



State of Wisconsin
2025 - 2026 LEGISLATURE

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2025 SENATE BILL 681

December 1, 2025 - Introduced by Senators WIMBERGER, PFAFF, JAMES and TOMCZYK, cosponsored by Representatives SWEARINGEN, BROOKS, NOVAK, STEFFEN, WITKE, SNYDER, MOSES, MURSAU, SUMMERFIELD, DALLMAN, DONOVAN, B. JACOBSON, KAUFERT, NEDWESKI, PENTERMAN, TUCKER and TUSLER. Referred to Committee on Agriculture and Revenue.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT** *to renumber* 125.02 (6m) and 139.01 (1); *to renumber and amend*
2 85.55, 94.55 (1) and 346.935 (1); *to amend* 15.433 (2), 19.42 (13) (q), 20.923 (4)
3 (c) 7., 23.33 (1) (jo) 5., 23.33 (4c) (a) 5., 23.33 (4c) (b) 4. b., 23.335 (1) (zgm) 5.,
4 23.335 (12) (a) 5., 23.335 (12) (b) 5., 30.50 (10m) (e), 30.681 (1) (d), 30.681 (2)
5 (d) 1. b., 45.44 (1) (a) 9., 46.238 (title), 48.01 (1) (am), (ap) and (bm), 48.02 (1)
6 (am) and (1e), 48.02 (17m), 48.08 (3), 48.133, 48.19 (1) (cm) and (d) 8., 48.193
7 (1) (c) and (d) 2., 48.205 (1) (d) and (1m), 48.21 (1) (b) 4., 48.213 (1) (b), 48.245
8 (2) (a) 3. and 4., 48.295 (1) and (1g), 48.31 (4), 48.345 (13) (a) and (b) and (14)
9 (a), 48.347 (5) (a) and (b) and (6) (a), 48.547 (1), 51.45 (2) (f) and (4) (L), 51.49
10 (1) (c), 64.28 (1), 68.02 (1), 68.03 (5), 73.01 (4) (a), 77.51 (3t), 77.98 (3), 77.98 (4)
11 (a), 97.29 (1) (c) and (h) 3., 100.30 (2) (am) 1. and 2. and (c) 1. a. and 2., 100.30
12 (2) (k), 100.30 (5) (a), 101.123 (1) (h) (intro.), 108.04 (5) (a), 111.34 (1) (b),
13 114.09 (1) (b) 1., 114.09 (2) (bm) 1. (intro.) and 4., 115.35 (1), 118.01 (2) (d) 2. c.,
14 6. and 7., 118.124 (2) (a) 6., 118.257 (2), chapter 125 (title), 125.02 (5g), 125.02

SENATE BILL 681

(9), 125.02 (10), 125.02 (19), 125.02 (20), 125.025 (1), 125.025 (3), 125.025 (4), 125.035 (title), 125.035 (4) (a), 125.035 (4) (b) (intro.), 125.035 (4) (b) 3., 125.035 (5), 125.037 (intro.), (1) and (2), 125.04 (3) (a) 1., 125.04 (3) (a) 3., 125.04 (3) (f) 1., 125.04 (3) (g) (intro.), 125.04 (3) (h), 125.04 (3) (i) 1. and 2., 125.04 (3) (j), 125.04 (5) (a) (intro.), 125.04 (5) (b), 125.04 (6) (a) (intro.), 125.04 (6) (a) 2., 125.04 (8) (a), 125.04 (9), 125.04 (10) (a), 125.04 (11) (a), 125.04 (11) (b) 1., 125.04 (12) (a), 125.04 (12) (b) 1., 125.045 (1), 125.045 (3), 125.06 (6), 125.06 (7), 125.06 (8), 125.06 (10), 125.06 (11), 125.07 (1) (title), 125.07 (1) (a) 1., 125.07 (1) (a) 2., 125.07 (1) (a) 3., 125.07 (1) (b) 5., 125.07 (1) (b) 6. b., 125.07 (1) (b) 6. c., 125.07 (2) (title), 125.07 (2) (a), 125.07 (3) (a) (intro.), 125.07 (3) (a) 2., 125.07 (3) (a) 3., 125.07 (3) (a) 3m., 125.07 (3) (a) 6., 125.07 (3) (a) 7., 125.07 (3) (a) 8., 125.07 (3) (a) 10., 125.07 (3) (a) 11., 125.07 (4) (a) 1., 125.07 (4) (a) 4., 125.07 (4) (b), 125.07 (4) (e) 2. a., 125.07 (4) (e) 2. b., 125.07 (4) (e) 2. c., 125.07 (4) (e) 4., 125.07 (4) (e) 5., 125.07 (6) (intro.), 125.07 (7) (a) (intro.), 125.07 (7) (b), 125.075 (title), 125.075 (1) (intro.), 125.075 (1) (b), 125.075 (1m) (intro.), 125.075 (1m) (c), 125.085 (2), 125.09 (1) (a), 125.09 (2) (title), 125.09 (2) (b) (intro.), 125.09 (2) (c), 125.09 (3), 125.09 (6), 125.10 (1), 125.10 (2), 125.10 (4), 125.12 (4) (ag) 3., 125.14 (2), 125.14 (5), 125.14 (6) (a), 125.16, 125.17 (1), 125.175 (1), 125.185 (1), 125.185 (2), 125.185 (4), 125.21 (1) (b), 125.21 (2) (b), 125.24 (1) (a), 125.24 (1) (d), 125.24 (2) (a), 125.24 (2) (b), 125.24 (2) (c) 1., 2. and 4., 125.24 (2) (d) 1., 2. and 3., 125.24 (2) (e) 1., 2. and 3., 125.25 (2) (b) (intro.), 125.26 (2) (b) (intro.), 125.32 (2), 134.96 (3), 135.02 (5f), chapter 139 (title), subchapter I (title) of chapter 139 [precedes 139.01], 139.01 (2p), 139.01 (5), 139.01 (7), 139.01 (9), 139.04 (intro.), 139.04 (5), 139.08 (4), 139.09, 139.10

SENATE BILL 681

1 (1), 139.11 (1), 139.11 (2), 139.11 (3), 139.22, 139.25 (2) (intro.), 139.25 (4),
2 185.043 (1) and (2), 302.37 (2), 302.375 (title), 302.375 (1m) (a), 302.375 (1m)
3 (b), 302.375 (1m) (c), 302.375 (2), 340.01 (50m) (e), 343.06 (1) (d), 343.10 (5) (a)
4 1. and (8) (intro.), 343.16 (5) (a), 343.30 (1q) (c) 1. (intro.) and (d) 1., 343.303,
5 343.305 (8) (b) 2. g., 343.305 (8) (b) 4m. (intro.), 343.305 (8) (b) 4m. a., 343.305
6 (8) (b) 5. c., 343.305 (8) (b) 6. c., 343.38 (1) (d) 2., 343.44 (1) (a), 343.44 (1) (b),
7 346.63 (1) (d), 346.63 (2) (b) 2., 346.637 (1), 346.637 (2), 346.64 (1), 346.93 (1),
8 346.935 (2), 346.935 (3), 346.935 (4) (b), 350.01 (10v) (e), 350.101 (1) (e),
9 350.101 (2) (d) 2., 565.02 (3) (b) 3., 632.32 (6) (b) 4., 767.41 (6) (g) 5., 813.129 (2)
10 (g), 885.235 (1) (d) 5., 885.235 (5), 895.047 (3) (a), 895.53 (2), 905.04 (4) (e) 3.,
11 938.02 (1p), 938.24 (2m) (a) 3., 938.245 (2) (a) 3., 938.295 (1c) (c), 938.295 (1g),
12 938.32 (1g) (intro.), 938.34 (6r) (a), 938.34 (6r) (b), 938.343 (10) (intro.),
13 938.344 (title), 938.344 (2) (title), 938.344 (2b) (title), 938.396 (1) (c) 3. a.,
14 938.547 (1), 939.22 (33) (e), 940.09 (2) (b), 940.225 (5) (ai), 940.25 (2) (b),
15 941.20 (1) (bm), 941.237 (title), 941.237 (1) (fm), 941.237 (3) (cx), 944.36,
16 948.015 (3), 961.11 (5) and 967.055 (1m) (b) 5.; **to create** 48.02 (8b), 51.01 (8r),
17 77.51 (4p), 77.98 (1) (am), 85.55 (1), 94.55 (1) (b), 94.55 (1) (c), 94.55 (1m),
18 97.29 (1) (hg), 100.30 (2) (cjm), 100.30 (2) (ck), 100.30 (2) (ckm), 101.123 (1)
19 (av), 101.123 (1) (h) 5., 108.02 (17g), 111.32 (7r), 111.32 (9m), 111.34 (3),
20 114.002 (14m), 115.001 (3f), 125.02 (6i), 125.02 (6k), 125.02 (6n), 125.02 (6p),
21 125.02 (16m), 125.02 (20e), 125.025 (6), 125.035 (2m), 125.035 (3m), 125.04 (3)
22 (L), 125.04 (5) (e), 125.04 (8) (c), 125.07 (4) (a) 2m., 125.07 (4) (bp), 125.09 (1)
23 (e), 125.10 (6), 125.11 (4), 125.12 (6m), 125.155, 125.19 (3), 125.21 (2) (c),
24 125.21 (3) (f) and (g), 125.24 (3) (g), (h), (i) and (j), 125.25 (1m), 125.25 (2) (b) 7.,

SENATE BILL 681

1 8. and 9., 125.26 (1m), 125.26 (2) (b) 7., 8. and 9., 125.29 (7) (i), 125.52 (4) (h),
2 125.53 (3) (h), subchapter IV of chapter 125 [precedes 125.741], 134.96 (1)
3 (bm), 135.02 (3) (c), 135.02 (5f), 135.02 (5g), (5h), (5m) and (5p), 135.02 (7),
4 135.02 (8), 139.01 (1g), 139.01 (2tg), (2tm) and (2ts), 139.032, 139.11 (4) (c),
5 139.18 (3), 185.043 (3), 302.375 (1g) (ar), 340.01 (21m), 346.935 (1g), 632.32 (2)
6 (aj), 938.02 (8c) and 939.22 (15m) of the statutes; **relating to:** regulation of
7 hemp-derived cannabinoid products, renaming the Division of Alcohol
8 Beverages as the Division of Intoxicating Products, creating an occupational
9 tax on hemp-derived cannabinoid products, alcohol beverage warehouses and
10 production arrangements, granting rule-making authority, and providing a
11 penalty.

Analysis by the Legislative Reference Bureau

This bill regulates hemp-derived cannabinoid products in the same manner as alcohol beverages are regulated under current law and renames the Division of Alcohol Beverages in the Department of Revenue as the Division of Intoxicating Products (division). The bill also makes minor changes relating to alcohol beverage warehouses and alcohol beverage production arrangements.

Regulation of hemp-derived cannabinoid products

Current law defines “hemp” as “the plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis or the maximum concentration allowed under federal law up to 1 percent, whichever is greater, as tested using post-decarboxylation or other similarly reliable methods.” Current law exempts hemp from the definitions of marijuana and tetrahydrocannabinol (THC), which are controlled substances and the possession, manufacture, or distribution of which is a criminal offense.

The bill defines “hemp-derived cannabinoid” as any cannabinoid that is extracted from hemp, including delta-6-THC, delta-8-THC, delta-9-THC, and delta-10-THC, subject to certain exclusions. A “hemp-derived cannabinoid product” is defined, subject to limited exceptions, as a product that contains or is labeled to contain a hemp-derived cannabinoid (HDC) and that is produced, marketed, or

SENATE BILL 681

otherwise intended to be ingested orally, inhaled, or absorbed through the skin. The bill specifies that the definition of hemp includes an HDC product.

The bill imposes various requirements and restrictions on the production, distribution, and sale of HDC products, many of which parallel requirements and restrictions applicable to the alcohol beverages industry. This regulation of HDC products includes the following:

1. Manufacturers and distributors of HDC products must hold permits issued by the division (discussed further in items 9 and 10). Retailers of HDC products must hold licenses issued by municipalities (discussed further in items 15 and 17). With exceptions, HDC products must be distributed and sold to consumers through a three-tier system in which manufacturers, distributors, and retailers operate independently (discussed further in item 19). The division regulates HDC products in a manner and with authority similar to that applicable under current law for the regulation of alcohol beverages.

2. HDC products may not be sold to a person under 21 years of age, and a person under 21 years of age may not possess or consume HDC products, even if the underage person is accompanied by a parent, guardian, or spouse who is at least 21 years of age. Before transferring possession of HDC products, a person authorized to sell HDC products at retail (discussed further in items 10 and 15 to 17) must verify the recipient's age by examining identification containing the person's photograph and date of birth or by using another age verification method authorized by the division. Generally, an underage person may not be on premises licensed for the sale of HDC products, but this prohibition is subject to the same exceptions that apply to premises licensed to sell alcohol beverages, including allowing an underage person to be present if accompanied by a parent, guardian, or spouse who is at least 21 years of age.

3. With limited exceptions, no product containing cannabinoids may be manufactured, transported, stored, or sold in Wisconsin unless the product is an HDC product and the HDC in the product is derived from a federally licensed or state-licensed hemp grower. The exceptions include a cannabidiol (CBD) product regulated under current law and a prescription drug product approved by the U.S. Food and Drug Administration. An HDC product may contain specified nonintoxicating cannabinoids. Although HDC products generally may be manufactured, transported, stored, sold, and consumed in Wisconsin, additional restrictions apply, including that they may not be packaged or mixed with an alcohol beverage, contain a controlled substance or caffeine in excess of 100 milligrams (mg) per serving, or be manufactured by applying an HDC to a commercially available candy or snack food item.

4. An HDC product may be sold only as a single-serving beverage, a multi-serving beverage, a tincture, an edible product, an inhalable product, or a product absorbed through the skin. There are specific requirements for the sale of HDC products in each form. For example, a single-serving beverage must be sold in a container with a capacity of not less than 50 milliliters nor more than 19.2 ounces and cannot contain more than 20 mg of THC. The maximum size container for a multi-serving beverage is 1.75 liters, and the HDC product cannot contain more

SENATE BILL 681

than 20 mg of THC per serving. For an edible product, each serving of the HDC product within the product packaging or container must be scored or wrapped or have another indicator clearly identifying the serving size, the HDC product cannot contain more than 20 mg of THC per serving, and the packaging or container cannot contain more than 40 servings. An inhalable HDC product in cartridge form cannot contain more than 800 mg of THC, and an inhalable HDC product in the form of hemp flower or hemp plant parts cannot be sold in a container having more than one ounce of the HDC product.

5. Before an HDC product may be sold in Wisconsin, the manufacturer must submit a product sample for testing by an independent laboratory and receive a certification that the product meets applicable standards, along with a certificate of analysis (COA) of testing results. The certification must, in part, confirm the product contains the amount of cannabinoids stated on the product label, disclosed as a percentage and as milligrams per serving and milligrams per container if there is more than one serving in the container. The manufacturer must provide the COA to the product's distributor. An HDC product may not be sold in Wisconsin unless it is accompanied by a COA, which may be provided by a quick response (QR) code on the product's label or packaging, essentially verifying that the product qualifies as hemp as defined above.

6. Before an HDC product may be sold in Wisconsin, it must be registered with the division. The division must maintain a public registry of HDC products, updated at least monthly, and an HDC product cannot be sold unless at the time of sale it is listed in the registry.

7. An HDC product may not be sold in Wisconsin unless it meets the following labeling requirements and the label is approved by the division. An HDC product must be labeled with specified information, including the name and contact information of the product's manufacturer or brand owner; the product's serving size, servings per container, and cannabinoid profile per serving and in total for the container; an ingredient list, including major food allergens; and the product's potency, labeled as milligrams per serving, for total THC and for each HDC and the total amounts of THC and of each HDC in the product's container. In addition to this information, an HDC product must include a warning statement containing all of the following information in substantially similar form: 1) keep out of the reach of children; 2) must be 21 or older to possess or consume; 3) may be harmful to those who are pregnant or breastfeeding; 4) may impair ability to drive or operate machinery; 5) may contain unidentified substances that are harmful or toxic; 6) this product is not approved by the FDA for cure, mitigation, treatment, or prevention of any disease; and 7) use of this product may result in a positive drug test. If the HDC product is intended to be inhaled, it must also include "**WARNING:** Inhalation of cannabis smoke has been associated with lung injury." An HDC product label cannot make certain health-related claims. HDC product packaging cannot contain features likely to be appealing to children such as cartoon images and must be child resistant. An HDC product that is not a beverage must be placed in packaging that is opaque to an extent that the contents are not viewable. An HDC product must be placed in tamper-evident packaging or a tamper-evident

SENATE BILL 681

container or contain a tamper-evident seal. Each label for an HDC product must be submitted to the division for approval. If the division does not act on an application for approval within 30 days, the application is considered approved. The division may deny an application only if the label does not comply with the bill's requirements.

8. A municipality or county may not prohibit 1) the possession or consumption of HDC products at a private residence; 2) the transportation of HDC products within the municipality or county; 3) personal use of HDC products, except with respect to location in certain circumstances; or 4) possession or transportation of HDC products by a distributor (discussed further in item 10). A municipality may enact an ordinance prohibiting certain alcohol beverage retailers and producers from making retail sales of HDC products in the municipality (discussed further in items 15 and 16). A municipality or county may also enact an ordinance prohibiting the possession, sale, or consumption of HDC products within 300 feet of a church, a hospital, a school, or certain other locations. A municipality may otherwise enact ordinances that prescribe additional regulations for the sale of HDC products but only if the ordinances are consistent with the municipality's regulations for the sale of alcohol beverages.

