Communication Relating to the Effect of 2023 Act 73 on Unlicensed Venues that Permit Alcohol On Site

JUNE 10, 2025

### Current Regulatory Climate

- ▶ A space held out for rent may allow alcohol to be dispensed on the premises if the following are true.¹
  - ▶ Alcohol beverages must be purchased from a licensed retailer at the retailer's licensed premises. The alcohol beverages are then brought to the unlicensed establishment.
  - ▶ There is no cash bar. Alcohol beverages may be dispensed (not sold) by the business at an unlicensed premises if the venue is not open to the public.
  - ▶ Any unconsumed alcohol is the property of the purchaser and may not be returned.
  - ▶ The premises has an Occupancy Permit

1. Wisconsin Department of Revenue, *Fact Sheet 3108 Catering Alcohol Beverages*, November 7, 2024

### What is Changing

- ▶ 2023 Act 73 broadens the definition of Public Place for the purpose of requiring a license or permit to include a venue, location, open space, room, or establishment that is any of the following²
  - 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.

2. Wis. Stat. 125.09(1)

## Creation of a No-Sale Event Venue Permit

- Creation of the No-Sale Event Permit<sup>3</sup>
  - Issued by the Department of Revenue
  - ▶ Permits the consumption of beer and wine on the premises for no more than six days per calendar year and no more than one day per month
  - ▶ Requires licensed operators if the event is catered by a Class B Licensee or if the event attendance is greater than 19 people.
  - It does not permit the possession of distilled spirits on premises during events
  - ▶ It does not permit the sale of alcohol beverages or charging an admission fee to attend the event.

### Alternative to the No-Sale Event Venue Permit

- Apply for a Class B Tavern license
  - Allows for alcohol sales on premises and allows for the possession of distilled spirits on premises.
  - Approved after a hearing before the Licenses Committee
  - Allows for resident feedback in the decision making process.
  - Annual renewal process

# Scope of Change in Terms of Licensees

- We estimate that there about 50 businesses in the City that rent space for events but do not hold an alcohol license
- Businesses whose model involves catering private events at unlicensed facilities will be impacted, as only the "Class B" licensee is authorized to provide alcohol on a licensed premises
- ► Act 73 allows municipalities to exceed their quota to issue a license to an establishment that held at least 5 events with 50 or more patrons in the past year

#### Timeline

- ▶ The requirement for an establishment to hold a No-Sale Event Venue Permit or a Class B License takes effect January 1, 2026
- The application process for a new Class B typically takes 6-8 weeks from application to Council action but could be longer if there are objections
- ► The application process for a new No-Sale Event Venue Permit will be available in Late 2025<sup>4</sup>
- Possibility of a court ordered delay Farmview Event Barn, LLC et al vs. Wisconsin Department of Revenue et al. Most recently the court denied the plaintiff's motion for a temporary injunction⁵
- 4. DOR No-Sale Event Venues and 2023 Wisconsin Act 73
- 5. https://wcca.wicourts.gov/caseDetail.html?caseNo Trempealeau County Case Number 2024CV000062 Farmview Event Barn, LLC et al vs. Wisconsin Department of Revenue et al 5.28.2025

### Next Steps and Potential Concerns

- Communication from the DOR about the location of permitted No Sale Event Venue Permits and dates of operation
- Update MCO 90 to incorporate the No Sale Event Permit as an exemption to the license required section.
- Notify potentially affected operators of the change
- Align the license requirement for Public Entertainment Premises Licenses to include public places as defined in Statute

#### Q&A and Additional Resources

- Questions
- https://www.revenue.wi.gov/DOR%20Publications/3122NoSaleEvent Venues.pdf2023
- https://docs.legis.wisconsin.gov/2023/related/acts/73
- https://www.revenue.wi.gov/Pages/FAQS/alc-event-venue.aspx
- https://www.revenue.wi.gov/DOR%20Publications/3108CateringAlc oholBeverages.pdf