

# DOR on Tap

An Alcohol Industry Update

December 2024

**Introducing...** Fall of 2024 brought several additions to the Division of Alcohol Beverages.

We are excited to announce that **Derrick Schleis** was promoted by the Division of Alcohol Beverages to be an Excise Tax Agent Supervisor. Many of you know Derrick as he has been with DOR in enforcement for 3.5 years, since June of 2021. Prior to his service in state government, Derrick worked as an officer on the City of Whitewater Police Department.

Our Bureau of Permitting, Legal Services, and Reporting has also grown. **Addison Metzger** and **Stephanie Wise** joined Bureau Director Zac Dolan in the first week of November. Both Addison and Stephanie are current employees of DOR and we are excited about their addition. If you call with a question on permits, it is likely Addison or Stephanie will be answering your questions.

Welcome to our new employees. They are here to serve you!



**Derrick Schleis**



**Addison Metzger**



**Stephanie Wise**

## Applicable Laws and Rules

This document provides statements or interpretations of Wisconsin statutes and administrative rules enacted as of December 16, 2024. Laws enacted and in effect after this date, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to this date that is contrary to the information in this document is superseded by this document, according to sec. 73.16(2)(a), Wis. Stats.

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## **On the Road (again)...**

October was packed with presentations to stakeholders who have interest in alcohol beverage issues. Our staff, including Department of Revenue Secretary David Casey, crisscrossed the state of Wisconsin, giving over a dozen presentations to over 1,500 people.

The passage of 2023 Wisconsin Act 73 which made significant updates to State Statute 125 – Alcohol Beverages, gave us a variety of topics to talk about. As always, our team handled your in-depth questions about how this new law will affect your business.

The Division of Alcohol Beverages is always looking for opportunities to answer your questions. If you ever have the need for one of our staff to present to your organization on topics related to alcohol policy, do not hesitate to reach out.

## **Too Little, Too Late**

A joint operation between Ozaukee County Sheriff's Office and Division of Alcohol Beverage (DAB) Special Agents led to the denial of a retail alcohol beverage license in the county. The establishment, which has a history of calls-for-service by the sheriff's office, previously held Class B licenses. This year, the business failed to submit a renewal application and corresponding paperwork to the municipal clerk's office. The retail alcohol beverage licenses for the business expired at midnight on June 30, 2024.

An original alcohol beverage license application and appropriate paperwork were subsequently submitted on July 8, 2024. With statutory timelines and municipal board meeting schedules, the soonest the municipality could act on the license was July 23, 2024. However, even without valid retail licenses, the tavern continued to operate.

Sheriff's deputies observed the tavern open and operating twice at the beginning of July 2024. On one occasion, deputies entered the bar and spoke to the owner to remind the business that they needed to be closed until the alcohol beverage license application was approved. The sheriff's office continued to field calls regarding drug use and alcohol beverage sales and consumption at the business. That same week, the sheriff's office contacted DAB to assist with enforcement at the business. The mound of evidence that showed the business was operating without valid retail alcohol beverage licenses led to the service of a search warrant at the tavern. Alcohol beverages, invoices, and sales receipts were confiscated. DAB Special Agents also found evidence that most of the alcohol beverages in the bar were purchased from a local retailer, which is illegal to do for licensees.

Due to the violations of the sale of alcohol beverages without appropriate licenses, evidence of alcohol beverages purchased from other retailers, and the multiple calls for service that tie up the sheriff's department resources, the municipal governing body denied the license application for the business.

Wisconsin alcohol beverage laws prohibit anyone from selling alcoholic beverages without the appropriate license or permit. Additionally, municipalities reserve the right to approve or deny retail alcohol beverage licenses, so long as they use fair and consistent judgement. DAB is focused on investigating and pursuing enforcement actions on those that commit these illegal acts and working with local partners to hold violators accountable.

## 2023 Wisconsin Act 73 – Update

When a major law, like Act 73, is passed the agency charged with implementing the law must adopt administrative rules to indicate how they plan to implement the new law. On December 6, the first part of this process began when Governor Evers signed the emergency rule for Act 73 into effect.

A copy of this rule can be [found here](#).

This rule answers many questions and give details about how the department will enforce the provisions of Act 73. Topics include, removal of outdated and superseded rules, background check fees, permits and fees, responsible beverage server training course standards, operators' permits, alcohol beverage warehouse standards, permissible interests, production agreements, common carrier permits, fulfillment house permits, full-service retail sales by producers, returns of alcohol beverages, retail premises definition, contract production, and transfers of alcohol beverages between production premises and full-service retail.