9. The division issues manufacturers' permits that authorize the permittee to 1) manufacture HDC products and package and label HDC products for sale; 2) sell finished and packaged HDC products to distributors and other manufacturers; 3) make hemp concentrate and refined cannabinoids if the manufacturer has obtained an endorsement from the division to do so; 4) purchase hemp concentrate and refined cannabinoids from, or sell them to, other manufacturers; and 5) engage in certain other activities. The bill defines "hemp concentrate" as the extracts or resins of hemp, including extracts or resins that are refined to increase the presence of targeted cannabinoids, but "hemp concentrate" does not include a refined cannabinoid. The bill defines, with exceptions, a "refined cannabinoid" as a cannabinoid extracted from hemp with a chemical makeup that is changed after extraction to create a different cannabinoid or other chemical compound by applying a catalyst other than heat or light, including any THC created from CBD or hemp concentrate. The bill imposes various requirements on manufacturers related to hemp concentrate and refined cannabinoids, including requiring a manufacturer to provide a COA and certain other information to the purchaser of hemp concentrate or refined cannabinoids and to transfer hemp concentrate or refined cannabinoids in tamper-evident containers labeled: "WARNING: UNFINISHED PRODUCT; NOT INTENDED FOR HUMAN CONSUMPTION IN THIS FORM." The bill also imposes requirements on a manufacturer in transporting hemp concentrate and refined cannabinoids on public roadways. The bill also allows for the manufacture of HDC products through certain production arrangements, including contract production, alternating proprietorships, and licensing agreements. Each manufacturer's permit must include an endorsement identifying any of the following forms of HDC product manufactured on the premises: beverage products; edible products; inhalable products; tinctures; or products absorbed through the skin. The endorsement must also indicate whether

SENATE BILL 681

hemp concentrate or refined cannabinoids are manufactured on the premises. A manufacturer may sell or deliver HDC products only to a distributor or another manufacturer, except that a manufacturer may make retail sales of HDC products on the manufacturing premises or at retail outlets in a manner similar to a brewer's, winery's, or distiller's authorization to make retail sales under current law. The HDC products sold at retail must be manufactured by the manufacturer or purchased from a distributor. A manufacturer must also receive approval from the division and the applicable municipality before commencing sales of HDC products at a retail outlet.

10. The division issues distributors' permits that authorize the permittee to 1) purchase, receive, and transport HDC products from manufacturers and out-of-state shippers (discussed further in item 11) and 2) sell, provide, and transport HDC products to other distributors and persons authorized to sell HDC products at retail (discussed further in items 15 to 17). A distributor may purchase HDC products only from another distributor or a manufacturer or out-of-state shipper that is the primary source of supply for the brand. A distributor must store all HDC products on the distributor's premises or at its licensed warehouse (discussed further in item 12) in an area that is visually distinct from any area where other food or alcohol beverages are stored. A distributor must physically unload HDC products at its distributor's premises or licensed warehouse before delivering them to another distributor or a person authorized to make retail sales.

11. The division issues out-of-state shippers' permits that authorize a manufacturer or supplier in another state to ship HDC products to a Wisconsin distributor. A person may not ship HDC products into this state unless the person holds an out-of-state shipper's permit and is the primary source of supply for the HDC products and the shipment is to a distributor. An out-of-state shipper must certify that all HDC products shipped into this state conform to the applicable requirements under the bill. The division also issues out-of-state ingredient suppliers' permits that authorize a manufacturer or supplier in another state to ship or deliver hemp concentrate or refined cannabinoids to a Wisconsin manufacturer. A person may not ship or deliver into this state hemp concentrate or refined cannabinoids unless the person holds an out-of-state ingredient supplier's permit and the hemp concentrate or refined cannabinoids are accompanied by a COA and labeled in a tamper-evident container as described in item 9 for a manufacturer.

12. The division issues warehouse permits that authorize the permittee to store and warehouse HDC products in warehouse premises, but the permits are not available to HDC product retailers. All HDC products stored on the premises of a warehouse permit must be stored in an area that is visually distinct from any area where other food or alcohol beverages are stored. The division may issue multiple permits for the same location, but each permittee's HDC products must be stored in areas that are visually distinct from any area where another permittee's HDC products are stored.

13. The division issues salespersons' permits that authorize the permittee to solicit orders, and to engage in the sale, of HDC products for delivery at a future

SENATE BILL 681

date. An employer must inform the division of all employees who require an HDC salesperson's permit, and the permit is canceled when the person's employment terminates. A person who holds a liquor salesperson's permit is not required to obtain an HDC products salesperson's permit.

14. An applicant for an HDC product permit issued by the division is generally subject to the same qualification requirements that apply to an applicant for an alcohol beverage permit issued by the division, including requirements related to age, residency, and criminal history.

15. Under current law, municipalities issue Class "A" and Class "B" licenses. A Class "A" license authorize the retail sale of fermented malt beverages (beer) in original packages for consumption off the licensed premises. A Class "B" license authorizes the retail sale of beer for consumption on or off the licensed premises. The bill authorizes Class "A" and Class "B" licensees to also sell HDC products at retail in the same manner they sell beer. However, a municipality may, by ordinance, prohibit Class "A" and Class "B" licensees from making retail sales of HDC products.

16. Current law allows a brewer, winery, or distiller to make retail sales of alcohol beverages at its production facility and at full-service retail outlets. The bill authorizes brewers, wineries, and distillers to sell HDC products at retail at the same locations and in the same manner as they sell alcohol beverages at retail. However, a municipality may, by ordinance, prohibit brewers, wineries, and distillers from making retail sales of HDC products.

17. A municipality may issue Class "HDC-A" licenses authorizing the retail sale of HDC products for consumption off the premises where sold in original packages. A municipality may also issue Class "HDC-B" licenses authorizing the retail sale of HDC products for consumption on or off the premises where sold. However, a municipality may issue these retail HDC product licenses only if the governing body of the municipality enacts an ordinance allowing the municipality to do so. The ordinance may not impose additional burdens or requirements on HDC product licensees or on sales of HDC products that do not also apply to alcohol beverages. An applicant for an HDC product license is generally subject to the same qualification requirements that apply to an applicant for an alcohol beverage license, except the applicant is not required to complete a responsible beverage server training course.

18. Similar operating requirements apply to the retail sale of HDC products as apply to the retail sale of alcohol beverages. For example, retail sales of HDC products on licensed premises (including a manufacturer's retail outlet) must be made by the licensee or a person who holds an operator's license or permit (bartender's license) or by a person who is at least 18 years of age and is under the immediate supervision of the licensee or person holding a bartender's license. Class "HDC-A" and "HDC-B" licensed premises (and manufacturers' retail outlets) are subject to the same closing and sales hours as Class "A" and Class "B" licensed premises under current law. A Class "HDC-A" or Class "HDC-B" license authorizes only face-to-face sales to consumers at the licensed premises. Subject to certain exceptions, a Class "HDC-B" license may not be granted for premises where other

SENATE BILL 681

business is conducted. An HDC product retailer may purchase HDC products only from an HDC product distributor and may not possess HDC products purchased from any person other than a distributor. A distributor may deliver HDC products to retailers only at their retail premises. Unlike alcohol beverages, however, the bill requires an HDC retailer to maintain all HDC products behind a barrier or at the point of sale unless the product is a beverage in a container with a capacity of at least four fluid ounces.

19. The bill includes restrictions on cross-tier ownership in the HDC products industry similar to those applicable to the alcohol beverage industry under current law, including similar exceptions. For example, an HDC product manufacturer may not have an interest in an HDC product distributor or retailer. Similar cross-tier ownership restrictions apply to distributors, out-of-state shippers, out-of-state ingredient suppliers, and retailers. However, there are exceptions for restricted investors and other situations similar to those applicable to the alcohol beverage industry under current law. These cross-tier ownership restrictions in the alcohol beverage industry are often referred to as the three-tier system.

20. A distributor of HDC products must charge the same price to all retail licensees making purchases in similar quantities. Any discount offered must be delivered in a single transaction and single delivery and on a single invoice. A retail licensee must also make purchases of HDC products from distributors for cash or credit of not more than 30 days and may not receive HDC products on consignment or on any basis other than a bona fide sale.

21. The bill creates, subject to various exceptions, restrictions on HDC product manufacturers and distributors furnishing things of value to Class “B” and Class “HDC-B” licensees, similar to the restrictions commonly known as “tied house laws” that apply under current law to brewers, beer wholesalers, and Class “B” beer retailers. Similar to current law in the beer industry, the bill also prohibits agreements in which a Class “B” or Class “HDC-B” licensee is required to purchase HDC products, exclusively, of a certain manufacturer. The bill also creates trade regulations prohibiting certain HDC product tying arrangements or retailer quotas.

22. Like beer distributors under current law, HDC product distributors may not sell or deliver a brand of HDC product unless the distributor has entered into a written agreement with the product’s supplier granting the distributor exclusive distribution rights for the brand in a designated sales territory. With limited exceptions, a distributor may not sell or deliver a brand of HDC products outside the distributor’s designated sales territory for the brand.

23. For purposes of the Wisconsin Fair Dealership Law, a dealership involving HDC products is defined as a contract or agreement between two or more persons by which a distributor of HDC products is granted the right to sell or distribute HDC products or use a trade name, trademark, advertising, or other commercial symbol related to HDC products. However, this definition does not apply if the distributor’s net revenues from the sale of all of the supplier’s brands of HDC products constitute less than 5 percent of the distributor’s total net revenues from the sale of HDC products. If this definition does not apply, then the general

SENATE BILL 681

definition of “dealership” under the WFDL, which requires a “community of interest,” may apply.

24. For one year after the bill’s effective date, small manufacturers of HDC products may organize a cooperative and obtain a distributor’s permit to act as a cooperative distributor of HDC products, similar to the manner in which intoxicating liquor producers may form as a cooperative distributor for intoxicating liquor under current law. An HDC product cooperative distributor may distribute only HDC products manufactured by its members, and its members cannot distribute HDC products through any other distributor.

25. The bill creates an occupational tax on HDC products similar to the occupational tax on alcohol beverages. Generally, the tax is paid by the HDC product distributor upon the sale of the HDC product to a retailer, and the tax rate depends on the type of HDC product sold. The tax rate for a beverage is \$0.03 per mg of THC, and the tax rate for an HDC product that is not a beverage, hemp flower, or hemp plant parts is \$0.045 per mg of THC. The tax rate for hemp flower or hemp plant parts is \$50 per ounce of weight. This tax is in addition to the applicable sales tax on sales to consumers.

26. Under current law, a person may not operate a motor vehicle, an all-terrain vehicle, a utility terrain vehicle, an off-highway motorcycle, a snowmobile, or a motorboat if they have a detectable amount of a restricted controlled substance in their blood. Current law defines “restricted controlled substance,” as it applies to these restrictions, to include delta-9-THC at a concentration of one or more nanograms per milliliter of a person’s blood. The bill modifies those definitions of “restricted controlled substance” to remove the reference to delta-9-THC and instead include THC isomers at a total concentration of one or more nanograms per milliliter of a person’s blood. The bill also makes the same modification to the definition of a “restricted controlled substance” as it applies generally to the prosecution of crimes involving intoxicated use of vehicles and as it applies specifically to the crimes of homicide by intoxicated use of a vehicle and injury by intoxicated use of a vehicle.

27. The bill specifies that it does not 1) require an employer to permit or accommodate, or limit an employer’s ability to prohibit, an employee’s use or possession of HDC products at work or limit an employer’s ability to prohibit an employee from engaging in work-related activities while under the influence of HDC products or 2) require a property owner to permit or accommodate, or limit a property owner’s ability to prohibit, a person’s use or possession of HDC products on the property or limit a property owner’s ability to prohibit a person from being on the property while under the influence of HDC products.

28. The bill also contains other provisions treating HDC products in a manner similar to the manner in which alcohol beverages are treated under current law and treating the abuse of HDC products in a manner similar to the manner in which the abuse of alcohol beverages or controlled substances is treated under current law.

Regulation of alcohol beverages

Under current law, the division issues alcohol beverage warehouse permits that authorize the permittee to store alcohol beverages in warehouses. Under the

SENATE BILL 681**SECTION 1**

bill, the division may issue multiple permits for the same location, but each permittee's alcohol beverages must be stored in areas that are visually distinct from any area where another permittee's alcohol beverages are stored.

Current law allows alcohol beverage producers, including brewers, wineries, and distillers, to enter into certain production arrangements, including contract production and licensing agreements. Generally, in a contract production arrangement, a "contract producer" directly manufactures, bottles, or labels alcohol beverages as an agent of a "recipe producer," who purchases and receives the alcohol beverages from the contract producer. A "licensing agreement" involves the production, by an alcohol beverage producer, of alcohol beverages containing a licensor's name, symbol, or trademark.

The bill specifies that, in a contract production arrangement, a recipe producer is not required to hold more than one producer's permit issued by the division. However, if contract production occurs at multiple locations, the recipe producer must provide a specified notice to the division of each location, other than the location for which the recipe producer's producer's permit is issued. The bill also specifies that the division is not required to inspect a recipe producer's premises and modifies the meaning of the term "bottling" as it relates to contract production. In addition, the bill specifies that, in a licensing agreement, the licensor is not required to hold a permit issued by the division.

Because this bill creates a new crime or revises a penalty for an existing crime, the Joint Review Committee on Criminal Penalties may be requested to prepare a report.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 15.433 (2) of the statutes is amended to read:

2 15.433 **(2)** DIVISION OF ~~ALCOHOL BEVERAGES~~ INTOXICATING PRODUCTS. (a)

3 There is created a division of ~~alcohol beverages~~ intoxicating products attached to
4 the department of revenue under s. 15.03. The administrator of the division shall
5 be appointed outside the classified service. The administrator of the division shall
6 be nominated by the secretary of revenue and with the advice and consent of the
7 senate appointed, to serve at the pleasure of the secretary of revenue.

8 (b) There is created within the division of ~~alcohol beverages~~ intoxicating

SENATE BILL 681**SECTION 1**

1 products a bureau dedicated to enforcement and a bureau dedicated to legal
2 services, permitting, and reporting, with each bureau headed by a director who
3 reports to, and serves at the pleasure of, the division administrator.

4 (c) There is created within the division of ~~alcohol beverages~~ intoxicating
5 products a unit dedicated to education and community outreach, headed by an
6 individual who reports to the division administrator.

7 **SECTION 2.** 19.42 (13) (q) of the statutes is amended to read:

8 19.42 (13) (q) The administrator and employees of the division of ~~alcohol~~
9 ~~beverages~~ intoxicating products.

10 **SECTION 3.** 20.923 (4) (c) 7. of the statutes is amended to read:

11 20.923 (4) (c) 7. Revenue, department of; division of ~~alcohol beverages~~
12 intoxicating products: administrator.

13 **SECTION 4.** 23.33 (1) (jo) 5. of the statutes is amended to read:

14 23.33 (1) (jo) 5. ~~Delta-9-tetrahydrocannabinol~~ Tetrahydrocannabinol isomers,
15 excluding ~~its~~ any precursors or metabolites, at a total concentration of one or more
16 nanograms per milliliter of a person's blood.

17 **SECTION 5.** 23.33 (4c) (a) 5. of the statutes is amended to read:

18 23.33 (4c) (a) 5. 'Defenses.' In an action under subd. 2m. that is based on the
19 defendant allegedly having a detectable amount of methamphetamine, or gamma-
20 hydroxybutyric acid, ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or
21 tetrahydrocannabinol isomers at a total concentration of one or more nanograms
22 per milliliter of his or her blood, the defendant has a defense if he or she proves by
23 a preponderance of the evidence that at the time of the incident or occurrence he or
24 she had a valid prescription for methamphetamine or one of its metabolic

SENATE BILL 681**SECTION 5**

precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
tetrahydrocannabinol.

SECTION 6. 23.33 (4c) (b) 4. b. of the statutes is amended to read:

23.33 **(4c)** (b) 4. b. In an action under subd. 2m. that is based on the defendant allegedly having a detectable amount of methamphetamine; or gamma-hydroxybutyric acid; ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or tetrahydrocannabinol isomers at a total concentration of one or more nanograms per milliliter of his or her blood, the defendant has a defense if he or she proves by a preponderance of the evidence that at the time of the incident or occurrence he or she had a valid prescription for methamphetamine or one of its metabolic precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
tetrahydrocannabinol.

SECTION 7. 23.335 (1) (zgm) 5. of the statutes is amended to read:

23.335 **(1)** (zgm) 5. ~~Delta-9-tetrahydrocannabinol~~ Tetrahydrocannabinol isomers, excluding its any precursors or metabolites, at a total concentration of one or more nanograms per milliliter of a person's blood.

SECTION 8. 23.335 (12) (a) 5. of the statutes is amended to read:

23.335 **(12)** (a) 5. In an action under subd. 2m. that is based on the defendant allegedly having a detectable amount of methamphetamine; or gamma-hydroxybutyric acid; ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or tetrahydrocannabinol isomers at a total concentration of one or more nanograms per milliliter of his or her blood, the defendant has a defense if he or she proves by a preponderance of the evidence that at the time of the incident or occurrence he or she had a valid prescription for methamphetamine or one of its metabolic

SENATE BILL 681**SECTION 8**

precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
tetrahydrocannabinol.

