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STATE REPRESENTATIVE • 34th ASSEMBLY DISTRICT

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**Testimony for Assembly Bill 869
Senate Committee on Economic Development, Commerce and Trade
March 11th, 2020**

Thank you Chairman Feyen and Committee Members for allowing me to testify today on Assembly Bill 869, a bill that will extend the hours of operation during the Democratic National Convention, Alcohol Permitting for Road America racetrack and State Fair Park as well as an additional surcharge for OWI convictions.

This bill is a very simple bill. As engrossed by the Assembly, the bill only does the following four things:

First, it creates a closing hour exemption that may be available for restaurants, taverns, and wineries operating in 14 municipalities located within Kenosha, Racine, Walworth, Rock, Milwaukee, Waukesha, Jefferson, Dane, Ozaukee, Washington, Dodge, Columbia, Sheboygan, or Fond du Lac County. From July 13 – July 17, 2020, the closing hours of these establishments within the fourteen counties in southeast Wisconsin will be 4 a.m. This is only true if the municipality has passed a resolution opting-in to the extended hours, application by a licensee, and the municipality has authorized extended closing hours for that licensee.

Second, it authorizes the Department of Revenue to issue retail alcohol beverage permits for Road America racetrack grounds and authorizes caterers to make retail sales of alcohol beverages. Road America straddles two municipalities that do not have any liquor licenses available. Under this license, caterers will be able to serve beer and liquor on the racetrack grounds. Similar exemptions already exist under current law for the National Railroad Museum and Heritage Hill State Park.

Third, it creates a retail license exemption for State Fair Park under which a person who meets certain qualifications and is approved by the State Fair Park Board. Once approved by the State Fair Park Board a qualified person may, without a retail license or permit, make retail sales of alcohol beverages at the grounds for consumption. The same approval is required for a brewer or brewpub that makes retail sales at the State Fair Park.

Lastly, current law imposes a DOT program surcharge of \$50 when a person is convicted of an OWI. This bill would increase the surcharge by an additional \$25. The fund is available to programs like SafeRide to be used to educate the public in an effort to decrease drunk driving in the State of Wisconsin.

This bill has the support of the City of Milwaukee, Wisconsin Towns Association and the Forest County Potawatomi Community. It also has the support from the majority of the alcohol industry stakeholders including the Wisconsin Restaurant Association, Tavern League of Wisconsin, Wine Institute, Bowling Centers Association, Wisconsin Tourism Attractions, Wisconsin Petroleum Marketers & Convenience Store Association as well as the Wisconsin Hotel & Lodging Association.

Again, thank you for consideration of AB 869. I would be happy to answer any questions you might have.



TYLER VORPAGEL

STATE REPRESENTATIVE • 27TH ASSEMBLY DISTRICT

Assembly Bill 869

Testimony of State Representative Tyler Vorpapel

Senate Committee on Economic Development, Commerce and Trade

March 10, 2020

Thank you, Chairman Feyen, Ranking Member Ringhand and committee members, for your time listening to testimony on a bill that is very important to not only my district, but also the state.

There are several facets to this bill, but I will focus on one that pertains to my Assembly District that came out of my Assembly Bill 434. Over two years ago I was contacted by Road America, a four-mile race track founded in 1955, to solidify their liquor licenses. Road America is a unique experience that you can't find elsewhere in the state of Wisconsin. The racetrack is located in both the Town of Rhine and the Town of Plymouth, providing a unique situation as far as obtaining a liquor license. In addition have not had a Class B liquor license available in years. They would like to continue to operate their business with assurance that a Class B license will consistently be available to them.

There are currently 11 concessions stands on the property that are operated by local groups, including non-profits and local businesses. Because there are no Class B Licenses available, they have been receiving their license using the banquet facility and a picnic license.

My legislation specifically carves out Road America's property and allows them to obtain a Class B permit from the Department of Revenue. We've defined "racetrack grounds" as at least 300 acres containing a motor vehicle racetrack at least four miles in length and capable of hosting professional racing events, making Road America the only venue able to apply for this permit.

We also ensured their Road America's sponsors have the ability to have a cash bar by allowing an exception that caterers can do a face-to-face transaction off licensed premises.

Road America is a very unique experience that I have in my district, and I want to help them continue to operate in the years to come and be a successful tourism business in Wisconsin.



Tony Evers
Governor

Peter W. Barca
Secretary of Revenue

Information Only Testimony on Assembly Bill 869
March 11, 2020
Department of Revenue

Thank you, Chairman Feyen, and members of the Senate Committee on Economic Development, Commerce, and Trade for hearing this bill today. We appreciate the opportunity to provide testimony for information only on Assembly Bill 869, which relates to creating new state issued alcohol permits and closing hours of certain alcohol beverage retailers.