Ultimately this rule will need to be approved by the State Legislature's Joint Committee on the Review of Administrative Rules. This process will involve a public hearing and opportunity to submit comments. We expect to submit these rules to the legislature when they reconvene in their new session in January 2025.

### Alcohol Beverage Permit Issuance and Renewal Fees

Permit Type	Biennial Fee
1. Operator's Permit (s. <a href="#">125.175</a> , Stats.).....	\$200
2. Alcohol Beverage Warehouse (s. <a href="#">125.19</a> , Stats.) .....	\$200
3. Common Carrier Permit (s. <a href="#">125.22</a> , Stats.) .....	\$2,000
4. Fulfillment House Permit (s. <a href="#">125.23</a> , Stats.).....	\$200
5. Industrial Fermented Malt Beverages (s. <a href="#">125.275</a> , Stats.).....	\$200
6. Fermented Malt Beverage Wholesaler (s. <a href="#">125.28</a> , Stats.).....	\$4,000
7. Brewer (s. <a href="#">125.29</a> , Stats.) .....	\$1,000
8. Brewpub (s. <a href="#">125.295</a> , Stats.).....	\$1,000
9. Out-of-State Shipper of Fermented Malt Beverages (s. <a href="#">125.30</a> , Stats.).....	\$1,000
10. Class "B" Sports Club (s. <a href="#">125.27(1)</a> , Stats.).....	\$200
10a. Retail "Class B" Sports Club (s. <a href="#">125.51(5)(a)</a> , Stats.).....	\$600
11. Retail "Class B" Airport/Public Facility (s. <a href="#">125.51(5)(b)</a> , Stats.).....	\$600
12. Class "B" Vessel (s. <a href="#">125.27(2)</a> , Stats.).....	\$200
12a. Retail "Class B" Vessel (s. <a href="#">125.51(5)(c)</a> , Stats.).....	\$600
13. Class "B" Racetrack (s. <a href="#">125.27(5)</a> , Stats.).....	\$100
13a. Retail "Class B" Racetrack (s. <a href="#">125.51(5)(f)</a> , Stats.).....	\$300
14. Limited Manufacturer (s. <a href="#">125.52(2)</a> , Stats.).....	\$1,000
15. Rectifier (s. <a href="#">125.52</a> , Stats.).....	\$1,000
16. Manufacturer (s. <a href="#">125.52</a> , Stats.).....	\$1,000
17. Winery (s. <a href="#">125.53</a> , Stats.).....	\$1000
18. Direct Wine Shipper (s. <a href="#">125.535</a> , Stats.).....	\$200
19. Intoxicating Liquor Wholesaler (s. <a href="#">125.54</a> , Stats.).....	\$1,000
20. Sacramental Wine (s. <a href="#">125.56</a> , Stats.).....	\$0
21. Out-of-State Shipper of Intoxicating Liquor (s. <a href="#">125.58</a> , Stats.).....	\$1000
22. Wholesale (Ethyl) Alcohol (s. <a href="#">125.60</a> , Stats.).....	\$200
23. Medicinal Alcohol (s. <a href="#">125.61</a> , Stats.).....	\$0
24. Industrial Alcohol (s. <a href="#">125.62</a> , Stats.).....	\$200
25. Industrial Wine (s. <a href="#">125.63</a> , Stats.).....	\$200
26. Intoxicating Liquor Salesperson (s. <a href="#">125.65</a> , Stats.).....	\$200

## New Alcohol Law Alert

Starting January 1, 2025, Wisconsin will enforce a new law impacting businesses involved in alcohol fulfillment: any fulfillment house operating within the state, or shipping into the state, must obtain a permit from the Division of Alcohol Beverages (DAB). This new requirement, outlined in Wisconsin Statutes sec. 125.23, brings a significant change to the alcohol logistics landscape, especially for businesses managing direct-to-consumer wine shipments. This law change was passed as part of 2023 Wisconsin Act 73 and represents Wisconsin's effort to tighten regulation over direct-to-consumer alcohol shipments and ensure accountability in the logistics chain.

### What is a Fulfillment House?

Under this new law, a "fulfillment house" is any entity that assists direct wine shippers with logistics—such as warehousing, packaging, order fulfillment, and shipping services—for wine that is legally shipped to individuals of legal drinking age within Wisconsin. This applies to businesses based in Wisconsin or elsewhere. Each fulfillment location must have its own permit to operate within the state, ensuring that Wisconsin has oversight on alcohol shipments entering its jurisdiction.

Once permitted, a fulfillment house is authorized to provide warehousing, packaging, order fulfillment, and shipment services exclusively for wine produced and owned by licensed Wisconsin direct wine shippers.

For more information, including labeling and safety regulations, monthly reporting requirements, and penalties for noncompliance please see our [Fulfillment House Permit Fact Sheet](#).