SECTION 9. 23.335 (12) (b) 5. of the statutes is amended to read:

23.335 (12) (b) 5. In an action under subd. 2m. that is based on the defendant allegedly having a detectable amount of methamphetamine, or gamma-hydroxybutyric acid, ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or tetrahydrocannabinol isomers at a total concentration of one or more nanograms per milliliter of his or her blood, the defendant has a defense if he or she proves by a preponderance of the evidence that at the time of the incident or occurrence he or she had a valid prescription for methamphetamine or one of its metabolic precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~ tetrahydrocannabinol.

SECTION 10. 30.50 (10m) (e) of the statutes is amended to read:

30.50 (10m) (e) ~~Delta-9-tetrahydrocannabinol~~ Tetrahydrocannabinol isomers, excluding ~~its~~ any precursors or metabolites, at a total concentration of one or more nanograms per milliliter of a person's blood.

SECTION 11. 30.681 (1) (d) of the statutes is amended to read:

30.681 (1) (d) *Defenses*. In an action under par. (b) 1m. that is based on the defendant allegedly having a detectable amount of methamphetamine, or gamma-hydroxybutyric acid, ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or tetrahydrocannabinol isomers at a total concentration of one or more nanograms per milliliter of his or her blood, the defendant has a defense if he or she proves by a preponderance of the evidence that at the time of the incident or occurrence he or she had a valid prescription for methamphetamine or one of its metabolic

SENATE BILL 681**SECTION 11**

precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
tetrahydrocannabinol.

SECTION 12. 30.681 (2) (d) 1. b. of the statutes is amended to read:

30.681 (2) (d) 1. b. In an action under par. (b) 1m. that is based on the
defendant allegedly having a detectable amount of methamphetamine, or gamma-
hydroxybutyric acid, ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or
tetrahydrocannabinol isomers at a total concentration of one or more nanograms
per milliliter of his or her blood, the defendant has a defense if he or she proves by
a preponderance of the evidence that at the time of the incident or occurrence he or
she had a valid prescription for methamphetamine or one of its metabolic
precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
tetrahydrocannabinol.

SECTION 13. 45.44 (1) (a) 9. of the statutes is amended to read:

45.44 (1) (a) 9. A license issued under s. 125.65 or 125.759.

SECTION 14. 46.238 (title) of the statutes is amended to read:

46.238 (title) Infants and unborn children whose mothers abuse
~~controlled substances, controlled substance analogs, or alcohol or other~~
intoxicating substances.

SECTION 15. 48.01 (1) (am), (ap) and (bm) of the statutes are amended to read:

48.01 (1) (am) To recognize that unborn children have certain basic needs
which must be provided for, including the need to develop physically to their
potential and the need to be free from physical harm due to the habitual lack of self-
control of their expectant mothers in the use of alcohol beverages, hemp-derived
cannabinoid products, controlled substances, or controlled substance analogs,

SENATE BILL 681**SECTION 15**

1 exhibited to a severe degree. It is further recognized that, when an expectant
2 mother of an unborn child suffers from a habitual lack of self-control in the use of
3 alcohol beverages, hemp-derived cannabinoid products, controlled substances, or
4 controlled substance analogs, exhibited to a severe degree, in order to ensure that
5 the needs of the unborn child, as described in this paragraph, are provided for, the
6 court may determine that it is in the best interests of the unborn child for the
7 expectant mother to be ordered to receive treatment, including inpatient treatment,
8 for that habitual lack of self-control, consistent with any applicable law relating to
9 the rights of the expectant mother.

10 (ap) To recognize the compelling need to reduce the harmful financial, societal
11 and emotional impacts that arise and the tremendous burdens that are placed on
12 families and the community and on the health care, social services, educational and
13 criminal justice systems as a result of the habitual lack of self-control of expectant
14 mothers in the use of alcohol beverages, hemp-derived cannabinoid products,
15 controlled substances, or controlled substance analogs, exhibited to a severe degree,
16 during all stages of pregnancy.

17 (bm) To ensure that unborn children are protected against the harmful effects
18 resulting from the habitual lack of self-control of their expectant mothers in the use
19 of alcohol beverages, hemp-derived cannabinoid products, controlled substances, or
20 controlled substance analogs, exhibited to a severe degree. To effectuate this
21 purpose and the purpose specified in par. (am), it is the intent of the legislature that
22 the provisions of this chapter that protect unborn children against those harmful
23 effects and that provide for the needs of unborn children, as described in par. (am),
24 shall be construed to apply throughout an expectant mother's pregnancy to the

SENATE BILL 681**SECTION 15**

1 extent that application of those provisions throughout an expectant mother's
2 pregnancy is constitutionally permissible and that expectant mothers who
3 habitually lack self-control in the use of alcohol beverages, hemp-derived
4 cannabinoid products, controlled substances, or controlled substance analogs,
5 exhibited to a severe degree, be encouraged to seek treatment for that habitual lack
6 of self-control voluntarily when voluntary treatment would be practicable and
7 effective.

8 **SECTION 16.** 48.02 (1) (am) and (1e) of the statutes are amended to read:

9 48.02 (1) (am) When used in referring to an unborn child, serious physical
10 harm inflicted on the unborn child, and the risk of serious physical harm to the
11 child when born, caused by the habitual lack of self-control of the expectant mother
12 of the unborn child in the use of alcohol beverages, hemp-derived cannabinoid
13 products, controlled substances, or controlled substance analogs, exhibited to a
14 severe degree.

15 (1e) "Alcohol and other drug abuse impairment" means a condition of a
16 person which is exhibited by characteristics of habitual lack of self-control in the
17 use of alcohol beverages, hemp-derived cannabinoid products, controlled
18 substances, or controlled substance analogs to the extent that the person's health is
19 substantially affected or endangered or the person's social or economic functioning
20 is substantially disrupted.

21 **SECTION 17.** 48.02 (8b) of the statutes is created to read:

22 48.02 (8b) "Hemp-derived cannabinoid product" has the meaning given in s.
23 125.02 (6p).

24 **SECTION 18.** 48.02 (17m) of the statutes is amended to read:

SENATE BILL 681**SECTION 18**

1 48.02 (17m) “Special treatment or care” means professional services which
2 need to be provided to a child or his or her family to protect the well-being of the
3 child, prevent placement of the child outside the home or meet the special needs of
4 the child. “Special treatment or care” also means professional services which need
5 to be provided to the expectant mother of an unborn child to protect the physical
6 health of the unborn child and of the child when born from the harmful effects
7 resulting from the habitual lack of self-control of the expectant mother in the use of
8 alcohol, hemp-derived cannabinoid products, controlled substances, or controlled
9 substance analogs, exhibited to a severe degree. This term includes, but is not
10 limited to, medical, psychological or psychiatric treatment, alcohol or other drug
11 abuse treatment or other services which the court finds to be necessary and
12 appropriate.

13 **SECTION 19.** 48.08 (3) of the statutes is amended to read:

14 48.08 (3) Any person authorized to provide or providing intake or
15 dispositional services for the court under s. 48.067 or 48.069 has the power of police
16 officers and deputy sheriffs only for the purpose of taking the expectant mother of
17 an unborn child into physical custody when the expectant mother comes voluntarily
18 or when there is a substantial risk that the physical health of the unborn child, and
19 of the child when born, will be seriously affected or endangered due to the expectant
20 mother’s habitual lack of self-control in the use of alcohol beverages, hemp-derived
21 cannabinoid products, controlled substances, or controlled substance analogs,
22 exhibited to a severe degree.

23 **SECTION 20.** 48.133 of the statutes is amended to read:

24 **48.133 Jurisdiction over unborn children in need of protection or**

SENATE BILL 681**SECTION 20**

1 **services and the expectant mothers of those unborn children.** The court
2 has exclusive original jurisdiction over an unborn child alleged to be in need of
3 protection or services which can be ordered by the court whose expectant mother
4 habitually lacks self-control in the use of alcohol beverages, hemp-derived
5 cannabinoid products, controlled substances, or controlled substance analogs,
6 exhibited to a severe degree, to the extent that there is a substantial risk that the
7 physical health of the unborn child, and of the child when born, will be seriously
8 affected or endangered unless the expectant mother receives prompt and adequate
9 treatment for that habitual lack of self-control. The court also has exclusive original
10 jurisdiction over the expectant mother of an unborn child described in this section.

11 **SECTION 21.** 48.19 (1) (cm) and (d) 8. of the statutes are amended to read:

12 48.19 (1) (cm) An order of the judge if made upon a showing satisfactory to the
13 judge that the child is an expectant mother, that due to the child expectant mother's
14 habitual lack of self-control in the use of alcohol beverages, hemp-derived
15 cannabinoid products, controlled substances, or controlled substance analogs,
16 exhibited to a severe degree, there is a substantial risk that the physical health of
17 the unborn child, and of the child when born, will be seriously affected or
18 endangered unless the child expectant mother is taken into custody and that the
19 child expectant mother is refusing or has refused to accept any alcohol or other drug
20 abuse services offered to her or is not making or has not made a good faith effort to
21 participate in any alcohol or other drug abuse services offered to her. The order
22 shall specify that the child expectant mother be held in custody under s. 48.207 (1).

23 (d) 8. The child is an expectant mother and there is a substantial risk that the
24 physical health of the unborn child, and of the child when born, will be seriously

SENATE BILL 681**SECTION 21**

1 affected or endangered due to the child expectant mother's habitual lack of self-
2 control in the use of alcohol beverages, hemp-derived cannabinoid products,
3 controlled substances, or controlled substance analogs, exhibited to a severe degree,
4 unless the child expectant mother is taken into custody.

5 **SECTION 22.** 48.193 (1) (c) and (d) 2. of the statutes are amended to read:

6 48.193 (1) (c) An order of the judge if made upon a showing satisfactory to the
7 judge that due to the adult expectant mother's habitual lack of self-control in the
8 use of alcohol beverages, hemp-derived cannabinoid products, controlled
9 substances, or controlled substance analogs, exhibited to a severe degree, there is a
10 substantial risk that the physical health of the unborn child, and of the child when
11 born, will be seriously affected or endangered unless the adult expectant mother is
12 taken into custody and that the adult expectant mother is refusing or has refused to
13 accept any alcohol or other drug abuse services offered to her or is not making or
14 has not made a good faith effort to participate in any alcohol or other drug abuse
15 services offered to her. The order shall specify that the adult expectant mother be
16 held in custody under s. 48.207 (1m).

17 (d) 2. There is a substantial risk that the physical health of the unborn child,
18 and of the child when born, will be seriously affected or endangered due to the adult
19 expectant mother's habitual lack of self-control in the use of alcohol beverages,
20 hemp-derived cannabinoid products, controlled substances, or controlled substance
21 analogs, exhibited to a severe degree, unless the adult expectant mother is taken
22 into custody.

23 **SECTION 23.** 48.205 (1) (d) and (1m) of the statutes are amended to read:

24 48.205 (1) (d) Probable cause exists to believe that the child is an expectant

SENATE BILL 681**SECTION 23**

1 mother, that if the child expectant mother is not held, there is a substantial risk
2 that the physical health of the unborn child, and of the child when born, will be
3 seriously affected or endangered by the child expectant mother's habitual lack of
4 self-control in the use of alcohol beverages, hemp-derived cannabinoid products,
5 controlled substances, or controlled substance analogs, exhibited to a severe degree,
6 and that the child expectant mother is refusing or has refused to accept any alcohol
7 or other drug abuse services offered to her or is not making or has not made a good
8 faith effort to participate in any alcohol or other drug abuse services offered to her.

9 (1m) An adult expectant mother of an unborn child may be held under s.
10 48.207 (1m) if the intake worker determines that there is probable cause to believe
11 that the adult expectant mother is within the jurisdiction of the court, to believe
12 that if the adult expectant mother is not held, there is a substantial risk that the
13 physical health of the unborn child, and of the child when born, will be seriously
14 affected or endangered by the adult expectant mother's habitual lack of self-control
15 in the use of alcohol beverages, hemp-derived cannabinoid products, controlled
16 substances, or controlled substance analogs, exhibited to a severe degree, and to
17 believe that the adult expectant mother is refusing or has refused to accept any
18 alcohol or other drug abuse services offered to her or is not making or has not made
19 a good faith effort to participate in any alcohol or other drug abuse services offered
20 to her.

21 **SECTION 24.** 48.21 (1) (b) 4. of the statutes is amended to read:

22 48.21 (1) (b) 4. That, if the child is an expectant mother who was taken into
23 custody under s. 48.19 (1) (cm) or (d) 8., probable cause exists to believe that there is
24 a substantial risk that if the child expectant mother is not held, the physical health

SENATE BILL 681**SECTION 24**

1 of the unborn child, and of the child when born, will be seriously affected or
2 endangered by the child expectant mother's habitual lack of self-control in the use
3 of alcohol beverages, hemp-derived cannabinoid products, controlled substances, or
4 controlled substance analogs, exhibited to a severe degree, and to believe that the
5 child expectant mother is refusing or has refused to accept any alcohol or other drug
6 abuse services offered to her or is not making or has not made a good faith effort to
7 participate in any alcohol or other drug abuse services offered to her.

8 **SECTION 25.** 48.213 (1) (b) of the statutes is amended to read:

9 48.213 (1) (b) If no petition has been filed by the time of the hearing, an adult
10 expectant mother of an unborn child may be held in custody with the approval of the
11 judge or circuit court commissioner for an additional 72 hours after the time of the
12 hearing, excluding Saturdays, Sundays and legal holidays, only if, as a result of the
13 facts brought forth at the hearing, the judge or circuit court commissioner
14 determines that probable cause exists to believe that there is a substantial risk that
15 if the adult expectant mother is not held, the physical health of the unborn child,
16 and of the child when born, will be seriously affected or endangered by the adult
17 expectant mother's habitual lack of self-control in the use of alcohol beverages,
18 hemp-derived cannabinoid products, controlled substances, or controlled substance
19 analogs, exhibited to a severe degree, and to believe that the adult expectant
20 mother is refusing or has refused to accept any alcohol or other drug abuse services
21 offered to her or is not making or has not made a good faith effort to participate in
22 any alcohol or other drug abuse services offered to her. The extension may be
23 granted only once for any petition. In the event of failure to file a petition within
24 the extension period provided for in this paragraph, the judge or circuit court

SENATE BILL 681**SECTION 25**

1 commissioner shall order the adult expectant mother's immediate release from
2 custody.

3 **SECTION 26.** 48.245 (2) (a) 3. and 4. of the statutes are amended to read:

4 48.245 (2) (a) 3. That the child or expectant mother submit to an alcohol and
5 other drug abuse assessment that conforms to the criteria specified under s. 48.547
6 (4) and that is conducted by an approved treatment facility for an examination of
7 the use of alcohol beverages, hemp-derived cannabinoid products, controlled
8 substances, or controlled substance analogs by the child or expectant mother and
9 any medical, personal, family or social effects caused by its use, if the
10 multidisciplinary screen conducted under s. 48.24 (2) shows that the child or
11 expectant mother is at risk of having needs and problems related to the use of
12 alcohol beverages, hemp-derived cannabinoid products, controlled substances, or
13 controlled substance analogs and its medical, personal, family or social effects.

14 4. That the child or expectant mother participate in an alcohol and other drug
15 abuse outpatient treatment program or an education program relating to the abuse
16 of alcohol beverages, hemp-derived cannabinoid products, controlled substances, or
17 controlled substance analogs, if an alcohol and other drug abuse assessment
18 conducted under subd. 3. recommends outpatient treatment or education.

19 **SECTION 27.** 48.295 (1) and (1g) of the statutes are amended to read:

20 48.295 (1) After the filing of a petition and upon a finding by the court that
21 reasonable cause exists to warrant a physical, psychological, mental, or
22 developmental examination or an alcohol and other drug abuse assessment that
23 conforms to the criteria specified under s. 48.547 (4), the court may order any child
24 coming within its jurisdiction to be examined as an outpatient by personnel in an

SENATE BILL 681**SECTION 27**

1 approved treatment facility for alcohol and other drug abuse, by a physician,
2 psychiatrist or licensed psychologist, or by another expert appointed by the court
3 holding at least a master's degree in social work or another related field of child
4 development, in order that the child's physical, psychological, alcohol or other drug
5 dependency, mental, or developmental condition may be considered. The court may
6 also order a physical, psychological, mental, or developmental examination or an
7 alcohol and other drug abuse assessment that conforms to the criteria specified
8 under s. 48.547 (4) of a parent, guardian, or legal custodian whose ability to care for
9 a child is at issue before the court or of an expectant mother whose ability to control
10 her use of alcohol beverages, hemp-derived cannabinoid products, controlled
11 substances, or controlled substance analogs is at issue before the court. The court
12 shall hear any objections by the child or the child's parents, guardian, or legal
13 custodian to the request for such an examination or assessment before ordering the
14 examination or assessment. The expenses of an examination, if approved by the
15 court, shall be paid by the county of the court ordering the examination in a county
16 having a population of less than 750,000 or by the department in a county having a
17 population of 750,000 or more. The payment for an alcohol and other drug abuse
18 assessment shall be in accordance with s. 48.361.

