

Common Questions | 2023 Wisconsin Act 73 Event Venue Retail Licensing

These common questions are most helpful to an event venue business considering pursuing a retail alcohol beverage license issued by a municipality.

1.	What is a "public place" and how does that relate to alcohol beverage consumption at my event venue?
2.	When does the change to laws about public places go into effect?2
3.	As an event venue owner or operator that wishes to allow consumption of alcohol beverages at my event venue, what are my options to comply with the new public place law?
4.	What are the types of alcohol beverage retail licenses that I can consider for my event venue?
5.	Who issues alcohol beverage retail licenses and what is the process to apply for one?
6.	What are the basic qualifications to hold a retail alcohol beverage license?
7.	What is a municipal quota and how do I know if my municipality has a license available to issue?
8.	Are there any exceptions to the quota law that may be relevant to my business?4
9.	What are the qualifications of a "qualifying event venue?"4
10	. There was an event at my venue that held a temporary "Class B" (Wine) license last year. Does this disqualify me from becoming a certified qualifying event venue?4
11	. What documentation do I submit to the division to prove my venue qualifies for the "qualifying event venue certification?"4
12	. Where and how do I apply for a "qualifying event venue" certification from the Division of Alcohol Beverages?5
13	. Is there a fee to become certified as a "qualifying event venue?"
14	. How long do I have to apply for a "qualifying event venue" certification and how long will it take for the division to decide on my application?5
15	. How do I apply for the "qualifying event venue" above quota license?
16	. Can a municipality deny a retail license even if I get a qualifying event venue certification from the division?5

- 21. What other laws or regulations should I be aware of as a potential new retail licensee?6

1. What is a "public place" and how does that relate to alcohol beverage consumption at my event venue?

Per sec. <u>125.09(1)</u>, Wis. Stats. (effective January 1, 2026), a "public place" includes a venue, location, open space, room, or establishment that is any of the following:

- Accessible and available to the public to rent for an event or social gathering.
- Held out for rent to the public for an event or social gathering.
- Made available for rent to a member of the public for an event or social gathering.

No owner, lessee, or person in charge of a public place may allow the consumption of alcohol beverages on the property of the public place, unless the person has an appropriate retail license or permit.

2. When does the change to laws about public places go into effect?

On January 1, 2026, any public place that fits the description in Question 1 must obtain the appropriate alcohol beverage license or permit.

3. As an event venue owner or operator that wishes to allow consumption of alcohol beverages at my event venue, what are my options to comply with the new public place law?

There are two options:

- Obtain an alcohol beverage license from a Wisconsin municipality which will authorize the licensee to make sales of alcohol beverages on the licensed premises.
- Obtain a No-Sale Event Venue Permit from the Division of Alcohol Beverages. See <u>Fact Sheet 3122</u>, *No-Sale Event Venue Permits*, for details about the permit including authorizations, limitations, and qualifications.

4. What are the types of alcohol beverage retail licenses that I can consider for my event venue?

You may be interested in a license that allows for the sale and consumption of alcohol beverages on the premises. The following types of retail alcohol beverage licenses authorize sales of alcohol beverages for on-premises consumption:

- Class "B" fermented malt beverage licenses allow retail sale of fermented malt beverages (Beer) by the glass for consumption on the premises (sec. <u>125.26</u>, Wis. Stats.).
- "Class B" (Liquor) licenses allow retail sale of intoxicating liquor (including wine) by the glass for consumption on the premises (sec. <u>125.51(3)</u>, Wis. Stats.).
- "Class C" (Wine) licenses allow the sale of wine by the glass for consumption on the premises (sec. <u>125.51(3m)</u>, Wis. Stats.).

Class "B" (Beer) and "Class C" (Wine) licenses are not restricted by state-imposed quota.

Each of the above alcohol beverage licenses has additional authorizations, restrictions, and limitations. For more details about each type of alcohol beverage license listed here, see <u>Publication 309</u>, *Retail Alcohol Beverage Licensing Guide for Municipalities*, Part 4.

5. Who issues alcohol beverage retail licenses and what is the process to apply for one?

Retail licenses are issued by municipalities (cities, villages, towns) if the governing body (city council, town board, etc.) determines that the applicant is qualified for the license and issuing the license is in the best interest of the municipality.

