of this prohibition:

While "public place" is not defined within statute, the department has researched this issue extensively. **Rather than focusing on the location of a particular event, the department considers the nature of the event when determining whether a location is a "public place."**

Events such as wedding receptions, birthday parties, employee appreciation events, family reunions, etc., where attendees consist only of personally invited guests known to the host and are not open to the general public, do not qualify as public places. As long as alcohol beverages are not sold, either directly or indirectly, **at these types of gatherings, an alcohol beverage license is not required.** This is consistent with previous opinions and court cases from around the country. ¹ DOR relies upon the 1992 Wisconsin Attorney General opinion 80 Op. Att’y Gen. Wis. 218. The agency also relies upon the following court opinions from Alabama, Illinois, and Texas: *Clarke v. State*, 12 Ala. 492 (1847); *Campbell et al., v. State*, 17 Ala. 369 (1850); *Roquemore v. State*, 19 Ala. 528 (1851); *People v. Simcox et al.*, 379 Ill. 347 (1942); *White v. State*, 39 Tex. Crim. 269 (1898); and *Austin v. State*, 57 Tex. Crim. 623 (1910).

Under DOR’s interpretation of the term “public place,” whether an event venue is required to obtain an alcohol beverage retail license to sell alcohol for consumption at the venue depends upon the nature of the event hosted at the venue. Specifically, DOR considers whether the event is limited to personally invited guests known to the host and not open to the general public.

Example 9: A couple rents a local barn for their private wedding reception. The barn is not an alcohol beverage retail licensed premises. The couple purchases all alcohol beverages from an alcohol beverage retail licensee. Only invited friends and family may attend the reception, and alcohol beverages are served free of charge to these guests. Neither the couple nor the barn owner are required to hold an alcohol beverage retail license for the barn during the wedding

Reception. When Must a Person Obtain an Alcohol Beverage Retail License? Alcohol Beverage Laws Fact Sheet 3111 revenue.wi.gov. March 20, 2019

WATA is requesting that all language pertaining to “Wedding Barns”, venue, no-sale venue permits be removed from AB 304 by simple amendment because this language creates unintended consequences, devastating negative economic impacts for thousands of Wisconsin Residents and a lack of practical applications pertaining to signed contracts through 2025. (pages 15, 16,17, 37, 62, 63, 64, 65, 66 and 153). Or Agricultural Event Venues (no sale venues be added to page 36 and other pages that provide exclusion language. [(d) This subsection does not apply to municipalities, buildings and parks owned by counties, regularly established athletic fields and stadiums, school buildings, campuses of private colleges, as defined in s. 16.99 (3g), at the place and time an event sponsored by the private college is being held, churches, premises in a state fair park, clubs or **Agricultural Event Venues /no-sale venues.**]

As written AB 304 further impedes the economic liberties of Agricultural Event Venue Operators/Family Farmers. Please amend to remove language or exempt Agricultural Event Venues “no-sale venues” just like the other afforded the exemptions.

Sincerely,
Sheila Everhart
Executive Director