19 (1g) If the court orders an alcohol or other drug abuse assessment under sub.
20 (1), the approved treatment facility shall, within 14 days after the court order,
21 report the results of the assessment to the court, except that, upon request by the
22 approved treatment facility and if the child is not an expectant mother under s.
23 48.133 and is not held in secure or nonsecure custody, the court may extend the
24 period for assessment for not more than 20 additional working days. The report

SENATE BILL 681**SECTION 27**

1 shall include a recommendation as to whether the child or expectant mother is in
2 need of treatment for abuse of alcohol beverages, hemp-derived cannabinoid
3 products, controlled substances, or controlled substance analogs or education
4 relating to the use of alcohol beverages, hemp-derived cannabinoid products,
5 controlled substances, and controlled substance analogs and, if so, shall recommend
6 a service plan and an appropriate treatment, from an approved treatment facility,
7 or a court-approved education program.

8 **SECTION 28.** 48.31 (4) of the statutes is amended to read:

9 48.31 (4) The court or jury shall make findings of fact and the court shall
10 make conclusions of law relating to the allegations of a petition filed under s. 48.13,
11 48.133 or 48.42, except that the court shall make findings of fact relating to whether
12 the child or unborn child is in need of protection or services which can be ordered by
13 the court. In cases alleging a child to be in need of protection or services under s.
14 48.13 (11), the court may not find that the child is suffering emotional damage
15 unless a licensed physician specializing in psychiatry or a licensed psychologist
16 appointed by the court to examine the child has testified at the hearing that in his
17 or her opinion the condition exists, and adequate opportunity for the cross-
18 examination of the physician or psychologist has been afforded. The judge may use
19 the written reports if the right to have testimony presented is voluntarily,
20 knowingly and intelligently waived by the guardian ad litem or legal counsel for the
21 child and the parent or guardian. In cases alleging a child to be in need of
22 protection or services under s. 48.13 (11m) or an unborn child to be in need of
23 protection or services under s. 48.133, the court may not find that the child or the
24 expectant mother of the unborn child is in need of treatment and education for

SENATE BILL 681**SECTION 28**

1 needs and problems related to the use or abuse of alcohol beverages, hemp-derived
2 cannabinoid products, controlled substances, or controlled substance analogs and
3 its medical, personal, family or social effects unless an assessment for alcohol and
4 other drug abuse that conforms to the criteria specified under s. 48.547 (4) has been
5 conducted by an approved treatment facility.

6 **SECTION 29.** 48.345 (13) (a) and (b) and (14) (a) of the statutes are amended to
7 read:

8 48.345 (13) (a) If the report prepared under s. 48.33 (1) recommends that the
9 child is in need of treatment for the use or abuse of alcohol beverages, hemp-derived
10 cannabinoid products, controlled substances, or controlled substance analogs and
11 its medical, personal, family or social effects, the court may order the child to enter
12 an outpatient alcohol and other drug abuse treatment program at an approved
13 treatment facility. The approved treatment facility shall, under the terms of a
14 service agreement between the approved treatment facility and the county in a
15 county having a population of less than 750,000 or the department in a county
16 having a population of 750,000 or more, or with the written informed consent of the
17 child or the child's parent if the child has not attained the age of 12, report to the
18 agency primarily responsible for providing services to the child as to whether the
19 child is cooperating with the treatment and whether the treatment appears to be
20 effective.

21 (b) If the report prepared under s. 48.33 (1) recommends that the child is in
22 need of education relating to the use of alcohol beverages, hemp-derived
23 cannabinoid products, controlled substances, or controlled substance analogs, the
24 court may order the child to participate in an alcohol or other drug abuse education

SENATE BILL 681**SECTION 29**

1 program approved by the court. The person or agency that provides the education
2 program shall, under the terms of a service agreement between the education
3 program and the county in a county having a population of less than 750,000 or the
4 department in a county having a population of 750,000 or more, or with the written
5 informed consent of the child or the child's parent if the child has not attained the
6 age of 12, report to the agency primarily responsible for providing services to the
7 child about the child's attendance at the program.

8 (14) (a) If, based on an evaluation under s. 48.295 and the report under s.
9 48.33, the judge finds that the child expectant mother of an unborn child in need of
10 protection or services is in need of inpatient treatment for her habitual lack of self-
11 control in the use of alcohol, hemp-derived cannabinoid products, controlled
12 substances, or controlled substance analogs, exhibited to a severe degree, that
13 inpatient treatment is appropriate for the child expectant mother's needs and that
14 inpatient treatment is the least restrictive treatment consistent with the child
15 expectant mother's needs, the judge may order the child expectant mother to enter
16 an inpatient alcohol or other drug abuse treatment program at an inpatient facility,
17 as defined in s. 51.01 (10). The inpatient facility shall, under the terms of a service
18 agreement between the inpatient facility and the county in a county having a
19 population of less than 750,000 or the department in a county having a population
20 of 750,000 or more, or with the written and informed consent of the child expectant
21 mother or the child expectant mother's parent if the child expectant mother has not
22 attained the age of 12, report to the agency primarily responsible for providing
23 services to the child expectant mother as to whether the child expectant mother is
24 cooperating with the treatment and whether the treatment appears to be effective.

SENATE BILL 681**SECTION 30**

1 **SECTION 30.** 48.347 (5) (a) and (b) and (6) (a) of the statutes are amended to
2 read:

3 48.347 (5) (a) If the report prepared under s. 48.33 (1) recommends that the
4 adult expectant mother is in need of treatment for the use or abuse of alcohol
5 beverages, hemp-derived cannabinoid products, controlled substances, or controlled
6 substance analogs and its medical, personal, family or social effects, the court may
7 order the adult expectant mother to enter an outpatient alcohol and other drug
8 abuse treatment program at an approved treatment facility. The approved
9 treatment facility shall, under the terms of a service agreement between the
10 approved treatment facility and the county in a county having a population of less
11 than 750,000 or the department in a county having a population of 750,000 or more,
12 or with the written informed consent of the adult expectant mother, report to the
13 agency primarily responsible for providing services to the adult expectant mother
14 as to whether the adult expectant mother is cooperating with the treatment and
15 whether the treatment appears to be effective.

16 (b) If the report prepared under s. 48.33 (1) recommends that the adult
17 expectant mother is in need of education relating to the use of alcohol beverages,
18 hemp-derived cannabinoid products, controlled substances, or controlled substance
19 analogs, the court may order the adult expectant mother to participate in an alcohol
20 or other drug abuse education program approved by the court. The person or
21 agency that provides the education program shall, under the terms of a service
22 agreement between the education program and the county in a county having a
23 population of less than 750,000 or the department in a county having a population
24 of 750,000 or more, or with the written informed consent of the adult expectant

SENATE BILL 681**SECTION 30**

1 mother, report to the agency primarily responsible for providing services to the
2 adult expectant mother about the adult expectant mother's attendance at the
3 program.

4 (6) (a) If, based on an evaluation under s. 48.295 and the report under s.
5 48.33, the judge finds that the adult expectant mother is in need of inpatient
6 treatment for her habitual lack of self-control in the use of alcohol, hemp-derived
7 cannabinoid products, controlled substances, or controlled substance analogs,
8 exhibited to a severe degree, that inpatient treatment is appropriate for the adult
9 expectant mother's needs and that inpatient treatment is the least restrictive
10 treatment consistent with the adult expectant mother's needs, the judge may order
11 the adult expectant mother to enter an inpatient alcohol or other drug abuse
12 treatment program at an inpatient facility, as defined in s. 51.01 (10). The inpatient
13 facility shall, under the terms of a service agreement between the inpatient facility
14 and the county in a county having a population of less than 750,000 or the
15 department in a county having a population of 750,000 or more, or with the written
16 and informed consent of the adult expectant mother, report to the agency primarily
17 responsible for providing services to the adult expectant mother as to whether the
18 adult expectant mother is cooperating with the treatment and whether the
19 treatment appears to be effective.

20 **SECTION 31.** 48.547 (1) of the statutes is amended to read:

21 48.547 (1) LEGISLATIVE FINDINGS AND PURPOSE. The legislature finds that the
22 use and abuse of alcohol and other drugs by children and the expectant mothers of
23 unborn children is a state responsibility of statewide dimension. The legislature
24 recognizes that there is a lack of adequate procedures to screen, assess and treat

SENATE BILL 681**SECTION 31**

1 children and the expectant mothers of unborn children for alcohol and other drug
2 abuse. To reduce the incidence of alcohol and other drug abuse by children and the
3 expectant mothers of unborn children, the legislature deems it necessary to
4 experiment with solutions to the problems of the use and abuse of alcohol and other
5 drugs by children and the expectant mothers of unborn children by establishing a
6 juvenile and expectant mother alcohol and other drug abuse program in a limited
7 number of counties. The purpose of the program is to develop intake and court
8 procedures that screen, assess and give new dispositional alternatives for children
9 and expectant mothers with needs and problems related to the use of alcohol
10 beverages, hemp-derived cannabinoid products, controlled substances, or controlled
11 substance analogs who come within the jurisdiction of a court assigned to exercise
12 jurisdiction under this chapter and ch. 938 in the counties selected by the
13 department.

14 **SECTION 32.** 51.01 (8r) of the statutes is created to read:

15 51.01 (8r) "Hemp-derived cannabinoid product" has the meaning given in s.
16 125.02 (6p). "Hemp-derived cannabinoid product" is a drug for purposes of sub. (8).

17 **SECTION 33.** 51.45 (2) (f) and (4) (L) of the statutes are amended to read:

18 51.45 (2) (f) "Intoxicated person" means a person whose mental or physical
19 functioning is substantially impaired as a result of the use of alcohol, a hemp-
20 derived cannabinoid product, a controlled substance, a controlled substance analog,
21 or another drug.

22 (4) (L) Develop and maintain, in cooperation with other state agencies, local
23 governments and businesses and industries in the state, appropriate prevention,
24 treatment and rehabilitation programs and services for alcohol abuse, alcoholism,

SENATE BILL 681**SECTION 33**

1 hemp-derived cannabinoid product abuse, controlled substance use, and drug
2 dependence among employees thereof.

3 **SECTION 34.** 51.49 (1) (c) of the statutes is amended to read:

4 51.49 (1) (c) “Intoxicant” means any alcohol beverage, hemp-derived
5 cannabinoid product, hazardous inhalant, controlled substance, controlled
6 substance analog, or other drug, or any combination thereof.

7 **SECTION 35.** 64.28 (1) of the statutes is amended to read:

8 64.28 (1) At the election held, as provided by law, upon the first Tuesday in
9 April next succeeding the adoption of the provisions of ss. 64.25 to 64.40, there shall
10 be elected a council consisting of a mayor and 2 other members. Any person
11 possessing all the qualifications of an elector in such city other than the
12 qualification of residence therein shall be eligible to election as mayor or other
13 member of the council, but no person who holds a license for the sale of intoxicating
14 liquors or of hemp-derived cannabinoid products, as defined in s. 125.02 (6p), shall
15 be eligible to any such office. Both the mayor and the council members shall be
16 nominated and elected by the voters of the city at large.

17 **SECTION 36.** 68.02 (1) of the statutes is amended to read:

18 68.02 (1) The grant or denial in whole or in part after application of an initial
19 permit, license, right, privilege, or authority, except an alcohol beverage license or
20 license for the retail sale of hemp-derived cannabinoid products, as defined in s.
21 125.02 (6p).

22 **SECTION 37.** 68.03 (5) of the statutes is amended to read:

23 68.03 (5) The grant, denial, suspension, or revocation under s. 125.12 (1) of an

SENATE BILL 681**SECTION 37**

1 alcohol beverage license ~~under s. 125.12 (1)~~ or license for the retail sale of hemp-
2 derived cannabinoid products, as defined in s. 125.02 (6p).

3 **SECTION 38.** 73.01 (4) (a) of the statutes is amended to read:

4 73.01 (4) (a) Subject to the provisions for judicial review contained in s.
5 73.015, the commission shall be the final authority for the hearing and
6 determination of all questions of law and fact arising under sub. (5) and s. 72.86 (4),
7 1985 stats., and ss. 70.38 (4) (a), 70.397, 70.64, and 70.995 (8), s. 76.38 (12) (a), 1993
8 stats., ss. 76.39 (4) (c), 76.48 (6), 77.26 (3), 77.59 (5m) and (6) (b), 78.01, 78.22, 78.40,
9 78.555, 139.02, 139.03, 139.032, 139.06, 139.31, 139.315, 139.33, 139.76, 139.78,
10 177.1103, 177.1206 (3), 341.405, and 341.45, subch. XIV of ch. 71, and subch. VII of
11 ch. 77. Whenever with respect to a pending appeal there is filed with the
12 commission a stipulation signed by the department of revenue and the adverse
13 party, under s. 73.03 (25), or the department of transportation and the adverse
14 party agreeing to an affirmance, modification, or reversal of the department of
15 revenue's or department of transportation's position with respect to some or all of
16 the issues raised in the appeal, the commission shall enter an order affirming or
17 modifying in whole or in part, or canceling the assessment appealed from, or
18 allowing in whole or in part or denying the petitioner's refund claim, as the case
19 may be, pursuant to and in accordance with the stipulation filed. No responsibility
20 shall devolve upon the commission, respecting the signing of an order of dismissal
21 as to any pending appeal settled by the department of revenue or the department of
22 transportation without the approval of the commission.

23 **SECTION 39.** 77.51 (3t) of the statutes is amended to read:

24 77.51 (3t) "Food and food ingredient" means a substance in liquid,

SENATE BILL 681**SECTION 39**

1 concentrated, solid, frozen, dried, or dehydrated form, that is sold for ingestion, or
2 for chewing, by humans and that is ingested or chewed for its taste or nutritional
3 value. “Food and food ingredient” does not include alcoholic beverages ~~or~~, tobacco,
4 or hemp-derived cannabinoid products.

5 **SECTION 40.** 77.51 (4p) of the statutes is created to read:

6 77.51 (4p) “Hemp-derived cannabinoid product” has the meaning given in s.
7 125.02 (6p).

8 **SECTION 41.** 77.98 (1) (am) of the statutes is created to read:

9 77.98 (1) (am) Hemp-derived cannabinoid products, as defined in s. 125.02
10 (6p), if the hemp-derived cannabinoid products are for consumption on the seller’s
11 premises.

12 **SECTION 42.** 77.98 (3) of the statutes is amended to read:

13 77.98 (3) For purposes of sub. (1) (a) and (am), “premises” shall be broadly
14 construed and shall include the lobby, aisles, and auditorium of a theater or the
15 seating, aisles, and parking area of an arena, a rink, or a stadium, or the parking
16 area of a drive-in or an outdoor theater. The premises of a caterer with respect to
17 catered meals ~~or~~, beverages, or hemp-derived cannabinoid products shall be the
18 place where served.

19 **SECTION 43.** 77.98 (4) (a) of the statutes is amended to read:

20 77.98 (4) (a) Except as provided in par. (b), the tax imposed under this section
21 shall not be imposed on the sale of alcoholic beverages, hemp-derived cannabinoid
22 products, candy, prepared food, or soft drinks sold by a person primarily engaged, as
23 determined by the department, in the retail trade as a food and beverage store, as
24 classified under sector 44-45, subsector 445, of the North American Industry

SENATE BILL 681**SECTION 43**

1 Classification System, 2017 edition, published by the U.S. office of management
2 and budget, beginning on the first day of the calendar quarter that is at least 120
3 days after the date on which the bonds issued by the district under subch. II of ch.
4 229 during the first 60 months after April 26, 1994, and any debt issued to fund or
5 refund those bonds, are retired. The district shall notify the department of revenue,
6 in the manner prescribed by the department, when such bonds and debt are retired.

7 **SECTION 44.** 85.55 of the statutes is renumbered 85.55 (2) and amended to
8 read:

9 85.55 (2) The department may award grants to any county ~~or~~ municipality, or
10 ~~to any nonprofit corporation, as defined in s. 66.0129 (6) (b),~~ to cover the costs of
11 transporting persons suspected of ~~having a prohibited alcohol concentration, as~~
12 ~~defined in s. 340.01 (46m),~~ being intoxicated from any premises licensed under ch.
13 125 to sell alcohol beverages or hemp-derived cannabinoid products to their places
14 of residence or to cover the costs of advertising the availability of a service provided
15 by the county, municipality, or nonprofit corporation transporting persons
16 suspected of ~~having a prohibited alcohol concentration, as defined in s. 340.01~~
17 ~~(46m),~~ being intoxicated from any such licensed premises ~~licensed under ch. 125 to~~
18 ~~sell alcohol beverages~~ to their places of residence.

19 **(3)** The amount of a grant under this section may not exceed 80 percent of the
20 costs necessary to provide the service.

21 **(4)** The liability of a provider of a safe-ride program to persons transported
22 under the program is limited to the amounts required for an automobile liability
23 policy under s. 344.15 (1).

SENATE BILL 681**SECTION 44**

1 (5) Grants awarded under this section shall be paid from the appropriation
2 under s. 20.395 (5) (ek).

3 **SECTION 45.** 85.55 (1) of the statutes is created to read:

4 85.55 (1) In this section:

5 (a) “Hemp-derived cannabinoid product” has the meaning given in s. 125.02
6 (6p).

7 (b) “Intoxicated” means any of the following:

8 1. Having a prohibited alcohol concentration, as defined in s. 340.01 (46m).

9 2. Being under the influence of a hemp-derived cannabinoid product to a
10 degree that renders the person incapable of safely driving a motor vehicle.

11 (c) “Nonprofit corporation” has the meaning given in s. 66.0129 (6) (b).

