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(FORM UPDATED: 08/11/2010)

**WISCONSIN STATE LEGISLATURE ...  
PUBLIC HEARING - COMMITTEE RECORDS**

**2009-10**

(session year)

**Senate**

(Assembly, Senate or Joint)

**Committee on ... Transportation, Tourism,  
Forestry, and Natural Resources (SC-TTFNR)**

**COMMITTEE NOTICES ...**

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

**INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL**

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
  - (**ab** = Assembly Bill)                      (**ar** = Assembly Resolution)                      (**ajr** = Assembly Joint Resolution)
  - (**sb** = Senate Bill)                              (**sr** = Senate Resolution)                              (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

\* Contents organized for archiving by: Mike Barman (LRB) (June/2012)

## Senate

### Record of Committee Proceedings

#### **Committee on Transportation, Tourism, Forestry, and Natural Resources**

##### **Senate Bill 294**

Relating to: municipal quotas for retail intoxicating liquor licenses.

By Senators Plale, Miller, Taylor, Grothman and Olsen; cosponsored by Representatives Hintz, Gottlieb, Spanbauer, Strachota, Zigmunt, Zepnick, Lothian, Townsend, Mursau, Zipperer, Ballweg and Roys.

September 16, 2009 Referred to Committee on Transportation, Tourism, Forestry, and Natural Resources.

January 20, 2010 **PUBLIC HEARING HELD**

Present: (7) Senators Holperin, Sullivan, Plale, Hansen, Leibham, Kedzie and Grothman.

Absent: (0) None.

##### Appearances For

- Gordon Hintz — 54th Assembly District

##### Appearances Against

- None.

##### Appearances for Information Only

- None.

##### Registrations For

- Curt Witynski — League of WI Municipalities
- Ed Huck — WI Alliance of Cities
- Amy Boyer — WI Economic Development Association
- Jeff Plale — 7th Senate District
- Joan Ballweg — 41st Assembly District
- Mark Gottlieb — 60th Assembly District

##### Registrations Against

- Mindy Walker — Tavern League of WI

##### Registrations for Information Only

- None.

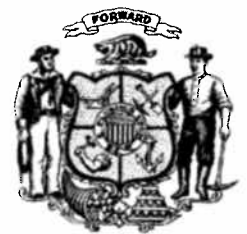
April 22, 2010

Failed to pass pursuant to Senate Joint Resolution 1.

Elizabeth Novak  
Committee Clerk



# WISCONSIN STATE LEGISLATURE





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To: Senate Committee on Transportation, Tourism, Forestry, and Natural Resources  
From: Curt Witynski, Assistant Director, League of Wisconsin Municipalities  
Date: January 20, 2010  
Re: SB 294, Expanding the Restaurant Exemption to the Quota on “Class B” Liquor Licenses

The League of Wisconsin Municipalities strongly supports SB 294, expanding the restaurant exemption to the state-imposed limit on the number of liquor licenses a municipality may issue. Numerous communities around the state, such as Lake Geneva, Oconomowoc, Fort Atkinson, Shorewood Hills, Delafield, Oshkosh, Monona, Middleton, and Saukville, to name a few, are at or near their quota and have no liquor licenses available to issue. Consequently, these communities are missing out on potential economic development opportunities that would create jobs.

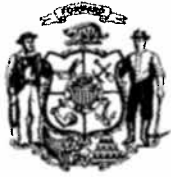
Current law exempts only restaurants with a seating capacity of 300 or more. Not many restaurants are able to qualify for this exception.

SB 294 expands current law by exempting all new full service restaurants from the state imposed quota regardless of seating capacity. The bill creates a definition of “full-service restaurant” that limits the exception to an establishment where meals are prepared, served, and sold for consumption on the premises and in which the sale of alcohol beverages accounts for 50 percent or less of the establishment’s gross receipts.

We urge you to recommend passage of SB 294 and allow communities to take advantage of potential job creating economic development opportunities.

Thanks for considering our comments.





SB 294  
folder

STATE REPRESENTATIVE  
**GORDON HINTZ**

WISCONSIN STATE ASSEMBLY

54th DISTRICT

**SB 466 – Economic Development Exemption to State-Imposed Limit on Liquor Licenses**  
**TESTIMONY 1/20/10**

Thank you Senator Holperin and Committee members for this opportunity to testify on Senate Bill 466, the Economic Development Exemption to State-Imposed Limit on Liquor Licenses.

Senator Plale and I sponsored this legislation when it was brought to our attention that municipalities across the state are running into unnecessary roadblocks when local mixed-use economic development projects are faced with the problem of lack of liquor licenses. Through SB 294 we have the ability to help spur economic development in our communities during these tough times with a simple legislative fix.

To give you an overview of the problem, under current law, there is a quota on the number of “Class B” liquor licenses that a municipality may issue. The quota is generally determined by a formula based on the number of licenses previously issued by the municipality and the municipality’s population.

Municipalities across the state have run into the problem that when mixed use economic development projects have been proposed that have a full service restaurant as an anchor they can’t issue a license because of these quotas. This can lead to a delay or an end to a proposed new project. The lack of an available option often slows the economic development efforts in communities since planning includes an additional hurdle in securing a license.

Municipalities are placed in a very difficult position when a liquor license does become available under the current system. For example last fall two liquor licenses became available and the Oshkosh Common Council had to debate and choose how to best award these two among 6 well-qualified candidates (although more than 25 businesses and individuals are on the list). The deliberation at the local level had to balance the biggest economic development impact for the license versus issues of immediate use, time a business has waited, and fairness. And the Oshkosh community lost out on opportunities by turning the other 4 away.

**What this bill does** is modify the quota exception for full-service restaurants where meals are prepared, served, and sold for consumption on the premise and in which the sale of alcohol beverages accounts for 50% or less of gross receipts. The bill would not have any state fiscal effect.

While opponents will express their concerns that additional competition it is important to understand that this bill **does not** automatically enable unlimited liquor licenses for a community. The exemption under SB 294 is narrowly defined to only apply to for restaurants and gives local decision-makers a tool and the flexibility to meet their individual economic development needs. The same rationale for the quota and opposition from local small businesses will still have to be balanced, but at the **local** level where these decisions really should be made.



While the opponent's position is understandable, it is important to keep in mind that we already see attempts made to secure licenses in advance and also see inflation in the value of these licenses due to the distorted market.

Every community is different, and Oshkosh has many great neighborhood bars, with one of the highest ratio of liquor licenses to population in the state. However, our future growth opportunities are limited by the current state law since many new projects including the riverfront face uncertainty without an available license. While there have been high profile challenges with redevelopment projects, private developers have been quick to share their stories of businesses who have tried to secure restaurants in existing space, but who have been turned down solely on the basis of not having a class B license. And Oshkosh is not the only community facing this problem.

There have been a number of projects throughout the state that have been impacted by the current state limits. As a result, the Legislature has often acted on an individual case basis with stand alone legislation or budget amendments that provide additional exemptions. In the 2009-11 State Budget, St. Francis received three, Middleton two, and Monona received one. This is a much smarter way to address this issue than doing so one by one.

When the companion bill, AB 466, was before the Assembly Committee I was contacted by many communities in support of the legislation including representatives from:

- The City of Lake Geneva
- City of Oshkosh
- City of Milton
- City of Oconomowoc
- City of Whitewater

SB 294 is also supported by:

- The League of Wisconsin Municipalities
- Wisconsin Economic development Association
- Wisconsin Realtors Association

SB 294 is a smart way to enable economic development decisions to be made on a local level and help move forward important projects in our communities.

I ask for your support for SB 294 and am happy to answer any questions.

Thank you.