We appreciate the bill before you today, which has some very important policies. The hours of operation extension for alcohol beverage retailers during the Democratic National Convention in Milwaukee this year is a critical opportunity for Milwaukee and the surrounding counties to capitalize on this event and to provide the type of experience that conventioners expect based on past national political conventions of both parties. This proposal has broad support from the business and civic community in Southeast Wisconsin. This will be a significant economic benefit for businesses in the area. The Assembly passed an important amendment to this bill to require communities located within the 14 counties to opt in to the longer hours. Thus, ensuring local control over the decision to extend retail closing hours. We believe that this version balances public safety concerns with the interests of businesses hoping to make the DNC convention in Milwaukee a successful economic opportunity for all in the region.

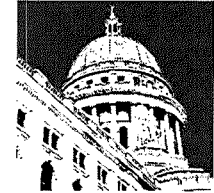
Regarding RoadAmerica, we understand there is some urgency around getting the racetrack permit issue addressed so the business can continue operating this summer uninterrupted.

We are grateful that the authors and cosponsors bringing this bill before you today have attempted to gain clarity for alcohol sales at State Fair Park. The changes that were made in the Assembly on this provision are satisfactory to the Department and reflect a possible model for addressing issues with alcohol sales on state properties, should issues arise in the future.

Thank you for taking the time to read this testimony. We appreciate your attention to this matter and doing your diligence to protect the public.

Wisconsin Legislative Council

Anne Sappenfield
Director



TO: SENATOR DANIEL FEYEN, CHAIR, SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, COMMERCE, AND TRADE

FROM: Melissa Schmidt, Senior Staff Attorney

RE: 2019 Assembly Bill 869, as Amended and Passed by the Assembly

DATE: March 4, 2020

This memorandum, prepared at your request, describes 2019 Assembly Bill 869, as amended and passed by the Assembly.¹ As amended and passed by the Assembly, the bill makes various changes to the retail sale of alcohol beverages at State Fair Park, on motor vehicle racetrack grounds, and during the 2020 Democratic National Convention (DNC). It also increases the Safe Ride program surcharge.

SALES OF ALCOHOL BEVERAGES AT STATE FAIR PARK

The bill allows a person to make retail sales of alcohol beverages for consumption at State Fair Park without holding an alcohol beverages retail license or permit, if the person is approved by the State Fair Park board by resolution to make such sales. Under the bill, the person must also satisfy all of the eligibility criteria that any applicant must satisfy in order to obtain an alcohol beverages license or permit, except for the criteria related to residency.² Specifically, the bill provides that a person does not need to have been a resident of the state for at least 90 days prior to the date of application in order to be eligible to make retail sales of alcohol beverages for consumption at State Fair Park without a license.

The bill also prohibits a person holding a brewer's permit or a brewpub permit from making retail sales of beer at State Fair Park unless the State Fair Park board has, by resolution, approved the brewer or brewpub to make such sales. Current law authorizes brewers and brewpubs to own, maintain, and operate places for the sale of beer at State Fair Park, but does not specify whether the brewer or brewpub must be approved by the State Fair Park board to do so.

¹ On February 20, 2020, the Assembly adopted Assembly Amendments 1 and 3 on voice votes and passed the bill, as amended, on a vote of Ayes, 84; Noes, 13.

² Eligibility requirements for any alcohol beverages license or permit issued to a natural person, corporation, or limited liability company relate to the applicant's: (1) criminal background, subject to the Fair Employment Law; (2) in-state residency for at least 90-days prior to the date of application; (3) age of at least 21 years old (except for persons applying for a operator's license); (4) proof of a seller's permit issued by the Department of Revenue (DOR); and (5) successful completion of the responsible beverages server training. [s. 125.04 (5) (a), (b), and (c), Stats.]

ALCOHOL BEVERAGES ON MOTOR VEHICLE RACETRACK GROUNDS

Alcohol Beverages Retail Permits for Motor Vehicle Racetrack Grounds

The bill authorizes DOR to issue Class “B” beer and “Class B” liquor retail permits to the owner or operator of “racetrack grounds” or to a person designated by the owner or operator of the racetrack grounds to operate premises located within the racetrack grounds. Currently, only Road America meets the bill’s definition of “racetrack grounds.”³ The Class “B” beer retail permit and the “Class B” liquor retail permit authorize the retail sale of beer or liquor, respectively, on the permitted premises for the consumption anywhere within the racetrack grounds. The permits do not authorize retail sales of beer or liquor at any designated camping area on racetrack grounds while the area is in use for camping.