12 **SECTION 46.** 94.55 (1) of the statutes is renumbered 94.55 (1) (intro.) and
13 amended to read:

14 94.55 (1) ~~DEFINITION~~ DEFINITIONS. (intro.) In this section, ~~“hemp”~~:

15 (a) “Hemp” means the plant Cannabis sativa L. and any part of that plant,
16 including the seeds thereof and all derivatives, extracts, cannabinoids, isomers,
17 acids, salts, and salts of isomers, whether growing or not, with a delta-9-
18 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight
19 basis or the maximum concentration allowed under federal law up to 1 percent,
20 whichever is greater, as tested using post-decarboxylation or other similarly reliable
21 methods. “Hemp” includes a hemp-derived cannabinoid product, as defined in s.
22 125.02 (6p). “Hemp” does not include a prescription drug product that has been
23 approved by the U.S. food and drug administration.

24 **SECTION 47.** 94.55 (1) (b) of the statutes is created to read:

SENATE BILL 681**SECTION 47**

1 94.55 (1) (b) “Hemp producer” means an owner, operator, landlord, tenant, or
2 sharecropper who shares in the risk of producing a hemp crop and who is entitled to
3 share in the crop available for marketing from the farm or would have shared had
4 the crop been produced. A producer includes a grower of hybrid hemp seed.

5 **SECTION 48.** 94.55 (1) (c) of the statutes is created to read:

6 94.55 (1) (c) “Produce” means to grow a plant or crop for market or for
7 cultivation for market.

8 **SECTION 49.** 94.55 (1m) of the statutes is created to read:

9 94.55 (1m) EXEMPTION. Subsections (2) to (4) do not apply to hemp-derived
10 cannabinoid products, as defined in s. 125.02 (6p).

11 **SECTION 50.** 97.29 (1) (c) and (h) 3. of the statutes are amended to read:

12 97.29 (1) (c) “Bottling establishment” means any place where drinking water,
13 soda water beverage, hemp-derived cannabinoid product beverage, or alcohol
14 beverage is manufactured or bottled for sale. “Bottling establishment” does not
15 include a retail establishment engaged in the preparation and sale of beverages
16 under a license issued under s. 125.26 ~~or~~, 125.51, or 125.761 or a license issued
17 under s. 97.30 for a restaurant or other license issued under s. 97.605.

18 (h) 3. An establishment covered by a license or permit under ch. 125 to sell
19 alcohol beverages or hemp-derived cannabinoid products if the food processing
20 activities related to alcohol beverages or hemp-derived cannabinoid products at that
21 establishment are limited to preparing individual servings of alcohol beverages or
22 hemp-derived cannabinoid product beverages that are sold on the premises in
23 accordance with the terms of the establishment’s license or permit under ch. 125.

24 **SECTION 51.** 97.29 (1) (hg) of the statutes is created to read:

SENATE BILL 681**SECTION 51**

1 97.29 (1) (hg) “Hemp-derived cannabinoid product” has the meaning given in
2 s. 125.02 (6p).

3 **SECTION 52.** 100.30 (2) (am) 1. and 2. and (c) 1. a. and 2. of the statutes are
4 amended to read:

5 100.30 (2) (am) 1. With respect to the sale of cigarettes or other tobacco
6 products, fermented malt beverages ~~or~~, intoxicating liquor, or ~~wine~~ hemp-derived
7 cannabinoid products, “cost to retailer” means the invoice cost of the merchandise to
8 the retailer within 30 days prior to the date of sale, or replacement cost of the
9 merchandise to the retailer, whichever is lower, less all trade discounts except
10 customary discounts for cash, plus any excise taxes imposed on such merchandise
11 or the sale thereof other than excise taxes collected by the retailer, and any cost
12 incurred for transportation and any other charges not otherwise included in the
13 invoice cost or the replacement cost of the merchandise as herein set forth, to which
14 shall be added a markup to cover a proportionate part of the cost of doing business,
15 which markup, in the absence of proof of a lesser cost, shall be 6 percent of the cost
16 to the retailer as herein set forth.

17 2. With respect to the sale of merchandise other than cigarettes or other
18 tobacco products, fermented malt beverages, intoxicating liquor ~~or wine~~, hemp-
19 derived cannabinoid products, or motor vehicle fuel, “cost to retailer” means the
20 invoice cost of the merchandise to the retailer, or replacement cost of the
21 merchandise to the retailer, whichever is lower, less all trade discounts except
22 customary discounts for cash, plus any excise taxes imposed on such merchandise
23 or the sale thereof other than excise taxes collected by the retailer, and any cost

SENATE BILL 681**SECTION 52**

1 incurred for transportation and any other charges not otherwise included in the
2 invoice cost or the replacement cost of the merchandise as herein set forth.

3 (c) 1. a. With respect to the sale of cigarettes or other tobacco products,
4 fermented malt beverages ~~or~~, intoxicating liquor, ~~or wine~~ hemp-derived cannabinoid
5 products, “cost to wholesaler” means, except as provided in subd. 1. b., the invoice
6 cost of the merchandise to the wholesaler within 30 days prior to the date of sale, or
7 the replacement cost of the merchandise to the wholesaler, whichever is lower, less
8 all trade discounts except customary discounts for cash, plus any excise taxes
9 imposed on the sale thereof prior to the sale at retail, and any cost incurred for
10 transportation and any other charges not otherwise included in the invoice cost or
11 the replacement cost of the merchandise as herein set forth, to which shall be
12 added, except for sales at wholesale between wholesalers, a markup to cover a
13 proportionate part of the cost of doing business, which markup, in the absence of
14 proof of a lesser cost, shall be 3 percent of the cost to the wholesaler as herein set
15 forth.

16 2. With respect to the sale of merchandise other than cigarettes or other
17 tobacco products, fermented malt beverages, intoxicating liquor ~~or wine~~, hemp-
18 derived cannabinoid products, or motor vehicle fuel, “cost to wholesaler” means the
19 invoice cost of the merchandise to the wholesaler, or the replacement cost of the
20 merchandise to the wholesaler, whichever is lower, less all trade discounts except
21 customary discounts for cash, plus any excise taxes imposed on the sale thereof
22 prior to the sale at retail, and any cost incurred for transportation and any other
23 charges not otherwise included in the invoice cost or the replacement cost of the
24 merchandise as herein set forth.

SENATE BILL 681**SECTION 53**

SECTION 53. 100.30 (2) (cjm) of the statutes is created to read:

100.30 (2) (cjm) “Fermented malt beverages” has the meaning given in s. 125.02 (6).

SECTION 54. 100.30 (2) (ck) of the statutes is created to read:

100.30 (2) (ck) “Hemp-derived cannabinoid product” has the meaning given in s. 125.02 (6p).

SECTION 55. 100.30 (2) (ckm) of the statutes is created to read:

100.30 (2) (ckm) “Intoxicating liquor” has the meaning given in s. 125.02 (8).

SECTION 56. 100.30 (2) (k) of the statutes is amended to read:

100.30 (2) (k) In the case of retail sales of ~~alcohol~~ fermented malt beverages, intoxicating liquor, or hemp-derived cannabinoid products, “trade discount” shall not include discounts in the form of cash or merchandise.

SECTION 57. 100.30 (5) (a) of the statutes is amended to read:

100.30 (5) (a) The department may issue a special order as provided in s. 93.18 against a retailer, wholesaler, wholesaler of motor vehicle fuel, or refiner requiring the person to cease and desist from violating this section in the sale of cigarettes or other tobacco products, fermented malt beverages, intoxicating liquor ~~or wine, hemp-derived cannabinoid products,~~ or motor vehicle fuel. The department or a district attorney may commence an action on behalf of the state against a retailer, wholesaler, wholesaler of motor vehicle fuel, or refiner who violates a special order issued under this paragraph to recover a forfeiture of not less than \$200 nor more than \$5,000 for each violation.

SECTION 58. 101.123 (1) (av) of the statutes is created to read:

101.123 (1) (av) “Inhalable hemp-derived cannabinoid product” means a

SENATE BILL 681**SECTION 58**

1 hemp-derived cannabinoid product, as defined in s. 125.02 (6p), that is produced,
2 marketed, or otherwise intended to be inhaled.

3 **SECTION 59.** 101.123 (1) (h) (intro.) of the statutes is amended to read:

4 101.123 (1) (h) (intro.) “Smoking” means burning or holding, or inhaling or
5 exhaling smoke from, any of the following items ~~containing that, except with~~
6 respect to subd. 5., contain tobacco:

7 **SECTION 60.** 101.123 (1) (h) 5. of the statutes is created to read:

8 101.123 (1) (h) 5. A lighted inhalable hemp-derived cannabinoid product.

9 **SECTION 61.** 108.02 (17g) of the statutes is created to read:

10 108.02 **(17g)** HEMP-DERIVED CANNABINOID PRODUCT. “Hemp-derived
11 cannabinoid product” has the meaning given in s. 125.02 (6p).

12 **SECTION 62.** 108.04 (5) (a) of the statutes is amended to read:

13 108.04 **(5)** (a) A violation by an employee of an employer’s reasonable written
14 policy concerning the use of alcohol beverages or hemp-derived cannabinoid
15 products, or use of a controlled substance or a controlled substance analog, if the
16 employee:

17 1. Had knowledge of the alcohol beverage, hemp-derived cannabinoid product,
18 or controlled substance policy; and

19 2. Admitted to the use of alcohol beverages, hemp-derived cannabinoid
20 products, or a controlled substance or controlled substance analog or refused to take
21 a test or tested positive for the use of alcohol beverages, hemp-derived cannabinoid
22 products, or a controlled substance or controlled substance analog in a test used by
23 the employer in accordance with a testing methodology approved by the
24 department.

SENATE BILL 681**SECTION 63**

SECTION 63. 111.32 (7r) of the statutes is created to read:

111.32 **(7r)** “Hemp-derived cannabinoid product” has the meaning given in s. 125.02 (6p).

SECTION 64. 111.32 (9m) of the statutes is created to read:

111.32 **(9m)** “Lawful product” does not include any hemp-derived cannabinoid product.

SECTION 65. 111.34 (1) (b) of the statutes is amended to read:

111.34 **(1) (b)** ~~Refusing~~ Subject to sub. (3), refusing to reasonably accommodate an employee’s or prospective employee’s disability unless the employer can demonstrate that the accommodation would pose a hardship on the employer’s program, enterprise or business.

SECTION 66. 111.34 (3) of the statutes is created to read:

111.34 **(3) (a)** Notwithstanding s. 111.322, this subchapter does not apply with respect to any act of an employer based upon an individual’s use or possession of hemp-derived cannabinoid products or the individual testing positive for the presence of tetrahydrocannabinols.

(b) Nothing in this subchapter requires an employer to permit, accommodate, or allow the use or possession of hemp-derived cannabinoid products or to modify any job or working conditions of any employee who engages or wishes to engage in the use or possession of hemp-derived cannabinoid products.

(c) Nothing in this subchapter prohibits an employer from refusing to hire, terminating, discharging, disciplining, or otherwise discriminating against an individual with respect to hiring, discharging, tenure, promotion, or compensation,

SENATE BILL 681**SECTION 66**

1 or in terms, conditions, or privileges of employment as a result, in whole or in part,
2 of the individual's use or possession of hemp-derived cannabinoid products or the
3 individual testing positive for the presence of tetrahydrocannabinols, regardless of
4 any impairment or lack of impairment resulting therefrom.

5 **SECTION 67.** 114.002 (14m) of the statutes is created to read:

6 114.002 (**14m**) "Hemp-derived cannabinoid product" has the meaning given
7 in s. 125.02 (6p).

8 **SECTION 68.** 114.09 (1) (b) 1. of the statutes is amended to read:

9 114.09 (**1**) (b) 1. No person may operate an aircraft in the air or on the ground
10 or water while under the influence of intoxicating liquor, hemp-derived cannabinoid
11 products, or controlled substances or controlled substance analogs under ch. 961 or
12 a combination thereof, under the influence of any other drug to a degree which
13 renders him or her incapable of safely operating an aircraft, or under the combined
14 influence of intoxicating liquor and any other drug to a degree which renders him or
15 her incapable of safely operating an aircraft.

16 **SECTION 69.** 114.09 (2) (bm) 1. (intro.) and 4. of the statutes are amended to
17 read:

18 114.09 (**2**) (bm) 1. (intro.) Except as provided in subd. 1. a. or b., the court
19 shall order the person violating sub. (1) (b) 1. or 1m. to submit to and comply with
20 an assessment by an approved public treatment facility as defined in s. 51.45 (2) (c)
21 for examination of the person's use of alcohol, hemp-derived cannabinoid products,
22 controlled substances, or controlled substance analogs and development of an
23 airman safety plan for the person. The court shall notify the person, the

SENATE BILL 681**SECTION 69**

1 department, and the proper federal agency of the assessment order. The
2 assessment order shall:

3 4. The assessment report shall order compliance with an airman safety plan.
4 The report shall inform the person of the fee provisions under s. 46.03 (18) (f). The
5 safety plan may include a component that makes the person aware of the effect of
6 his or her offense on a victim and a victim's family. The safety plan may include
7 treatment for the person's misuse, abuse, or dependence on alcohol, hemp-derived
8 cannabinoid products, controlled substances, or controlled substance analogs. If
9 the plan requires inpatient treatment, the treatment shall not exceed 30 days. An
10 airman safety plan under this paragraph shall include a termination date
11 consistent with the plan that shall not extend beyond one year. The county
12 department under s. 51.42 shall assure notification of the department of
13 transportation and the person of the person's compliance or noncompliance with
14 assessment and treatment.

15 **SECTION 70.** 115.001 (3f) of the statutes is created to read:

16 115.001 (3f) HEMP-DERIVED CANNABINOID PRODUCT. "Hemp-derived
17 cannabinoid product" has the meaning given in s. 125.02 (6p).

18 **SECTION 71.** 115.35 (1) of the statutes is amended to read:

19 115.35 (1) A critical health problems education program is established in the
20 department. The program shall be a systematic and integrated program designed
21 to provide appropriate learning experiences based on scientific knowledge of the
22 human organism as it functions within its environment and designed to favorably
23 influence the health, understanding, attitudes and practices of the individual child
24 which will enable him or her to adapt to changing health problems of our society.

SENATE BILL 681**SECTION 71**

1 The program shall be designed to educate youth with regard to critical health
2 problems and shall include, but not be limited to, the following topics as the basis
3 for comprehensive education curricula in all elementary and secondary schools:
4 controlled substances, as defined in s. 961.01 (4); controlled substance analogs, as
5 defined in s. 961.01 (4m); hemp-derived cannabinoid products; alcohol; tobacco;
6 mental health; sexually transmitted diseases, including acquired
7 immunodeficiency syndrome; human growth and development; and related health
8 and safety topics. Participation in the human growth and development topic of the
9 curricula shall be entirely voluntary. The department may not require a school
10 board to use a specific human growth and development curriculum.

11 **SECTION 72.** 118.01 (2) (d) 2. c., 6. and 7. of the statutes are amended to read:

12 118.01 (2) (d) 2. c. Knowledge of physiology and hygiene, sanitation, the
13 effects of controlled substances under ch. 961, hemp-derived cannabinoid products,
14 and alcohol upon the human system, symptoms of disease and the proper care of the
15 body. No pupil may be required to take instruction in these subjects if his or her
16 parent files with the teacher a written objection thereto. If a pupil does not take
17 instruction in these subjects as a result of parental objection, the pupil may not be
18 required to be examined in the subjects and may not be penalized in any way for not
19 taking such instruction, but if the subjects receive credit toward graduation, the
20 school board may require the pupil to complete an alternative assignment that is
21 similar to the subjects in the length of time necessary to complete. Instruction in
22 physiology and hygiene shall include instruction on sexually transmitted diseases
23 and shall be offered in every high school.

24 6. Knowledge of the prevention of accidents and promotion of safety on the

SENATE BILL 681**SECTION 72**

1 public highways, including instruction on the relationship between highway safety
2 and the use of alcohol, hemp-derived cannabinoid products, and controlled
3 substances, including prescription drugs, under ch. 961.

4 7. The skills needed to make sound decisions, knowledge of the conditions
5 which may cause and the signs of suicidal tendencies, knowledge of the relationship
6 between youth suicide and the use of alcohol, hemp-derived cannabinoid products,
7 and controlled substances, including prescription drugs, under ch. 961 and
8 knowledge of the available community youth suicide prevention and intervention
9 services. Instruction shall be designed to help prevent suicides by pupils by
10 promoting the positive emotional development of pupils.

11 **SECTION 73.** 118.124 (2) (a) 6. of the statutes is amended to read:

12 118.124 (2) (a) 6. Use or possession of alcohol, a hemp-derived cannabinoid
13 product, a controlled substance, as defined in s. 961.01 (4), or a controlled substance
14 analog, as defined in s. 961.01 (4m).

15 **SECTION 74.** 118.257 (2) of the statutes is amended to read:

16 118.257 (2) A school administrator, principal, pupil services professional, or
17 teacher employed by a school board is not liable for referring a pupil enrolled in the
18 school district to law enforcement authorities, or for removing a pupil from the
19 school premises or from participation in a school-sponsored activity, for suspicion of
20 possession, distribution, delivery or consumption of an alcohol beverage ~~or a~~, hemp-
21 derived cannabinoid product, controlled substance, or controlled substance analog.

22 **SECTION 75.** Chapter 125 (title) of the statutes is amended to read:

CHAPTER 125**ALCOHOL BEVERAGES**

AND HEMP-DERIVED**CANNABINOID PRODUCTS**

SECTION 76. 125.02 (5g) of the statutes is amended to read:

125.02 **(5g)** “Division” means the division of ~~alcohol beverages~~ intoxicating products in the department.

