



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-0716/3
ARG:cc/kf/cs

2019 BILL

1 **AN ACT to amend** 139.11 (1); and **to create** 125.02 (4r), 125.20 and 139.08 (5) of
2 the statutes; **relating to:** requiring reports by common carriers shipping
3 alcohol beverages into this state and providing a penalty.

Analysis by the Legislative Reference Bureau

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

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

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

The bill requires any common carrier that transports into and delivers within the state any alcohol beverages to submit a monthly report to the Department of Revenue (DOR) in the form and manner prescribed by DOR. Under the bill, a "common carrier" is any of the following: (1) any person (other than a local messenger service or the U.S. Postal Service) that holds itself out to the general public as a provider for hire of the transportation by water, land, or air of merchandise (regardless of whether the person actually operates the vessel, vehicle, or aircraft by which the transportation is provided) between a port or place and a port or place in the U.S.; or (2) every railroad company, express company, common or contract carrier, and every firm or corporation, that brings, carries, or transports into this state alcohol beverages from outside this state.

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The report must be submitted no later than the 15th day of the month and must include all of the following information for each shipment of beer or liquor during the preceding month:

- The name and address of the manufacturer of the beer or liquor.
- The name and address of the consignor of the shipment, if different from the manufacturer.
- The name and address of the consignee of the shipment.
- The date of the shipment.
- The quantity of the beer or liquor shipped to the consignee.
- The parcel tracking number, waybill number, or other identifying number for the shipment.

The reporting requirement created by the bill first applies to shipments of alcohol beverages into the state occurring on the first day of the 3rd month after the bill takes effect. If a common carrier fails to submit a report required under the bill, then the common carrier will be subject to a forfeiture of not more than \$2,000.

The name and address of the consignee of the shipment reported by a common carrier must be kept confidential by DOR and is not subject to public copying or inspection under the public records law. The bill also specifies all other information in the reports submitted by common carriers are not confidential and are subject to the public records law.

Any common carrier required to submit reports under the bill must maintain for 3 years all records related to the reports, as well as any other record required to be kept under current law related to the purchase, sale, production, storage, warehousing, importation, or transportation of alcohol beverages. The bill also requires DOR to retain for 3 years all reports submitted under the bill and all records received by it relating to the reports.

The bill specifies that nothing in the bill alters the requirement that a person shipping alcohol beverages into this state obtain all required permits under ch. 125, stats., (the Alcohol Beverages Chapter) prior to shipment, including any direct wine shippers' permit. The provisions created under the bill also do not grant a manufacturer, rectifier, or shipper of alcohol beverages, including a winery, authority to ship alcohol beverages into this state. Lastly, the bill specifies that nothing in the bill alters the face-to-face sales requirement found in the Alcohol Beverages Chapter.

1 **SECTION 1.** 125.02 (4r) of the statutes is created to read:

2 125.02 (4r) "Common carrier" means any of the following:

3 (a) "Common carrier" as defined in 15 USC 375 (3).

4 (b) Every railroad company, express company, common or contract carrier, and
5 every firm or corporation, that brings, carries, or transports into this state alcohol
6 beverages from outside this state.

7 **SECTION 2.** 125.20 of the statutes is created to read:

8 **125.20 Common carrier shipments into state.** (1) No later than the 15th
9 day of each month, any common carrier that transports into and delivers within this

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1 state any alcohol beverages shall submit a verified report to the department, in the
2 form and manner prescribed by the department, that includes all of the following
3 information for each shipment of alcohol beverages during the preceding month:

4 (a) The name and address of the person that manufactured or rectified the
5 alcohol beverages.

6 (b) The name and address of the consignor of the shipment, if different from the
7 person that manufactured or rectified the alcohol beverages.

8 (c) The name and address of the consignee of the shipment.

9 (d) The date of the shipment.

10 (e) The type and quantity of alcohol beverages shipped to the consignee.

11 (f) The parcel tracking number, waybill number, or other identifying number
12 for the shipment.

13 **(2)** The department shall keep confidential the information under sub. (1) (c)
14 and (f), and this information is not subject to public copying or inspection under s.
15 19.35 (1), but all other information included in a report under sub. (1) is subject to
16 public copying and inspection under s. 19.35 (1) and may not be treated by the
17 department as confidential under any provision of s. 71.78, 71.83, or 139.11 (4).

18 **(3)** If a common carrier fails to submit a report required under sub. (1), the
19 common carrier is subject to a forfeiture of not more than \$2,000.

20 **(4)** Nothing in this section alters the requirement that a person shipping
21 alcohol beverages into this state obtain all required permits under this chapter prior
22 to shipment, including any permit under s. 125.535. Nothing in this section grants
23 a manufacturer, rectifier, or shipper of alcohol beverages, including a winery,
24 authority to ship alcohol beverages into this state. Nothing in this section alters the
25 face-to-face sales requirement in ss. 125.272 and 125.51 (6).

BILL**SECTION 3**

1 **SECTION 3.** 139.08 (5) of the statutes is created to read:

2 139.08 (5) RETENTION OF CERTAIN RECORDS. Notwithstanding any retention
3 schedule established for the department's records under s. 16.61, the department
4 shall retain for 3 years after receipt by the department all reports submitted to the
5 department under s. 125.20 (1) and all records received by the department relating
6 to these reports.

7 **SECTION 4.** 139.11 (1) of the statutes is amended to read:

8 139.11 (1) PRESERVATION OF RECORDS. Every person who manufactures,
9 rectifies, distributes, imports, transports, stores, warehouses, or sells intoxicating
10 liquor or fermented malt beverages shall keep complete and accurate records of all
11 such liquor or malt beverages purchased, sold, manufactured, rectified, brewed,
12 fermented, distilled, produced, stored, warehoused, imported, or transported within
13 this state. Such records shall be of a kind and in the form prescribed by the secretary
14 and shall be safely preserved to ensure accessibility for inspection by the secretary.
15 A person required to keep records under this subsection may keep such records in
16 electronic form only. Any common carrier required to submit reports under s. 125.20
17 shall maintain, for 3 years, all records related to the reports or otherwise required
18 to be kept under this subsection.

19 **SECTION 5. Initial applicability.**

20 (1) This act first applies to shipments of alcohol beverages into this state
21 occurring on the first day of the 3rd month beginning after the effective date of this
22 subsection.

23

(END)