Contact the clerk for the city, village, or town where you wish to do business. The clerk will give you applications and information about legal requirements. After you apply, the clerk will publish the application in the newspaper. The licensing authority (city council, council licensing committee, town board, etc.) will vote on the application. The license may not be granted until at least fifteen days after the application is filed with the clerk. (sec. <u>125.04</u>, Wis. Stats.)

6. What are the basic qualifications to hold a retail alcohol beverage license?

Applicants for an alcohol beverage license must meet the following basic requirements, outlined in sec. 125.04(5), Wis. Stats.:

- Be at least 21 years old
- Be a resident of Wisconsin for at least 90 days prior to the date of application
- Hold a valid seller's permit issued by the Department of Revenue
- Have a satisfactory criminal history
- Complete a responsible beverage server training course

For more details about qualifications to hold an alcohol beverage license, see <u>Publication</u> <u>309</u>, *Retail Alcohol Beverage Licensing Guide for Municipalities*, Part 5.

7. What is a municipal quota and how do I know if my municipality has a license available to issue?

The municipal quota law restricts the number of "Class B" (Liquor) licenses any municipality may issue. If a municipality is "at quota," there are no "Class B" (Liquor) licenses available to be issued. The municipality is responsible for determining quotas based on formulas in state law. Reach out to the municipal clerk to determine if a "Class B" license is available to be issued.

8. Are there any exceptions to the quota law that may be relevant to my business?

Yes. State law allows for an above-quota licenses to be issued in certain circumstances. One such exemption is for a "qualifying event venue" certified by the Division of Alcohol Beverages.

9. What are the qualifications of a "qualifying event venue?"

To be certified as a "qualifying event venue" by the Division of Alcohol Beverages, an event venue must meet the following criteria:

In the 12 months prior to applying for the certification:

- The venue held at least 5 events, each with an attendance of at least 50 invited guests.
- The venue owner received at least \$20,000 in revenue from the 5 events with at least 50 invited guests.

In addition, the venue:

- Is in operation on January 1, 2026, and was in operation for at least one year before applying for the certification.
- Was not a "Class B" licensed premises at any time in the year before applying for the certification.
- The owner of the venue has not applied to the division for a No-Sale Event Venue Permit.
- The owner of the venue submits documentation with the application for certification that the municipality where the venue is located would be prohibited by quota from issuing a "Class B" (Liquor) license.

The division requires documentation be submitted with an application to prove a venue meets these qualifications.

10. There was an event at my venue that held a temporary "Class B" (Wine) license last year. Does this disqualify me from becoming a certified qualifying event venue?

No. If your business rented or leased the venue to a group that held a temporary "Class B" (Wine) license, you will not be disqualified from pursuing a qualifying event venue certification.

11. What documentation do I submit to the division to prove my venue qualifies for the "qualifying event venue certification?"

To document the number of events held, submit a rental/lease contract for at least 5 individual events and an invoice or receipt that clearly states the fee paid by the renter for use of the venue.

To document how long the venue has been in business, provide a valid business tax registration certificate (BTR), seller's permit, a valid Department of Financial Institutions Registration, or any other documentation that is acceptable to the division.

If you cannot provide the documentation outlined in this common question, contact the Division of Alcohol Beverages to determine if there is other documentation that would be acceptable as proof.

12. Where and how do I apply for a "qualifying event venue" certification from the Division of Alcohol Beverages?

The Division will prepare an application for "qualifying event venue" certification which will be posted on the <u>Retail Alcohol Beverage License Applications webpage</u> when available.

A complete application package will include the following items:

- A complete application form for the qualifying event venue certification.
- Rental/Lease contracts and invoices for at least 5 events that demonstrate at least \$20,000 in revenue.
- A letter from the municipality from which the event venue will apply for the above-quota license certifying that the municipality is at quota and that the event venue has not held a "Class B" license in the past year. A template letter for clerks will be made available on the Retail Alcohol Beverage License Applications Webpage.

13. Is there a fee to become certified as a "qualifying event venue?"

No. There is no fee to apply for or become certified as a qualifying event venue.