SECTION 77. 125.02 (6i) of the statutes is created to read:

125.02 **(6i)** “Hemp” has the meaning given in s. 94.55 (1) (a).

SECTION 78. 125.02 (6k) of the statutes is created to read:

125.02 **(6k)** “Hemp concentrate” means the extracts or resins of hemp, including extracts or resins that are refined to increase the presence of targeted cannabinoids, but does not include refined cannabinoids or synthetic cannabinoids.

SECTION 79. 125.02 (6m) of the statutes is renumbered 125.02 (6t).

SECTION 80. 125.02 (6n) of the statutes is created to read:

125.02 **(6n)** (a) Subject to par. (b), “hemp-derived cannabinoid” means any cannabinoid that is extracted from hemp, including a refined cannabinoid and including any of the following:

1. Delta-6-tetrahydrocannabinol or delta-6-tetrahydrocannabinolic acid or delta-6-tetrahydrocannabivarin.

2. Delta-8-tetrahydrocannabinol or delta-8-tetrahydrocannabinolic acid or delta-8-tetrahydrocannabivarin.

3. Delta-9-tetrahydrocannabinol or delta-9-tetrahydrocannabinolic acid or delta-9-tetrahydrocannabivarin.

4. Delta-10-tetrahydrocannabinol or delta-10-tetrahydrocannabinolic acid or delta-10-tetrahydrocannabivarin.

SENATE BILL 681**SECTION 80**

(b) “Hemp-derived cannabinoid” does not include any of the following:

1. Tetrahydrocannabiphorol.
2. Tetrahydrocannabinol acetate.
3. Hexahydrocannabinol.
4. Any synthetic cannabinoid.

SECTION 81. 125.02 (6p) of the statutes is created to read:

125.02 (**6p**) (a) Subject to par. (b), “hemp-derived cannabinoid product” means a product that contains or that is labeled to contain a hemp-derived cannabinoid and that is produced, marketed, or otherwise intended to be ingested orally, inhaled, or absorbed through the skin.

(b) “Hemp-derived cannabinoid product” does not include any of the following:

1. A hemp-derived topical product, as defined in s. 125.775 (1).
2. A cannabidiol product, as defined in s. 961.01 (3r), that is governed by ss. 961.32 (2m) and 961.38 (1n) (b), and any tetrahydrocannabinol contained in a cannabidiol product that is dispensed as provided in s. 961.38 (1n) (a) or that is possessed as provided in s. 961.32 (2m) (b).
3. A prescription drug product that has been approved by the U.S. food and drug administration.

SECTION 82. 125.02 (9) of the statutes is amended to read:

125.02 (**9**) “License” means an authorization to sell alcohol beverages or hemp-derived cannabinoid products issued by a municipal governing body under this chapter.

SECTION 83. 125.02 (10) of the statutes is amended to read:

125.02 (**10**) ~~“Manufacturer”~~ Except in ss. 125.25 (2) (b) 7. and 125.26 (2) (b) 7.

SENATE BILL 681**SECTION 83**

1 and subch. IV, “manufacturer” means a person, other than a rectifier, that
2 ferments, manufactures, or distills intoxicating liquor.

3 **SECTION 84.** 125.02 (16m) of the statutes is created to read:

4 125.02 **(16m)** “Refined cannabinoid” means a cannabinoid extracted from
5 hemp with a chemical makeup that is changed after extraction to create a different
6 cannabinoid or other chemical compound by applying a catalyst other than heat or
7 light. “Refined cannabinoid” includes any tetrahydrocannabinol created from
8 cannabidiol or hemp concentrate, except that “refined cannabinoid” does not include
9 a cannabinoid described in sub. (6n) (b) 1. to 4. or a product described in sub. (6p)
10 (b).

11 **SECTION 85.** 125.02 (19) of the statutes is amended to read:

12 125.02 **(19)** “Retailer” means any person who sells, or offers for sale, any
13 alcohol beverages or hemp-derived cannabinoid products to any person other than a
14 person holding a permit or a license under this chapter.

15 **SECTION 86.** 125.02 (20) of the statutes is amended to read:

16 125.02 **(20)** “Sell”, “sold”, “sale” or “selling” means any transfer of alcohol
17 beverages or hemp-derived cannabinoid products with consideration or any transfer
18 without consideration if knowingly made for purposes of evading the law relating to
19 the sale of alcohol beverages or hemp-derived cannabinoid products, or any shift,
20 device, scheme, or transaction for obtaining alcohol beverages or hemp-derived
21 cannabinoid products, including the solicitation of orders for, or the sale for future
22 delivery of, alcohol beverages or hemp-derived cannabinoid products.

23 **SECTION 87.** 125.02 (20e) of the statutes is created to read:

24 125.02 **(20e)** “Synthetic cannabinoid” means a substance with a similar

SENATE BILL 681**SECTION 87**

1 chemical structure and pharmacological activity to a cannabinoid but that is not
2 extracted or derived from hemp and is instead created or produced by chemical or
3 biochemical synthesis.

4 **SECTION 88.** 125.025 (1) of the statutes is amended to read:

5 125.025 (1) ADMINISTRATION; PERSONNEL. (a) The division, under the
6 direction and supervision of the administrator, shall administer this chapter and
7 have jurisdiction over alcohol beverages and hemp-derived cannabinoid product
8 regulation, enforcement, and education in this state. The division is responsible for
9 administering regulatory programs; promoting regulatory transparency; promoting
10 statutory changes to create clarity, consistency, and simplicity in alcohol beverage
11 and hemp-derived cannabinoid product regulatory requirements; and ensuring
12 active, consistent enforcement of alcohol beverage and hemp-derived cannabinoid
13 product laws.

14 (b) The administrator may appoint, in the classified service, special agents
15 and other employees necessary to carry out the permitting, audit, legal, education,
16 and enforcement functions of the division. The division shall employ no fewer than
17 10 ~~alcohol beverage~~ field agents to perform enforcement activities under the
18 direction of the director of the bureau created under s. 15.433 (2) (b) dedicated to
19 enforcement.

20 (c) The administrator and any employee of the division may not be employed
21 by or have a substantial financial interest in the alcohol beverages or hemp-derived
22 cannabinoid product industry or any business subject to the division's jurisdiction.

23 **SECTION 89.** 125.025 (3) of the statutes is amended to read:

24 125.025 (3) INSPECTION FOR ENFORCEMENT. Duly authorized employees of the

SENATE BILL 681**SECTION 89**

1 department of justice and the division and any sheriff, police officer, marshal, or
2 constable, within their respective jurisdictions, may, during normal business hours,
3 enter any licensed premises, and examine the books, papers, and records of any
4 brewer, brewpub, manufacturer, rectifier, wholesaler, retailer, permittee under s.
5 125.751, 125.753, 125.755, 125.756, or 125.757, fulfillment house, or common
6 carrier and may inspect and examine, according to law, any premises where
7 ~~fermented malt alcohol~~ alcohol beverages or ~~intoxicating liquors~~ hemp-derived cannabinoid
8 products are manufactured, sold, exposed for sale, possessed, or stored, for the
9 purpose of inspecting the same and determining whether this chapter is being
10 complied with. Any refusal to permit such examination of such premises is
11 sufficient grounds under s. 125.12 for revocation or suspension of any license or
12 permit issued under this chapter and is punishable under s. 125.11 (3). Inspection
13 of hemp-derived cannabinoid products under this subsection may include testing or
14 sampling these products.

15 **SECTION 90.** 125.025 (4) of the statutes is amended to read:

16 125.025 (4) LIST OF PERMITTEES. The division shall provide the department
17 with all information necessary for the department to publish the information
18 specified in s. 139.11 (4) (a) 2. ~~and~~, (b) 2., and (c).

19 **SECTION 91.** 125.025 (6) of the statutes is created to read:

20 125.025 (6) ADDITIONAL POWERS AND DUTIES RELATED TO HEMP-DERIVED
21 CANNABINOID PRODUCTS. (a) The division shall develop, maintain, and enforce,
22 consistent with the provisions of this chapter, an organized system of regulation for
23 the hemp-derived cannabinoid product industry.

24 (b) The division may enter into interagency agreements with the department

SENATE BILL 681**SECTION 91**

1 of agriculture, trade and consumer protection to ensure that hemp-derived
2 cannabinoid products that are produced, marketed, or otherwise intended to be
3 ingested orally are handled in a manner consistent with relevant food safety
4 requirements.

5 (c) The division shall, annually on or before October 15, submit to the
6 governor, the joint committee on finance, and the chief clerk of each house of the
7 legislature for distribution to the appropriate standing committees under s. 13.172
8 (3) a report detailing the revenue generated from fees and taxes related to hemp-
9 derived cannabinoid products in the preceding fiscal year.

10 (d) Alcohol beverages regulation and enforcement; enforcing the 3-tier system
11 for alcohol beverages production, distribution, and sale; and general program
12 operations of the division include administering and enforcing all provisions of this
13 chapter.

14 **SECTION 92.** 125.035 (title) of the statutes is amended to read:

15 **125.035 (title) Civil liability exemption: furnishing alcohol beverages**
16 **or hemp-derived cannabinoid products.**

17 **SECTION 93.** 125.035 (2m) of the statutes is created to read:

18 125.035 (2m) A person is immune from civil liability arising out of the act of
19 procuring hemp-derived cannabinoid products for or selling, dispensing, or giving
20 away hemp-derived cannabinoid products to another person.

21 **SECTION 94.** 125.035 (3m) of the statutes is created to read:

22 125.035 (3m) Subsection (2m) does not apply if the person procuring, selling,
23 dispensing, or giving away hemp-derived cannabinoid products causes their

SENATE BILL 681**SECTION 94**

1 consumption by force or by representing that the products do not contain any
2 cannabinoid.

3 **SECTION 95.** 125.035 (4) (a) of the statutes is amended to read:

4 125.035 (4) (a) In this subsection, “provider” means a person, including a
5 licensee or permittee, who procures alcohol beverages or hemp-derived cannabinoid
6 products for or sells, dispenses, or gives away alcohol beverages or hemp-derived
7 cannabinoid products to an underage person in violation of s. 125.07 (1) (a).

8 **SECTION 96.** 125.035 (4) (b) (intro.) of the statutes is amended to read:

9 125.035 (4) (b) (intro.) ~~Subsection (2) does~~ Subsections (2) and (2m) do not
10 apply if the provider knew or should have known that the underage person was
11 under the legal drinking age and if the alcohol beverages or hemp-derived
12 cannabinoid products provided to the underage person were a substantial factor in
13 causing injury to a 3rd party. In determining whether a provider knew or should
14 have known that the underage person was under the legal drinking age, all relevant
15 circumstances surrounding the procuring, selling, dispensing, or giving away of the
16 alcohol beverages or hemp-derived cannabinoid products may be considered,
17 including any circumstance under subds. 1. to 4. In addition, ~~sub. (2) does~~ subs. (2)
18 and (2m) apply if all of the following occur:

19 **SECTION 97.** 125.035 (4) (b) 3. of the statutes is amended to read:

20 125.035 (4) (b) 3. The alcohol beverages or hemp-derived cannabinoid
21 products are provided in good faith reliance on the underage person’s
22 representation that he or she has attained the legal drinking age.

23 **SECTION 98.** 125.035 (5) of the statutes is amended to read:

24 125.035 (5) ~~Subsection (2) does~~ Subsections (2) and (2m) do not apply to civil

SENATE BILL 681**SECTION 98**

1 forfeiture actions for violation of any provision of this chapter or any local ordinance
2 in conformity with any provision of this chapter.

3 **SECTION 99.** 125.037 (intro.), (1) and (2) of the statutes are amended to read:

4 **125.037 Civil liability exemption for municipalities.** (intro.) No
5 municipality, as defined in s. 67.01 (5), or municipal governing body, committee,
6 official, or employee is civilly liable for damage to any person or property caused by
7 the consumption of alcohol beverages or hemp-derived cannabinoid products by that
8 person or any other person, by reason of any of the following:

9 (1) Issuing a license to sell alcohol beverages or hemp-derived cannabinoid
10 products.

11 (2) Allowing the holder of a license or permit to sell, dispense, or give away
12 alcohol beverages or hemp-derived cannabinoid products on property owned or
13 leased by the municipality.

14 **SECTION 100.** 125.04 (3) (a) 1. of the statutes is amended to read:

15 125.04 (3) (a) 1. A history of the applicant relevant to the applicant's fitness to
16 hold a license or permit, including whether the applicant is a restricted investor
17 requiring disclosure under s. 125.20 (6) (a) 5. or 125.765 (3) (a) 5. and the basis of
18 this status.

19 **SECTION 101.** 125.04 (3) (a) 3. of the statutes is amended to read:

20 125.04 (3) (a) 3. The premises where alcohol beverages or hemp-derived
21 cannabinoid products will be sold or stored or both.

22 **SECTION 102.** 125.04 (3) (f) 1. of the statutes is amended to read:

23 125.04 (3) (f) 1. Except as provided in subds. 2. and 3., all applications for
24 licenses to sell alcohol beverages or hemp-derived cannabinoid products shall be

SENATE BILL 681**SECTION 102**

1 filed with the clerk of the municipality in which the premises are located at least 15
2 days prior to the granting of the license.

3 **SECTION 103.** 125.04 (3) (g) (intro.) of the statutes is amended to read:

4 125.04 (3) (g) *Publication of application for license.* (intro.) The municipal
5 clerk shall publish each application for a Class “A”, Class “B”, “Class A”, “Class B” or
6 “Class C” license, except licenses under ss. 125.26 (6) and 125.51 (10), and each
7 application for a Class “HDC-A” or Class “HDC-B” license, prior to its issuance in a
8 newspaper according to the following conditions:

9 **SECTION 104.** 125.04 (3) (h) of the statutes is amended to read:

10 125.04 (3) (h) *Subsequent changes.* Within 30 days of any change in any fact
11 set out in an application for a license or permit to sell alcohol beverages or hemp-
12 derived cannabinoid products, the licensee or permittee shall file with the issuing
13 authority a written description of the changed fact, including any change in
14 restricted investors under s. 125.20 (6) (a) 5. or 125.765 (3) (a) 5.

15 **SECTION 105.** 125.04 (3) (i) 1. and 2. of the statutes are amended to read:

16 125.04 (3) (i) 1. Any person may inspect applications for licenses to sell alcohol
17 beverages or hemp-derived cannabinoid products.

18 2. The clerk of the municipality shall retain all applications made to it for
19 licenses to sell alcohol beverages or hemp-derived cannabinoid products.

20 **SECTION 106.** 125.04 (3) (j) of the statutes is amended to read:

21 125.04 (3) (j) *Penalty for materially false application information, affidavit*
22 *representation.* Any person who knowingly provides materially false information in
23 an application for a license or permit under this chapter or on a form under par. (k)
24 or (L), and any person who materially violates any representation made in an

SENATE BILL 681**SECTION 106**

1 affidavit under s. 125.20 (6) (a) 6. or (c) 4. or 125.765 (3) (a) 6. or (c) 4., may be
2 required to forfeit not more than \$1,000.

3 **SECTION 107.** 125.04 (3) (L) of the statutes is created to read:

4 125.04 (3) (L) *Approval of retail outlets of hemp-derived cannabinoid product*
5 *manufacturers.* The division shall prepare a form for use by a permittee under s.
6 125.751 to request approval for a retail outlet under s. 125.751 (6) (d) 1. The form
7 shall be similar to the form for a retail license application under par. (a). An
8 applicant shall use the form to submit a request for approval of a retail outlet under
9 s. 125.751 (6) (d) 1.

10 **SECTION 108.** 125.04 (5) (a) (intro.) of the statutes is amended to read:

11 125.04 (5) (a) *Natural persons.* (intro.) Licenses and permits related to
12 alcohol beverages or hemp-derived cannabinoid products, issued to natural persons
13 under this chapter, may be issued only to persons who fulfill all of the following
14 requirements:

15 **SECTION 109.** 125.04 (5) (b) of the statutes is amended to read:

16 125.04 (5) (b) *Criminal offenders.* No license or permit related to alcohol
17 beverages or hemp-derived cannabinoid products may, subject to ss. 111.321,
18 111.322 and 111.335, be issued under this chapter to any person who has habitually
19 been a law offender or has been convicted of a felony unless the person has been
20 duly pardoned.

21 **SECTION 110.** 125.04 (5) (e) of the statutes is created to read:

22 125.04 (5) (e) *Hemp-derived cannabinoid product licenses and permits.* 1.
23 Paragraph (a) 5. does not apply to applicants for permits issued under s. 125.751,
24 125.753, 125.755, 125.756, or 125.757 or licenses issued under s. 125.761.

SENATE BILL 681**SECTION 110**

1 2. Paragraph (a) 2. to 5. does not apply to applicants for a permit issued under
2 s. 125.759, but a permit under s. 125.759 may be issued only to applicants who have
3 attained the age of 18 years.

4 **SECTION 111.** 125.04 (6) (a) (intro.) of the statutes is amended to read:

5 125.04 (6) (a) *Agent.* (intro.) No corporation or limited liability company
6 organized under the laws of this state or of any other state or foreign country may be
7 issued any alcohol beverage license or permit, or any hemp-derived cannabinoid
8 product license or permit, unless:

9 **SECTION 112.** 125.04 (6) (a) 2. of the statutes is amended to read:

10 125.04 (6) (a) 2. The entity vests in the agent, by properly authorized and
11 executed written delegation, full authority and control of the premises described in
12 the license or permit of the entity, and of the conduct of all business on the premises
13 relative to alcohol beverages or hemp-derived cannabinoid products, that the
14 licensee or permittee could have and exercise if it were a natural person.