## Stay Updated with the Latest from DAB!

DAB is committed to keeping you informed with up-to-date resources and information to support your work in the industry. We're excited to announce that the newest and latest materials are now available on our website!

As part of this update, we've refreshed and revised all [21 fact sheets about alcohol](#), ensuring they reflect the most current data, regulations, and industry trends.

### Some of the updated fact sheets include:

- [Licenses for Retail Sale of Alcohol Beverages](#)
- [Alcohol Beverage Permits](#)
- [Licensed or Permitted Premises Description](#)
- [Operators' Licenses and Permits](#)
- [Alcohol Beverage Carry-Ins](#)
- [Alcohol Beverage Sampling](#)
- [Brewpub Permits](#)
- [Winery Permits](#)
- [Manufacturers' and Rectifiers' Permits](#)

We encourage you to visit our website to explore these updated resources and find the tools you need to stay informed.

[Access the Updated Fact Sheets Here](#)

Thank you for your continued partnership with DAB. Together, we're fostering a more informed and knowledgeable industry.



## New Statewide Operator's Permit Gives Bartenders and Clerks Opportunities

Beginning **January 1, 2025**, a new law will take effect in Wisconsin introducing a **Statewide Operator's Permit**, providing a streamlined option for individuals serving alcohol beverages across multiple municipalities.

### What is the Statewide Operator's Permit?

The Statewide Operator's Permit offers a new alternative to traditional operator's licenses, often referred to as "bartender's licenses." Unlike municipal operator's licenses, which are valid only within the issuing municipality, the Statewide Operator's Permit is valid at a licensed or permitted premises anywhere in Wisconsin.

### Qualifications for a Statewide Operator's Permit

To apply for the permit, individuals must meet the following requirements:

- Be at least **18 years old**.
- Have no felony convictions or habitual law violations, unless exempt under Wisconsin's Fair Employment Law.
- Successfully complete an approved responsible beverage server training course, unless exempt (*e.g., renewal applicants or those with recent experience*).

Applications will be processed through the Division of Alcohol Beverages (DAB) via an online system, and an application fee will apply.

### [Access information on Operators' Licenses and Permits](#)

#### Enhanced Flexibility for Operators

For businesses operating in multiple municipalities, the new permit eliminates the need to obtain separate operator's licenses for each location. This change is expected to:

- Simplify compliance for operators and employers.
- Offer greater flexibility for event staff and service professionals.

### Supervision Requirements Remain Unchanged

Businesses must continue to ensure supervision of alcohol service by a permitted or licensed individual during operating hours. An unlicensed adult may serve alcohol only if supervised in the same room by a licensed or permitted individual.

### Questions?

For more details about the Statewide Operator's Permit or other alcohol beverage laws, visit the Wisconsin Division of Alcohol Beverages website at [revenue.wi.gov](https://revenue.wi.gov), or via email at [DORAlcohol@wisconsin.gov](mailto:DORAlcohol@wisconsin.gov) or phone at **(608) 264-4573**.

## Help when you need it

In September 2024, a Waupaca County municipality reached out to the Division of Alcohol Beverages (DAB) regarding an alcohol beverage retailer that was suspected of selling alcohol beverages to underage individuals.

During an investigation of a hit and run accident by the municipal police department, it was determined that the driver of the vehicle was under 21 and intoxicated at the time of the incident. The driver admitted to drinking alcohol beverages, along with three other underage passengers in the vehicle. It was further determined that the alcohol beverages were purchased by the underage individuals at a particular retailer. Around this same time, officers from the police department conducted three other traffic stops of underage persons who all had alcohol beverages in their vehicles that were purchased from the same retailer.

Given the multiple occurrences of these violations and the potential impact to public safety, the municipality made a call to DAB for assistance. A DAB Special Agent provided guidance on how to address this retailer. Under that guidance, two underage compliance checks were immediately conducted at the retailer with minors successfully making controlled purchases of alcohol beverages on both occasions, without being asked for identification. The employee also offered to throw in some disposable vapor cartridges with the purchase, which the minors declined.

After reporting this information to DAB, the Special Agent organized all the facts and violations into a suspension/revocation complaint template under sec. 125.12, Wis. Stats. In October 2024, the municipality filed the complaint with the governing body and scheduled a hearing to consider whether to act against the retailer's alcohol beverage license. However, prior to the hearing, the retailer agreed to accept a suspension of their alcohol beverage license for 90 days in lieu of revocation of their license.

This case highlights one of the many ways that DAB cooperates with local municipalities and fellow law enforcement agencies. DAB is committed to continuing partnerships with local jurisdictions to ensure that those establishments that operate outside the law and present a threat to public safety are held accountable.