LRB-3851/1 ARG:kjf&cjs:jf

# **2009 SENATE BILL 537**

February 16, 2010 – Introduced by Senators Robson, Taylor and Grothman, cosponsored by Representatives Benedict, Sinicki, A. Williams and Gottlieb. Referred to Committee on Transportation, Tourism, Forestry, and Natural Resources.

AN ACT to amend 125.26 (6) and 125.51 (10); and to create 125.02 (11m) and 125.32 (3m) (h) of the statutes; relating to: the issuance of temporary alcohol beverages licenses to nonprofit organizations authorizing the sale of beer or wine at fund-raising events.

### Analysis by the Legislative Reference Bureau

Current law authorizes municipalities to issue temporary Class "B" and "Class B" licenses to certain clubs, fair associations, agricultural societies, churches, veterans organizations, lodges, and societies that authorize the retail sale of, respectively, fermented malt beverages (beer) and wine at fairs, meetings, picnics, and similar gatherings hosted by these organizations. A municipality may not issue to one of these organizations more than two temporary "Class B" licenses in any 12-month period.

This bill authorizes municipalities to issue temporary Class "B" and "Class B" licenses to nonprofit organizations authorizing the sale of, respectively, beer and wine at fund-raising events. For purposes of the bill, a nonprofit organization is an organization described in certain provisions of the Internal Revenue Code as exempt from federal income tax. The bill also increases, from two to five, the number of temporary "Class B" licenses that a municipality may issue to an eligible applicant in any 12-month period.

Current law also prohibits, with certain exceptions, the issuance of a Class "B" license or permit for any premises where another business is conducted.

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This bill creates an exception to this prohibition allowing a nonprofit organization holding a temporary license to serve beer or wine at a fund-raising event on premises where other business is conducted.

For further information see the local 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:

**Section 1.** 125.02 (11m) of the statutes is created to read:

125.02 **(11m)** For purposes of ss. 125.26 (6), 125.32 (3m) (h), and 125.51 (10), "nonprofit organization" means an organization described in section 501 (c) (3) or (6) of the Internal Revenue Code which is exempt from federal income tax under section 501 (a) of the Internal Revenue Code.

**Section 2.** 125.26 (6) of the statutes is amended to read:

125.26 (6) Temporary Class "B" licenses may be issued to bona fide clubs, to county or local fair associations or agricultural societies, to churches, lodges or societies that have been in existence for at least 6 months before the date of application and to posts of veterans organizations authorizing the sale of fermented malt beverages at a particular picnic or similar gathering, at a meeting of the post, or during a fair conducted by the fair association or agricultural society. Temporary Class "B" licenses may also be issued to nonprofit organizations authorizing the sale of fermented malt beverages at fund-raising events. The amount of the fee for the license shall be determined by the municipal governing body issuing the license but may not exceed \$10. An official or body authorized by a municipal governing body to issue temporary Class "B" licenses may, upon issuance of any temporary Class "B" license, authorize the licensee to permit underage persons to be on the premises for which the license is issued. A license issued to a county or district fair licenses the

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entire fairgrounds where the fair is being conducted and all persons engaging in retail sales of fermented malt beverages from leased stands on the fairgrounds. The county or district fair to which the license is issued may lease stands on the fairgrounds to persons who may engage in retail sales of fermented malt beverages from the stands while the fair is being held. A municipal governing body may issue a temporary Class "B" license for premises that are covered by a "Class B" permit issued under s. 125.51 (5) (b) 2. if the applicant meets the requirements of this subsection.

**Section 3.** 125.32 (3m) (h) of the statutes is created to read:

125.32 **(3m)** (h) Any premises for which a nonprofit organization applies for, or is issued, a license under s. 125.26 (6) or 125.51 (10) for a fund-raising event.

**Section 4.** 125.51 (10) of the statutes is amended to read:

"Class B" licenses may be issued to bona fide clubs, to county or local fair associations or agricultural societies, to churches, lodges or societies that have been in existence for at least 6 months before the date of application and to posts of veterans' organizations authorizing the sale of wine in an original package, container or bottle or by the glass if the wine is dispensed directly from an original package, container or bottle at a particular picnic or similar gathering, at a meeting of the post, or during a fair conducted by the fair association or agricultural society. Notwithstanding s. 125.68 (3), temporary "Class B" licenses may also be issued to nonprofit organizations authorizing the sale of wine in an original package, container, or bottle, or by the glass if the wine is dispensed directly from an original package, container, or bottle, at fund-raising events. The amount of the fee for the license shall be \$10, except that no fee may be charged to a person who at the same time

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applies for a temporary Class "B" license under s. 125.26 (6) for the same event. A license issued to a county or district fair licenses the entire fairgrounds where the fair is being conducted and all persons engaging in retail sales of wine from leased stands on the fairgrounds. The county or district fair to which the license is issued may lease stands on the fairgrounds to persons who may engage in retail sales of wine from the stands while the fair is being held. Not more than 2 5 licenses may be issued under this subsection to any club, county or local fair association, agricultural association, church, lodge, society er, veterans post, or nonprofit organization in any 12-month period.

## SECTION 5. Effective date.

(1) This act takes effect on the first day of the 3rd month beginning after publication.

13 (END)