15 **SECTION 113.** 125.04 (8) (a) of the statutes is amended to read:

16 125.04 (8) (a) No license for the sale of alcohol beverages or hemp-derived
17 cannabinoid products may be delivered to the applicant until the applicant files
18 with the municipal clerk a receipt showing payment of the license fee to the
19 appropriate treasurer. No city or village may require an applicant to pay the license
20 fee more than 15 days prior to the date the license is to be issued. No town may
21 require an applicant to pay the license fee more than 30 days prior to the date the
22 license is to be issued.

23 **SECTION 114.** 125.04 (8) (c) of the statutes is created to read:

24 125.04 (8) (c) Notwithstanding par. (b), the division shall charge an annual fee

SENATE BILL 681

SECTION 114

1 of \$2,000 for a permit issued under s. 125.753, \$100 for a permit issued under s.
2 125.757, and \$100 for a permit issued under s. 125.759.

3 **SECTION 115.** 125.04 (9) of the statutes is amended to read:

4 125.04 (9) SEPARATE LICENSE OR PERMIT REQUIRED. Except as provided under
5 ss. 125.27 (2) (a) and 125.51 (5) (c) 1., permittees under subch. IV, wholesalers,
6 manufacturers, rectifiers, brewers, brewpubs, and retailers shall have a separate
7 permit or license covering each location or premises, except a licensed public
8 warehouse, from which deliveries and sales of alcohol beverages or hemp-derived
9 cannabinoid products are made or at which alcohol beverages or hemp-derived
10 cannabinoid products are stored.

11 **SECTION 116.** 125.04 (10) (a) of the statutes is amended to read:

12 125.04 (10) (a) *Frame*. Permits for the retail sale of alcohol beverages,
13 permits under s. 125.751 authorizing the retail sale of hemp-derived cannabinoid
14 products, and licenses for the sale of alcohol beverages, or hemp-derived
15 cannabinoid products shall be enclosed in a frame having a transparent front which
16 allows the license or permit to be clearly read.

17 **SECTION 117.** 125.04 (11) (a) of the statutes is amended to read:

18 125.04 (11) (a) *Permits*. All permits to sell alcohol beverages or hemp-derived
19 cannabinoid products shall expire as specified in the valid certificate issued under
20 s. 73.03 (50).

21 **SECTION 118.** 125.04 (11) (b) 1. of the statutes is amended to read:

22 125.04 (11) (b) 1. The municipal governing body of a 1st class city may issue a
23 retail license for the sale of alcohol beverages or hemp-derived cannabinoid

SENATE BILL 681**SECTION 118**

1 products at any time during a year. Each license shall be valid for one year and
2 shall specify its date of expiration.

3 **SECTION 119.** 125.04 (12) (a) of the statutes is amended to read:

4 125.04 (12) (a) *From place to place.* Every alcohol beverage license or permit,
5 and every hemp-derived cannabinoid product license, may be transferred to another
6 place or premises within the same municipality. An alcohol beverage warehouse
7 permit under s. 125.19, a winery permit under s. 125.53, ~~or~~ a wholesaler's permit
8 under s. 125.28 or 125.54, a permit under s. 125.753 or 125.757, or, subject to s.
9 125.751 (6) (f) 5., a permit under s. 125.751 may be transferred to another premises
10 within this state. Transfers shall be made by the issuing authority upon payment
11 of a fee of \$10 to the issuing authority. No retail licensee, retail permittee,
12 wholesaler permittee, permittee under s. 125.751, 125.753, or 125.757, or holder of
13 a warehouse or winery permit is entitled to more than one transfer during the
14 license or permit year. This paragraph does not apply to a license issued under s.
15 125.51 (4) (v) or to a reserve "Class B" license, as defined in s. 125.51 (4) (a).

16 **SECTION 120.** 125.04 (12) (b) 1. of the statutes is amended to read:

17 125.04 (12) (b) 1. Licenses to sell alcohol beverages or hemp-derived
18 cannabinoid products may be transferred to persons other than the licensee if the
19 licensee, or an applicant for a subsequently granted license, dies, becomes
20 bankrupt, or makes an assignment for the benefit of creditors during the license
21 year or after filing the application. If a retail licensee becomes disabled, the
22 municipality may, upon application, transfer the license to the licensee's spouse if
23 that spouse may hold a license under sub. (5) and complies with all of the
24 requirements under this chapter applicable to original applicants, except that the

SENATE BILL 681**SECTION 120**

1 spouse is exempt from payment of the license fee for the year in which the transfer
2 takes place.

3 **SECTION 121.** 125.045 (1) of the statutes is amended to read:

4 125.045 (1) The division shall prepare a booklet explaining the state statutes
5 and rules relating to the retail sale of alcohol beverages and hemp-derived
6 cannabinoid products, written concisely in language which is clearly understood by
7 those required to utilize it.

8 **SECTION 122.** 125.045 (3) of the statutes is amended to read:

9 125.045 (3) (a) A municipality shall provide a copy of the booklet under sub.
10 (1) to each person issued a license, including a renewal, under s. 125.17, 125.18,
11 125.25, 125.26 ~~or~~, 125.51 (1), or 125.761 by the municipality unless the municipality
12 requires the person to complete an instructional program which includes the
13 subject matter of the booklet or unless the license is issued under s. 125.17, 125.18,
14 125.25, 125.26, or 125.51 (1) and the person completes the program under s. 125.04
15 (5) (a) 5. or 125.17 (6). This section does not preclude a municipality from charging
16 a fee for such a program. A municipality may charge for the booklet in an amount
17 not to exceed the amount charged by the division under sub. (2) (a).

18 (b) A municipality shall provide to each person initially issued a license under
19 s. 125.26 (1) ~~or~~, 125.51 (3) or (3m), or 125.761 (2) information regarding the safe ride
20 program described in s. 85.55.

21 **SECTION 123.** 125.06 (6) of the statutes is amended to read:

22 125.06 (6) PUBLIC PARKS. The sale of fermented malt beverages or hemp-
23 derived cannabinoid products in any public park operated by a county or
24 municipality. Fermented malt beverages or hemp-derived cannabinoid products

SENATE BILL 681**SECTION 123**

1 shall be sold by officers or employees of the county or municipality under an
2 ordinance, resolution, rule or regulation enacted by the governing body.

3 **SECTION 124.** 125.06 (7) of the statutes is amended to read:

4 125.06 (7) JUDICIAL, PERSONAL REPRESENTATIVE'S, GUARDIAN'S, RECEIVER'S OR
5 TRUSTEE'S SALE. The sale of alcohol beverages or hemp-derived cannabinoid
6 products at any judicial, personal representative's or guardian's sale or any sale by
7 a receiver or trustee in insolvency or bankruptcy, where the estate being
8 administered possesses a license or permit in effect on the date of such sale.

9 **SECTION 125.** 125.06 (8) of the statutes is amended to read:

10 125.06 (8) SALE BY SECURED PARTY. The sale of alcohol beverages or hemp-
11 derived cannabinoid products by a secured party in good faith under the terms of a
12 security agreement, if the sale is not for the purpose of avoiding this chapter or ch.
13 139. The sale must be in the ordinary course of the business of lending money
14 secured by a security interest in alcohol beverages ~~or~~, hemp-derived cannabinoid
15 products, warehouse receipts, or other evidence of ownership. A sale of fermented
16 malt beverages must be made within 15 days after the secured party takes
17 possession of the fermented malt beverages unless the secured party demonstrates
18 good cause why a sale in compliance with s. 409.610 (2) or the security agreement
19 cannot be made within this time period.

20 **SECTION 126.** 125.06 (10) of the statutes is amended to read:

21 125.06 (10) RAFFLES. The awarding of alcohol beverages or hemp-derived
22 cannabinoid products in original, unopened packages, containers or bottles as a
23 prize, in a raffle conducted by an organization licensed to conduct the raffle under
24 ch. 563, to any person who has attained the legal drinking age.

SENATE BILL 681**SECTION 127**

SECTION 127. 125.06 (11) of the statutes is amended to read:

125.06 (11) AUCTION SALES. The sale by an auction house at public auction of a collection of sealed bottles of intoxicating liquor ~~or~~, unopened beer cans, or unopened packages or containers of hemp-derived cannabinoid products for the purpose of settling an estate or disposing of the collection or the auction sale of sealed bottles or containers of wine ~~or of~~, unopened bottles of intoxicating liquor or fermented malt beverages, or unopened packages or containers of hemp-derived cannabinoid products by a charitable organization, as defined in s. 202.11 (1), at an auction held to raise money for the charitable organization.

SECTION 128. 125.07 (1) (title) of the statutes is amended to read:

125.07 (1) (title) ~~ALCOHOL BEVERAGES; RESTRICTIONS~~ RESTRICTIONS RELATING TO UNDERAGE PERSONS.

SECTION 129. 125.07 (1) (a) 1. of the statutes is amended to read:

125.07 (1) (a) 1. No person may procure for, sell, dispense, or give away any alcohol beverages to any underage person not accompanied by his or her parent, guardian, or spouse who has attained the legal drinking age. No person may procure for, sell, dispense, or give away any hemp-derived cannabinoid product to any underage person.

SECTION 130. 125.07 (1) (a) 2. of the statutes is amended to read:

125.07 (1) (a) 2. No licensee or permittee may sell, vend, deal, or traffic in alcohol beverages to or with any underage person not accompanied by his or her parent, guardian, or spouse who has attained the legal drinking age. No licensee or permittee may sell, vend, deal, or traffic in hemp-derived cannabinoid products to or with any underage person. No licensee or permittee may transfer possession of

SENATE BILL 681**SECTION 130**

1 hemp-derived cannabinoid products to a person unless the licensee or permittee
2 first verifies that the person has attained the legal drinking age by examining the
3 person's identification document containing the person's photograph and date of
4 birth or by using another reliable method of age verification authorized by the
5 division.

6 **SECTION 131.** 125.07 (1) (a) 3. of the statutes is amended to read:

7 125.07 (1) (a) 3. No adult may knowingly permit or fail to take action to
8 prevent the illegal consumption of alcohol beverages or hemp-derived cannabinoid
9 products by an underage person on property, including any premises, owned and
10 occupied by the adult or occupied by the adult and under the adult's control. This
11 subdivision applies at a lodging establishment, as defined in s. 106.52 (1) (d), only if
12 the adult has furnished payment or security for lodging. This subdivision does not
13 apply to alcohol beverages used exclusively as part of a religious service.

14 **SECTION 132.** 125.07 (1) (b) 5. of the statutes is amended to read:

15 125.07 (1) (b) 5. A person who holds a Class "A" license, a Class "B" license or
16 permit, a "Class A" license ~~or~~, a "Class B" license or permit, a Class "HDC-A"
17 license, or a Class "HDC-B" license who commits a violation is subject to subd. 3.
18 but is not subject to subd. 2. or s. 125.11.

19 **SECTION 133.** 125.07 (1) (b) 6. b. of the statutes is amended to read:

20 125.07 (1) (b) 6. b. Subject to subd. 6. c., only one penalty may be imposed
21 under this paragraph for each underage person who is provided alcohol beverages
22 or hemp-derived cannabinoid products contrary to this section or a local ordinance
23 in conformity with this section.

24 **SECTION 134.** 125.07 (1) (b) 6. c. of the statutes is amended to read:

SENATE BILL 681**SECTION 134**

1 125.07 (1) (b) 6. c. If a violation occurs on licensed premises and the violation
2 is detected by means of an undercover underage person employed by or assisting a
3 law enforcement agency, only the individual responsible for providing the alcohol
4 beverages or hemp-derived cannabinoid products to the underage person may be
5 issued a citation for, or charged with, the violation.

6 **SECTION 135.** 125.07 (2) (title) of the statutes is amended to read:

7 125.07 (2) (title) SALES OF ALCOHOL BEVERAGES OR HEMP-DERIVED
8 CANNABINOID PRODUCTS TO INTOXICATED PERSONS.

9 **SECTION 136.** 125.07 (2) (a) of the statutes is amended to read:

10 125.07 (2) (a) *Restrictions.* 1. No person may procure for, sell, dispense, or
11 give away alcohol beverages or hemp-derived cannabinoid products to a person who
12 is intoxicated.

13 2. No licensee or permittee may sell, vend, deal, or traffic in alcohol beverages
14 or hemp-derived cannabinoid products to or with a person who is intoxicated.

15 **SECTION 137.** 125.07 (3) (a) (intro.) of the statutes is amended to read:

16 125.07 (3) (a) *Restrictions.* (intro.) An underage person not accompanied by
17 his or her parent, guardian, or spouse who has attained the legal drinking age may
18 not enter, knowingly attempt to enter, or be on any premises for which a license or
19 permit for the retail sale of alcohol beverages or hemp-derived cannabinoid
20 products has been issued, for any purpose except the transaction of business
21 pertaining to the licensed premises with or for the licensee or his or her employee.
22 The business may not be amusement or the purchase, receiving, or consumption of
23 edibles or beverages or similar activities which normally constitute activities of a
24 customer of the premises. This paragraph does not apply to:

SENATE BILL 681**SECTION 138**

1 **SECTION 138.** 125.07 (3) (a) 2. of the statutes is amended to read:

2 125.07 (3) (a) 2. An underage person who enters or is on a Class “A,” ~~or~~ “Class
3 A,” or Class “HDC-A” premises for the purpose of purchasing items other than
4 alcohol beverages or hemp-derived cannabinoid products. An underage person so
5 entering the premises may not remain on the premises after the purchase.

6 **SECTION 139.** 125.07 (3) (a) 3. of the statutes is amended to read:

7 125.07 (3) (a) 3. Hotels, drug stores, grocery stores, bowling centers, movie
8 theaters, painting studios, billiards centers having on the premises 12 or more
9 billiards tables that are not designed for coin operation and that are 8 feet or longer
10 in length, indoor golf simulator facilities, indoor golf and baseball facilities on
11 premises for which the only ~~alcohol beverage~~ license issued under this chapter is a
12 Class “B” license or Class “HDC-B” license, axe throwing facilities on premises
13 operated under Class “B,” ~~or~~ “Class B,” or Class “HDC-B” licenses, service stations,
14 vessels, cars operated by any railroad, regularly established athletic fields, outdoor
15 volleyball courts that are contiguous to a licensed premises, stadiums, music
16 festival venues during an event with a projected attendance of at least 2,500
17 persons, public facilities as defined in s. 125.51 (5) (b) 1. d. which are owned by a
18 county or municipality or centers for the visual or performing arts.

19 **SECTION 140.** 125.07 (3) (a) 3m. of the statutes is amended to read:

20 125.07 (3) (a) 3m. Premises having an indoor volleyball court that measures
21 at least 9 meters by 18 meters in area. The exception under this subdivision does
22 not authorize an underage person to loiter in any room that is primarily used for the
23 sale or consumption of alcohol beverages or hemp-derived cannabinoid products.

24 **SECTION 141.** 125.07 (3) (a) 6. of the statutes is amended to read:

SENATE BILL 681

SECTION 141

1 125.07 (3) (a) 6. Premises operated under ~~both~~ a Class “B” ~~or~~ license or
2 permit, a “Class B” license or permit, or a Class “HDC-B” license and also under a
3 license under s. 97.30 for a restaurant where the principal business conducted is
4 that of a restaurant. If the premises are operated under both a Class “B” or “Class
5 B” license or permit and a license under s. 97.30 for a restaurant, the The principal
6 business conducted on these premises is presumed to be the sale of alcohol
7 beverages or hemp-derived cannabinoid products, but the presumption may be
8 rebutted by competent evidence.

9 **SECTION 142.** 125.07 (3) (a) 7. of the statutes is amended to read:

10 125.07 (3) (a) 7. An underage person who enters or remains on a Class “B,” ~~or~~
11 “Class B,” or Class “HDC-B” premises for the purpose of transacting business at an
12 auction or market, if the person does not enter or remain in a room where alcohol
13 beverages or hemp-derived cannabinoid products are sold, furnished, or possessed.

14 **SECTION 143.** 125.07 (3) (a) 8. of the statutes is amended to read:

15 125.07 (3) (a) 8. An underage person who enters or remains in a room on
16 Class “B,” ~~or~~ “Class B,” or Class “HDC-B” licensed premises separate from any room
17 where alcohol beverages or hemp-derived cannabinoid products are sold or served,
18 if no alcohol beverages or hemp-derived cannabinoid products are furnished or
19 consumed by any person in the room where the underage person is present and the
20 presence of underage persons is authorized under this subdivision. An underage
21 person may enter and remain on Class “B,” ~~or~~ “Class B,” or Class “HDC-B” premises
22 under this subdivision only if the municipality which issued the Class “B,” ~~or~~ “Class
23 B,” or Class “HDC-B” license adopts an ordinance permitting underage persons to
24 enter and remain on the premises as provided in this subdivision and the law

SENATE BILL 681**SECTION 143**

1 enforcement agency responsible for enforcing the ordinance issues to the ~~Class “B”~~
2 ~~or “Class B”~~ licensee a written authorization permitting underage persons to be
3 present under this subdivision on the date specified in the authorization. Before
4 issuing the authorization, the law enforcement agency shall make a determination
5 that the presence of underage persons on the licensed premises will not endanger
6 their health, welfare, or safety or that of other members of the community. The
7 licensee shall obtain a separate authorization for each date on which underage
8 persons will be present on the premises.

