

# Wisconsin: Tavern League: 'We'll continue to fight' bill to change Wisconsin liquor laws

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By Katelyn Ferral  
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Wisconsin's Tavern League said Tuesday it will fight a Republican bill that would loosen the state's liquor laws for craft brewers, wineries and distilleries.

The bill, sponsored by Rep. Gary Tauchen, R-Bonduel, would significantly roll back limitations on liquor manufacturers, wineries, craft brewers and distillers, by allowing them to serve and sell each other's products. The current limitations are in place as a part of the state's three-tier system, a framework of laws outlining how alcohol manufacturers, distributors and retailers can operate.

Pete Madland, executive director of the Wisconsin Tavern League, said the proposal dismantles the three-tier system and hurts mom and pop taverns.

"We're going to strongly oppose this. It breaks down the three-tier system ... it takes producers and turns them into retailers," Madland said. "Our problem is that it gives the producers who compete with our members a distinct advantage because they get their products at the cost of the product while our members have to absorb their cost of production as well as distribution. It obviously puts us at a disadvantage. The three-tier system was set up so they didn't have to compete with those people."

Small, locally owned taverns have dwindled in the state, decreasing from about 15,000 in the 1990s to 11,000 today, Madland said.

"Mom and pop taverns are a tradition here in Wisconsin. For these legislators to hold out a helping hand to these manufacturers who are wildly successful at the expense of these mom and pop taverns is shameful," he said. "When a manufacturer of wine can also retail beer and liquor and also wine... Miller Brewery could have weddings at their brewery. This is absurd."

Tauchen's proposal would also increase the number of licenses issued to taverns, restaurants or stores to sell alcohol. Madland said that provision is unnecessary and would further strain the state's ability to enforce violations of its current liquor laws.

"Wisconsin ranks third in the country with the number of licenses per capita ... the lack of liquor outlets here in Wisconsin is absurd," he said. "I work with the Department of Revenue almost on a daily basis. I know they're frustrated because there are a lot of violations going on out there. They just don't have the manpower to enforce the outlets in the state."

Tauchen's bill was applauded Tuesday by Sen. Sheila Harsdorf, R-River Falls, Rep. Dale Kooyenga, R-Brookfield, and Rep. Shannon Zimmerman, R-River Falls, at an event at the Wisconsin Brewing Company in Verona.

Harsdorf called the three-tier system "archaic" and said it is actively hampering economic development in her district.

"We have a lot of economic development opportunities ... but don't have the liquor licenses that are critical to attracting businesses," she said.

Zimmerman owns a winery, and said he has seen firsthand how the current system of laws limits business growth. He said he does not see his ownership of a winery, that would stand to benefit from the bill he is promoting, as a conflict of interest. He said many other small businesses would benefit from the bill, which would affect brewers and distillers, too.

"I do not need that winery to pay my mortgage," he said. The other components of the bill can help hundreds of other businesses, including distillers and craft brewers, he said.

Craft brewers cheered the bill as an important step.

Carl Nolen, president and CEO of Wisconsin Brewing Company, said he has experienced the three-tier system from all sides. He worked as a beer distributor before becoming a beer manufacturer and his father and grandfather owned taverns in the state.

"I think the era of modernizing the state's liquor laws is way overdue," he said. "To be modern, we need to keep pace as time goes by. We shouldn't be living with laws that go back since 1933."

Mark Garthwaite, executive director of the Wisconsin Brewers Guild, said the bill is a pragmatic approach to helping small businesses.

"This is a positive first step that removes barriers to growth for small breweries in Wisconsin," he said.

The bill has an uncertain future in the Legislature as lawmakers work to finish a state budget that is already one month late and consider Foxconn legislation in a special session this month. But Tauchen and Zimmerman said they believe the bill has the power to be successful.

Madland said the Tavern League will fight it.

"We'll continue to fight this and all legislation we see as a detriment to our membership," he said.