Caterers on Motor Vehicle Racetrack Grounds

The bill authorizes a caterer who has been issued a Class “B” beer retail license to provide and make retail sales of beer on the racetrack grounds. It also authorizes a caterer who has been issued a “Class B” liquor retail license to provide and make retail sales of liquor on the racetrack grounds. The bill authorizes a licensed caterer to do so on racetrack grounds even if the racetrack grounds are neither of the following: (1) part of the caterer’s licensed premises; nor (2) in the municipality that issued the caterer’s Class “B” beer or “Class B” liquor retail license.

Under the bill, a caterer is prohibited from providing beer or liquor at any designated camping area on racetrack grounds while the area is in use for camping or from providing beer or liquor on any premises covered by a Class “B” beer or “Class B” liquor permit issued for the racetrack grounds.

EXTENDED CLOSING HOURS DURING THE 2020 DNC

Under current law, Class “B” beer, “Class B” liquor, and “Class C” wine-only retail licensed premises must generally be closed between the hours of 2:00 a.m. and 6:00 a.m., Monday through Friday, or between 2:30 a.m. and 6:00 a.m., Saturday or Sunday.

The bill creates an exception to the closing hours applicable to Class “B” beer, “Class B” liquor, and “Class C” wine-only retail licensed premises located in a southeast Wisconsin municipality⁴ during the 2020 DNC. A southeast Wisconsin municipality is authorized under the bill to adopt a resolution that requires Class “B” beer, “Class B” liquor, and “Class C” wine-only retail licensed premises to be closed between the hours of 4:00 a.m. and 6:00 a.m. on the dates of July 13 to July 17, 2020. If the municipality adopts such a resolution, then the municipality must establish a process to authorize the extended closing hours for any Class “B” beer, “Class B” liquor, or “Class C” wine-only retail license issued by the southeast Wisconsin municipality.

³ The bill defines “racetrack grounds” to mean “real property consisting of at least 300 acres containing a motor vehicle racetrack at least 4 miles in length capable of hosting professional racing events, and includes any building or other structure on this property associated with the racetrack or with services provided in connection with events held at the racetrack.”

⁴ “Southeast Wisconsin municipality” is defined under Assembly Amendment 3 to mean “[a city, village, or town] any part of which is located within Kenosha, Racine, Walworth, Rock, Milwaukee, Waukesha, Jefferson, Dane, Ozaukee, Washington, Dodge, Columbia, Sheboygan, or Fond du Lac County.”

SAFE RIDE PROGRAM SURCHARGE

Under current law, a court is required to impose a \$50 surcharge when imposing a fine or forfeiture upon a person convicted of operating a vehicle while under the influence of an intoxicant, with a detectable amount of a restricted controlled substance in one's blood, or with a prohibited alcohol concentration. The bill increases the Safe Ride program surcharge from \$50 to \$75.

If you have any questions, please feel free to contact me directly at the Legislative Council staff offices.

MS:ksm



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March 9, 2020

TO Senate Committee on Economic Development, Commerce and Trade

FR Susan Quam, Executive Vice President

RE: AB 869 – DNC Bar Time Extension

Thank you for the opportunity to submit written testimony in favor of AB 869. Our entire team and volunteer leaders are at WRA's Midwest Foodservice Expo in Milwaukee today and are not able to attend the hearing.

Please vote yes on AB 869, which in part, extends hours for adult beverage service to 4:00 a.m. on the four nights of the Democratic National Convention in July. WRA and other tourism business organizations have advocated for this extension for over eight months, as it is critical for our members in the entire Southeast Region of the state, not just Milwaukee or Milwaukee County.

If the four-day bar time extension is not passed this session, restaurants, resorts, hotels and bars in the areas of the state that have booked convention traffic will lose the opportunity to provide those guests the services they want. You may think this is not a big deal, but the convention's prime time TV and late night travel schedule makes Wisconsin's 2:00 a.m. bar time too early for hospitality businesses to turn a profit on their convention traffic.

DNC Convention attendees have displaced Wisconsin's "regular" tourists in many resort areas. Attendees staying in these outlying counties will not get back to their hotels until midnight, 1:00 a.m. or later. Most are using bus transportation to their hotels, and then use ride sharing or taxis to get to venues outside their hotels. These folks have money to spend – we would rather they spend it in our restaurants being served food and beverages in a safe manner, instead of purchasing their beverages in bulk and returning to their hotel rooms for impromptu parties.

