

BUSINES LAW UPDATE

March 19, 2024

WISCONSIN ALCOHOL BEVERAGE LAW EXPANDS ALCOHOL BEVERAGE SALES AND RESTRICTS WEDDING BARNS IN SWEEPING REFORMS.

Under 2023 Wisconsin Act 73 ("the Act"), Wisconsin brewers, vintners, and distillers will enjoy not only expanded authority to sell the alcohol beverages they produce but also unprecedented freedom to sell alcohol beverages produced by other firms. Most provisions of the Act take effect on May 1, 2024.

Producers of required minimum volumes of beer, wine, or spirits will be allowed to make sales of <u>any</u> producer's beer, wine, or spirits on the premises of their production facility and, depending on production volume, at up to three off-premises full service retail outlets ("FSROs"). This is a significant change in state law as it allows producers' tasting rooms and restaurants to offer a full selection of beer, wine, and spirits to guests visiting their local brewery, winery, or distillery.

Producers and retailers flexed political muscle to pass the Act, but private party venues (such as banquet halls and wedding barns) are the big losers. Starting January 1, 2026, any party venue lacking a retail license but intending to feature a hosted ("open") bar must obtain a special party venue license and limit their events to just six days per year. The economics of operating wedding barns and other private party venues will almost certainly require operators to obtain a traditional retail sales license – if available – from the local municipality.

A cautionary note to venue operators: Cash bars at party venues lacking a retail license have always been – and under the Act will remain – unlawful. The prohibition against cash sales at a venue holding no retail license is honored primarily in its breach, particularly during wedding season, yet remains state law.

If you have any questions related to any alcohol-related law or regulation on the federal, state, or municipal level that may affect your business, please contact Nels Bjorkquist of Mawicke & Goisman, S.C.

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