



2005 SENATE BILL 321

September 9, 2005 - Introduced by Senators KAPANKE, GROTHMAN and A. LASEE, cosponsored by Representatives SHILLING, HUEBSCH, GUNDERSON, HAHN, LOTHIAN and VAN ROY. Referred to Committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform.

- 1 **AN ACT to amend** 125.51 (3) (e) 3.; and **to create** 125.51 (4) (v) 3. of the statutes;
2 **relating to:** municipal quotas for Class B intoxicating liquor licenses.

Analysis by the Legislative Reference Bureau

Current law prohibits a person from selling alcohol beverages at retail unless the seller possesses a license or permit authorizing the sale. A "Class B" license authorizes the sale of intoxicating liquor at retail for consumption on the premises where sold and is issued for specific premises. Current law imposes a quota on the number of "Class B" licenses that a municipality may issue. The quota on the number of "Class B" licenses that a municipality may issue is generally determined by a formula based on the number of licenses previously issued by the municipality and the municipality's population. Current law also provides quota exceptions for a full-service restaurant that has a seating capacity of 300 or more persons and for a hotel that has 50 or more rooms and has a restaurant or banquet room meeting certain criteria. The holder of a "Class B" license issued under one of these two quota exceptions is not entitled to transfer the license to another premises within the issuing municipality and, if there is a finding of certain alcohol beverage violations by the licensee, a "Class B" license issued under one of these two quota exceptions must be revoked, in contrast to other "Class B" licenses for which revocation would be permissive.

Under current law, each municipality establishes an annual fee, which generally must be between \$50 and \$500, for a "Class B" license, except that the fee for initial issuance of a reserve "Class B" license (generally one first issued after December 1, 1997) may not be less than \$10,000. Current law does not specify a

