CHIA Google Group Trending Discussion Topic:
What are alcohol license conditions, who creates them, and when can they be added to a license?

Julia Sherman, Coordinator of the Wisconsin Alcohol Policy Project at the University of Wisconsin Law School, responds:

Are you familiar with conditional use permits for buildings? License conditions on alcohol sales licenses that are awarded to stores, restaurants and taverns are similar. In essence, the license grants permission for the sale of alcohol if certain restrictions or requirements are met. The license itself is conditioned on the licensee obeying the conditions. If you want to sell/serve alcohol, then you must do [the condition].

Conditions are generally proposed during the application review process. Municipalities may have local procedures that suggest the appropriate time to recommend them. Since license conditions allow neighborhood and unique concerns to be addressed, it is useful to know those concerns well in advance of final approval. License conditions are added prior to the final vote awarding the license.

State law does not require a hearing prior to awarding a license, and requesting a license condition immediately prior to the final vote may be ineffective. Sometimes well-intentioned local elected officials suggest awarding the license and then the new licensee working out the issue with the community. This puts the residents at a disadvantage because once the license is awarded, the licensee has very little incentive to compromise. If faced with that option, requesting a delay until the differences are worked out is the best option. Even moving final action to the foot of the agenda allows a brief discussion before the leverage is lost, setting the stage for postponement if needed.

**License conditions can be either broad or narrow.** For example: all new licenses could include a condition that all-you-can-drink specials will not be offered, while only one license in a residential area has a condition requiring exterior amplified music be silenced after 11:00 each evening.

**Communities can achieve policy goals through license conditions that would not be possible by ordinance.** For example, while a community cannot adopt an ordinance requiring all servers be licensed “operators” (bartenders), a license condition may require all servers within that establishment to be licensed operators.

**There is no standard set of conditions; it is a highly individualized process.** License conditions have been used to:
- Require a specific security plan.
- Prohibit specific entertainment acts or types of music.
- Establish a dress code (to reduce the likelihood of gang violence).
- Limit the number of persons to keep restaurants from “morphing” into night clubs.
- Require specific security measures, such as an electronic scanner.
- Require video surveillance at specific locations.
- Set food serving hours.
A municipality only has the ability to impose conditions unilaterally before the license is issued. Once issued, the license can only be amended by agreement between the licensee and the municipality. Of course, agreement doesn’t necessarily mean the licensee is happy about the change.

Some communities allow licensees to resolve charges for offenses—such as serving alcohol to underage individuals, over-serving, or incidents of violence—by adding new conditions to the license. While the licensee may not be happy about these additions to the license, if the alternative is a significant forfeiture, suspension or revocation, they are likely to accept them. Failure to obey license conditions can result in suspension, revocation or non-renewal.

License conditions are a very flexible tool if a municipality is willing to use it. Local procedures vary; fortunately, alcohol licenses are public documents. You can review local licenses to learn how and when license conditions are used in your community. Local law enforcement may also be able to explain the conditions that would result in a condition being added to a new license.

For more information about how licenses are awarded, and for a detailed checklist to help you assess and impact the local licensing process, see Awarding Alcohol Licenses: Issues and Procedures, a tool created by the Wisconsin Alcohol Policy Project in partnership with CHIA.

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For more information about Community Health Improvement in Action (CHIA), visit our website. CHIA is funded by a grant from the UW School of Medicine and Public Health from the Wisconsin Partnership Program (WPP).

Looking to discuss best practices with your peers across Wisconsin? Join the CHIA Google Group. This online forum/listserv is one of several CHIA activities that aim to deepen knowledge and expertise in implementing and evaluating community health improvement strategies, with an emphasis on policy, systems, and environmental changes that address unhealthy and risky alcohol use in Wisconsin communities.

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1 Gary, Aaron R., Alcohol Beverages Regulation in Wisconsin, Volume 1. 3.60, State Bar of Wisconsin PINNACLE, 2012.