The hospitality business has tight margins and events such as this convention are not available very often in a Midwest state. The convention's "odd" hours also present challenges to our businesses to accommodate guest's needs. This is also Wisconsin's opportunity to showcase our great state as a place to hold other conventions, including the RNC, large corporate business meetings and even family vacations.

Please, do not let the businesses down, support the DNC Bar Time extension! Money generated by Wisconsin tourism is not red or blue – it is green and our hospitality businesses need your support.



formerly the
Wisconsin Innkeepers Association

Serving the lodging
industry for more than
100 years

March 11, 2020

To: Members of the Senate Committee on Economic Development,
Commerce & Trade
Senator Dan Feyen, Chairman

From: Kathi Kilgore, Lobbyist

RE: Support for DNC Extended Bar Time - AB 869

On behalf of the hundreds of Wisconsin Hotel & Lodging Association members across the state, we encourage you to support AB 869, which includes an extended bar time during DNC 2020.

The DNC Convention in Milwaukee poses an incredible opportunity to showcase the hospitality of Wisconsin. The event will bring over 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 DNC Convention is not just for a week in July 2020, 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 869.

Thank you for your consideration.

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Department of Administration
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Tom Barrett
Mayor

Sharon Robinson
Director of Administration

Kimberly Montgomery
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City of Milwaukee Testimony on AB 869
Senate Committee on Economic Development, Commerce, and Trade

March 11, 2020

RE: City of Milwaukee support of AB 869

Chairman Feyen and members of the Senate Committee on Economic Development, Commerce and Trade,

The entire nation, indeed the world, will be focused on the City of Milwaukee during the week of July 12-16, 2020 as the City hosts the 2020 Democratic National Convention (DNC). With the event, 50,000 visitors ranging from convention delegates and news media to political observers and corporate leaders will be visiting the City. Many of these guests will be new to the City and visiting Wisconsin for the first time. While the attention will largely be focused on DNC events in Milwaukee, individuals will be lodging overnight in places like Kohler, Brookfield, Oconomowoc, Lake Geneva, and Kenosha. In Milwaukee and many other places across Wisconsin where they will stay, these visitors will eat, shop, and spend large amounts of disposable income in what is expected to inject \$200 million collectively into the State's economy.

Just as important as the economic impact generated during that short week is the impression made upon thousands of new guests to our state. These guests will represent opportunities to draw outside groups to future conventions here, to bring back their families for future vacations, and to expose the State to corporate interests that could lead to new economic opportunity and job growth.

Unlike other conventions or regular events that Milwaukee and Wisconsin hosts, the DNC is a primetime television event. Activities that accompany the convention in Fiserv Forum and in the surrounding area will not typically conclude until 11:00 p.m. or even Midnight. That means that these visitors, many of whom will be traveling long distances to hotels an hour or more from the convention, will be looking to find opportunities to eat, drink, and discuss that day's activities in establishments at or near where they are staying late into the evening. And, a large amount of this social activity will take place near the time in which bar service will be ramping up due to the State's 2 a.m. mandatory closing hour on weekdays. For this rare event, extending the legal bar time to 4:00 a.m. on the evenings of the convention makes sense. Not only will this be

meeting customer demand, but it will also provide countless Wisconsin restaurants, bars and hotels with the ability to maximize visitor spending.

Extending the bar closing time at a major political convention to 4 a.m. is not a novel concept. Both Cleveland and Philadelphia, as host cities of the 2016 RNC and DNC events, extended bar closing hours to 4 a.m. during their respective conventions. And, like Charlotte, which is hosting its second major party political convention in eight years, the City of Milwaukee has already expressed a desire to bid on a future RNC event. The ability of Milwaukee and Wisconsin to meet and exceed the expectations of visitors attending the 2020 DNC event will play a determining factor in our ability to capitalize on future opportunities for our state.

In closing, AB 869 takes a common sense approach to addressing alcohol regulation-related issues surrounding three important venues to the State. While not recurring, and certainly while limited in its duration, the DNC's significance to and impact on Wisconsin cannot be overstated. Providing this opportunity to optimize the unique convention experience for many of the 50,000 anticipated guests is about more than enhancing revenue prospects of hundreds of restaurants, hotels, and bars, though that is important in its own right. It is also about fostering impressions that will turn first-time visits into repeat visits and long-term gains for the state. For these reasons, the City urges passage of this bill.

For Information Contact:

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Intergovernmental Relations Division

City of Milwaukee

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