14. How long do I have to apply for a "qualifying event venue" certification and how long will it take for the division to decide on my application?

Applications for qualifying event venue certification may be submitted on January 1, 2026, until March 2, 2026.

If you are unable to submit your application to the division by March 2, 2026, provide written notice to the division by emailing <u>DORAlcohol@wisconsin.gov</u> and state that you are not seeking a No-Sale Event Venue Permit and are preparing an application for a "Class B" license **before March 2, 2026**.

Applications must be received for qualifying event venue certifications on or before July 1, 2026. The division must act on an application within 30 days of receiving it and may not issue a certification after August 1, 2026.

15. How do I apply for the "qualifying event venue" above quota license?

Once you obtain a certification letter from the division, submit it to the clerk of the municipality where you will apply for the retail alcohol beverage license. The municipality will determine if you are qualified to hold the retail license. Your application package will be considered by the municipal governing body. They will make a final determination based on the standards in place for all retail licensees in that community.

The municipality must receive your application for an above-quota license no later than August 1, 2026.

16. Can a municipality deny a retail license even if I get a qualifying event venue certification from the division?

Yes, a municipality can deny a certified qualifying event venue an above-quota license if they do not meet the requirements to hold a license under state law or local restrictions. Municipalities will hold your venue to the same standards as every other alcohol beverage licensee in that community. For this reason, DAB encourages venues seeking an above-quota license to contact their municipal clerk and governing body to determine what local ordinances may apply. Zoning, conditional use, noise, continuous business operation, and other ordinances may need to be considered and/or adjusted. The division does not know what specific ordinances may cause concern. It is up to venue owners and municipalities to determine if any unique needs should be addressed.

Venue owners may apply for the license with the municipality before receiving a certification from the division to expedite the process with the municipality. Municipalities may conduct background checks, site visits, health inspections, building inspections, and work with applicants to adjust the license application, as needed, before the governing body makes a final decision on the application. Once certification is received from the division and provided to the municipality, the municipal governing body may act on the license application.

17. What is the difference between a reserve and regular "Class B" (liquor) license?

Generally, regular "Class B" licenses existed before the quota law went into effect in 1997. These licenses have an initial and renewal fee set by municipal ordinance and cost between \$50 and \$500.

Generally, reserve "Class B" licenses are gained by municipalities through population growth, transfers from other municipalities, or annexations of additional territory. These licenses have an initial issuance fee of at least \$10,000. Annual and renewal fees are between \$50 and \$500. For more information about reserve "Class B" licenses, see <u>Fact</u> <u>Sheet 3116</u>, *Reserve "Class B" Liquor Licenses*.

18. My municipality only has a reserve "Class B" license available. Can they issue me an above-quota license if I become certified for the qualifying event venue exemption by DAB?

No. If a municipality has a reserve "Class B" license available, they have not reached their municipal quota. The reserve "Class B" license that is available is what your venue may apply for.

19. How much does an above-quota license issued to a qualifying event venue cost?

Above-quota license fees are set by the municipality and the fees are not subject to any parameters set by state statute.

20. Does an above-quota license issued to a qualifying event venue become a part of the municipal quota?

No. Above-quota licenses are only valid for the business which they were initially issued. If the business that holds this type of license surrenders it, the license is not eligible to be issued to another business.

21. What other laws or regulations should I be aware of as a potential new retail licensee?

All the laws that apply to your neighborhood liquor store or bar will apply to your event venue, if you become licensed. You will be required to purchase alcohol beverages from a wholesaler or a self-distributing brewer or brewpub, have licensed/permitted operators (bartenders) supervising the sales and service of alcohol beverages on the premises, limit underage persons from accessing your premises, and more.

<u>Publication 302</u>, *Information for Wisconsin Alcohol Beverage Retailers*, is required by law to be provided to all alcohol beverage industry members. This publication contains valuable information about how to conduct your business as an alcohol beverage licensee.

See the <u>Division of Alcohol Beverages' website</u> for additional regulations and educational materials that apply to licensees.

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations enacted as of April 7, 2025: Ch. 125, <u>Wis. Stats</u>. 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.

Contact Us

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