9 **SECTION 144.** 125.07 (3) (a) 10. of the statutes is amended to read:

10 125.07 (3) (a) 10. An underage person who enters or remains on Class “B,” ~~or~~
11 “Class B,” or Class “HDC-B” licensed premises on a date specified by the licensee or
12 permittee during times when no alcohol beverages or hemp-derived cannabinoid
13 products are consumed, sold, or given away. During those times, the licensee, the
14 agent named in the license if the licensee is a corporation or limited liability
15 company, or a person who has an operator’s license or operator’s permit shall be on
16 the premises unless all alcohol beverages or hemp-derived cannabinoid products
17 are stored in a locked portion of the premises. The licensee shall notify the local law
18 enforcement agency, in advance, of the times underage persons will be allowed on
19 the premises under this subdivision.

20 **SECTION 145.** 125.07 (3) (a) 11. of the statutes is amended to read:

21 125.07 (3) (a) 11. An underage person who enters or remains in a dance hall
22 or banquet or hospitality room attached to Class “B,” ~~or~~ “Class B,” or Class “HDC-B”
23 licensed premises for the purpose of attending a banquet, reception, dance, or other
24 similar event.

SENATE BILL 681**SECTION 146**

SECTION 146. 125.07 (4) (a) 1. of the statutes is amended to read:

125.07 (4) (a) 1. Procures or attempts to procure alcohol beverages or hemp-derived cannabinoid products from a licensee or permittee.

SECTION 147. 125.07 (4) (a) 2m. of the statutes is created to read:

125.07 (4) (a) 2m. Possesses or consumes hemp-derived cannabinoid products on licensed premises.

SECTION 148. 125.07 (4) (a) 4. of the statutes is amended to read:

125.07 (4) (a) 4. Falsely represents his or her age for the purpose of receiving alcohol beverages or hemp-derived cannabinoid products from a licensee or permittee.

SECTION 149. 125.07 (4) (b) of the statutes is amended to read:

125.07 (4) (b) Except as provided in par. (bm), any underage person not accompanied by his or her parent, guardian, or spouse who has attained the legal drinking age who knowingly possesses or consumes alcohol beverages is guilty of a violation. Except as provided in par. (bp), any underage person who knowingly possesses or consumes hemp-derived cannabinoid products is guilty of a violation.

SECTION 150. 125.07 (4) (bp) of the statutes is created to read:

125.07 (4) (bp) An underage person may possess hemp-derived cannabinoid products in the course of employment during his or her working hours if employed by any of the following:

1. A Class "A," Class "B," Class "HDC-A," or Class "HDC-B" licensee under the conditions specified in s. 125.32 (2) or 125.767 (1) or for delivery of unopened containers to the home or vehicle of a customer.

2. A permittee under s. 125.751 or 125.753.

SENATE BILL 681**SECTION 151**

1 **SECTION 151.** 125.07 (4) (e) 2. a. of the statutes is amended to read:

2 125.07 (4) (e) 2. a. Submit to an alcohol and other drug abuse assessment that
3 conforms to the criteria specified under s. 938.547 (4) and that is conducted by an
4 approved treatment facility. The order shall designate an approved treatment
5 facility to conduct the alcohol and other drug abuse assessment and shall specify
6 the date by which the assessment must be completed.

7 **SECTION 152.** 125.07 (4) (e) 2. b. of the statutes is amended to read:

8 125.07 (4) (e) 2. b. Participate in an outpatient alcohol and other drug abuse
9 treatment program at an approved treatment facility, if an alcohol and other drug
10 abuse assessment conducted under subd. 2. a. recommends treatment.

11 **SECTION 153.** 125.07 (4) (e) 2. c. of the statutes is amended to read:

12 125.07 (4) (e) 2. c. Participate in a court-approved alcohol and other drug
13 abuse education program.

14 **SECTION 154.** 125.07 (4) (e) 4. of the statutes is amended to read:

15 125.07 (4) (e) 4. If the defendant completes the alcohol and other drug abuse
16 treatment program or court-approved alcohol and other drug abuse education
17 program, the approved treatment facility or court-approved alcohol and other drug
18 abuse education program shall, with the written informed consent of the defendant,
19 notify the agency primarily responsible for providing services to the defendant that
20 the defendant has complied with the order and the court shall notify the defendant
21 of whether or not the penalty will be reinstated. If the court had ordered the
22 suspension of the defendant's operating privilege under par. (bs) or (c), the court
23 may order the secretary of transportation to reinstate the operating privilege of the

SENATE BILL 681**SECTION 154**

1 defendant if he or she completes the alcohol and other drug abuse treatment
2 program or court-approved alcohol and other drug abuse education program.

3 **SECTION 155.** 125.07 (4) (e) 5. of the statutes is amended to read:

4 125.07 (4) (e) 5. If an approved treatment facility or court-approved alcohol
5 and other drug abuse education program, with the written informed consent of the
6 defendant, notifies the agency primarily responsible for providing services to the
7 defendant that the defendant is not participating in the program or that the
8 defendant has not satisfactorily completed a recommended alcohol and other drug
9 abuse treatment program or an education program, the court shall hold a hearing
10 to determine whether the penalties under par. (bs) or (c) should be imposed.

11 **SECTION 156.** 125.07 (6) (intro.) of the statutes is amended to read:

12 125.07 (6) DEFENSES. (intro.) In determining whether or not a licensee or
13 permittee has violated subs. (1) (a) and (3) (a), all relevant circumstances
14 surrounding the presence of the underage person or the procuring, selling,
15 dispensing, or giving away of alcohol beverages or hemp-derived cannabinoid
16 products may be considered, including any circumstance under pars. (a) to (d). In
17 addition, proof of all of the following facts by a seller of alcohol beverages or hemp-
18 derived cannabinoid products to an underage person is a defense to any prosecution
19 for a violation of this section:

20 **SECTION 157.** 125.07 (7) (a) (intro.) of the statutes is amended to read:

21 125.07 (7) (a) (intro.) Every alcohol beverage or hemp-derived cannabinoid
22 product retail ~~alcohol beverage~~ licensee or permittee may keep a book for the
23 purposes of sub. (6). The licensee or permittee or his or her employee may require
24 any of the following persons to sign the book:

SENATE BILL 681**SECTION 158**

1 **SECTION 158.** 125.07 (7) (b) of the statutes is amended to read:

2 125.07 (7) (b) The book may show the date of the purchase of the alcohol
3 beverages or hemp-derived cannabinoid products, the identification used in making
4 the purchase or the identification used to establish that a person is an underage
5 person's parent, guardian, or spouse and has attained the legal drinking age, the
6 address of the purchaser, and the purchaser's signature.

7 **SECTION 159.** 125.075 (title) of the statutes is amended to read:

8 **125.075 (title) Injury or death by providing alcohol beverages or**
9 **hemp-derived cannabinoid products to a minor.**

10 **SECTION 160.** 125.075 (1) (intro.) of the statutes is amended to read:

11 125.075 (1) (intro.) Any person who procures alcohol beverages or hemp-
12 derived cannabinoid products for or sells, dispenses, or gives away alcohol beverages
13 or hemp-derived cannabinoid products to a person under 18 years of age in violation
14 of s. 125.07 (1) (a) 1. or 2. may be penalized as provided in sub. (2) if:

15 **SECTION 161.** 125.075 (1) (b) of the statutes is amended to read:

16 125.075 (1) (b) The underage person dies or suffers great bodily harm, as
17 defined in s. 939.22 (14), as a result of consuming the alcohol beverages or hemp-
18 derived cannabinoid products provided in violation of s. 125.07 (1) (a) 1. or 2.

19 **SECTION 162.** 125.075 (1m) (intro.) of the statutes is amended to read:

20 125.075 (1m) (intro.) In determining under sub. (1) (a) whether a person
21 knew or should have known that the underage person was under the legal drinking
22 age, all relevant circumstances surrounding the procuring, selling, dispensing, or
23 giving away of the alcohol beverages or hemp-derived cannabinoid products may be

SENATE BILL 681**SECTION 162**

1 considered, including any circumstance under pars. (a) to (d). In addition, a person
2 has a defense to criminal liability under sub. (1) if all of the following occur:

3 **SECTION 163.** 125.075 (1m) (c) of the statutes is amended to read:

4 125.075 (1m) (c) The alcohol beverages or hemp-derived cannabinoid
5 products are provided in good faith reliance on the underage person's
6 representation that he or she has attained the legal drinking age.

7 **SECTION 164.** 125.085 (2) of the statutes is amended to read:

8 125.085 (2) USE. No card other than the identification card authorized under
9 this section may be recognized as an official identification card in this state. ~~Any~~
10 Subject to s. 125.07 (1) (a) 2., any licensee or permittee under this chapter may
11 require a person to present an official identification card, documentary proof of age,
12 an operator's license issued by another jurisdiction, or any other form of
13 identification or proof of age acceptable to the licensee or permittee before providing
14 alcohol beverages or hemp-derived cannabinoid products to the person or allowing
15 the person to enter the premises for which the license or permit has been issued.
16 Nothing in this subsection requires a licensee or permittee to accept any form of
17 identification that does not appear to be valid or authentic or appears altered.

18 **SECTION 165.** 125.09 (1) (a) of the statutes, as affected by 2023 Wisconsin Act
19 73, is amended to read:

20 125.09 (1) (a) No owner, lessee, or person in charge of a public place may
21 permit the consumption of alcohol beverages or hemp-derived cannabinoid products
22 on the property of the public place, unless the person has an appropriate retail
23 license or permit or a no-sale event venue permit.

24 **SECTION 166.** 125.09 (1) (e) of the statutes is created to read:

SENATE BILL 681**SECTION 166**

1 125.09 (1) (e) No person may distribute samples of hemp-derived cannabinoid
2 products in a public place. This paragraph does not apply to premises for which a
3 license or permit is issued authorizing the sale, possession, or consumption of
4 hemp-derived cannabinoid products.

5 **SECTION 167.** 125.09 (2) (title) of the statutes is amended to read:

6 125.09 (2) (title) POSSESSION OF ALCOHOL BEVERAGES OR HEMP-DERIVED
7 CANNABINOID PRODUCTS ON SCHOOL GROUNDS PROHIBITED.

8 **SECTION 168.** 125.09 (2) (b) (intro.) of the statutes is amended to read:

9 125.09 (2) (b) (intro.) Except as provided by par. (c) no person may possess or
10 consume alcohol beverages or hemp-derived cannabinoid products:

11 **SECTION 169.** 125.09 (2) (c) of the statutes is amended to read:

12 125.09 (2) (c) Alcohol beverages or hemp-derived cannabinoid products may
13 be possessed or consumed on school premises, in motor vehicles, or by participants
14 in school-sponsored activities if specifically permitted in writing by the school
15 administrator consistent with applicable laws, ordinances, and school board
16 policies.

17 **SECTION 170.** 125.09 (3) of the statutes is amended to read:

18 125.09 (3) PLACE-TO-PLACE DELIVERIES. No person may peddle any alcohol
19 beverage or hemp-derived cannabinoid product from house to house where the sale
20 and delivery are made concurrently.

21 **SECTION 171.** 125.09 (6) of the statutes is amended to read:

22 125.09 (6) MUNICIPAL STORES. No municipality may engage in the sale of
23 alcohol beverages, except as authorized under s. 125.26 (6). No municipality may

SENATE BILL 681**SECTION 171**

1 engage in the sale of hemp-derived cannabinoid products. This subsection does not
2 apply to municipal stores in operation on November 6, 1969.

3 **SECTION 172.** 125.10 (1) of the statutes is amended to read:

4 125.10 (1) AUTHORIZATION. Any municipality may enact regulations
5 incorporating any part of this chapter and may prescribe additional regulations, not
6 in conflict with this chapter, for the sale of alcohol beverages, ~~not in conflict with~~
7 ~~this chapter~~ and, subject to sub. (6), for the sale of hemp-derived cannabinoid
8 products if consistent with the regulations for the sale of alcohol beverages. The
9 municipality may prescribe forfeitures or license suspension or revocation for
10 violations of any such regulations. Regulations providing forfeitures or license
11 suspension or revocation must be adopted by ordinance. Any municipality may, by
12 ordinance, regulate contests, competitions, or other events for the exhibition,
13 demonstration, judging, tasting, or sampling of homemade wine or fermented malt
14 beverages.

15 **SECTION 173.** 125.10 (2) of the statutes is amended to read:

16 125.10 (2) REGULATION OF UNDERAGE PERSONS. A municipality or a county
17 may enact an ordinance regulating conduct regulated by s. 125.07 (1) or (4) (a), (b)
18 ~~or, (bm), or (bp),~~ or (bp), 125.085 (3) (b), or 125.09 (2) only if it strictly conforms to the
19 statutory subsection. A county ordinance enacted under this subsection does not
20 apply within any municipality that has enacted or enacts an ordinance under this
21 subsection.

22 **SECTION 174.** 125.10 (4) of the statutes is amended to read:

23 125.10 (4) REGULATION OF CLOSED RETAIL PREMISES. A municipality may not
24 prohibit the permittee, licensee, employees, salespersons, employees of wholesalers

SENATE BILL 681**SECTION 174**

1 issued a permit under s. 125.28 (1) or 125.54 (1); employees of distributors issued a
2 permit under s. 125.753; employees of permittees under s. 125.295 with respect to
3 the permittee's own retail premises; or service personnel from being present on
4 premises operated under a Class "A₁"; "Class A₁" Class "HDC-A," Class "HDC-B," or
5 "Class C" license or under a Class "B" or "Class B" license or permit during hours
6 when the premises are not open for business if those persons are performing job-
7 related activities.

8 **SECTION 175.** 125.10 (6) of the statutes is created to read:

9 125.10 (6) HEMP-DERIVED CANNABINOID PRODUCTS. (a) A municipality or
10 county may not prohibit any of the following:

11 1. The possession or consumption of hemp-derived cannabinoid products at a
12 private residence.

13 2. The transportation of hemp-derived cannabinoid products within the
14 municipality or county.

15 3. Personal use of hemp-derived cannabinoid products, except with respect to
16 location as provided in this chapter and s. 101.123.

17 4. Possession or transportation of hemp-derived cannabinoid products by a
18 permittee under s. 125.753.

19 (b) A municipality or county may, by ordinance, prohibit the possession, sale,
20 or consumption of hemp-derived cannabinoid products within 300 feet of a church,
21 hospital, child care center, preschool, school, playground, county or municipal park,
22 sports arena, or other facility of an organization specifically serving children, except
23 at a private residence.

24 (c) A municipality may, by ordinance, prohibit Class "A" and Class "B"

SENATE BILL 681**SECTION 175**

1 licensees in the municipality from making retail sales of hemp-derived cannabinoid
2 products.

3 (d) A municipality may, by ordinance, prohibit brewers, wineries,
4 manufacturers, and rectifiers in the municipality from making retail sales of hemp-
5 derived cannabinoid products.

6 **SECTION 176.** 125.11 (4) of the statutes is created to read:

7 125.11 (4) HEMP-DERIVED CANNABINOID PRODUCT SAFE HARBOR. (a) A
8 violation of this chapter involving a product that is a hemp-derived cannabinoid
9 product does not affect the status of the hemp-derived cannabinoid product under s.
10 94.55 and ch. 961.

11 (b) This chapter has no effect on the status of a product under s. 94.55 and ch.
12 961 if the product is not a hemp-derived cannabinoid product.

13 **SECTION 177.** 125.12 (4) (ag) 3. of the statutes is amended to read:

14 125.12 (4) (ag) 3. That the licensee has sold alcohol beverages to known
15 habitual drunkards or hemp-derived cannabinoid products to persons known to
16 have a history of drug dependency.

17 **SECTION 178.** 125.12 (6m) of the statutes is created to read:

18 125.12 (6m) REVOCATION OR SUSPENSION OF DISTRIBUTORS' PERMITS FOR
19 CERTAIN VIOLATIONS. (a) Any person may file a sworn written complaint with the
20 division alleging that a permittee under s. 125.753 has violated s. 125.753 (5) (a).
21 The complaint shall identify the specific legal basis for the complaint and sufficient
22 facts for the division to determine whether there is cause to find that a violation has
23 occurred. The division shall provide a copy of the complaint to any distributor
24 against whom allegations are made, along with notice of the time period under par.

SENATE BILL 681**SECTION 178**

1 (b) to show cause why the distributor's permit should not be revoked or suspended
2 or to request a hearing.

3 (b) Within 30 days of receiving a copy of the complaint under par. (a), any
4 distributor against whom allegations are made may file a sworn written response
5 or a written request for an evidentiary hearing before the division under s. 227.44.

6 (c) Subject to pars. (e) 1. and (f), if no request for an evidentiary hearing is
7 made under par. (b), within 60 days of receiving any response under par. (b) or, if no
8 response is made, within 60 days of the date on which a response or request for
9 hearing is due under par. (b), the division shall make a written decision as to
10 whether a violation has occurred and either dismiss the complaint or take action
11 under par. (g). Any decision under this paragraph shall include findings of fact and
12 conclusions of law and shall state all reasons for the decision. The division shall
13 provide a copy of the decision to the complainant and to any distributor against
14 whom allegations are made.

15 (d) Subject to pars. (e) 2. and (f), if a request for an evidentiary hearing is
16 made under par. (b), the hearing shall be conducted in the manner specified for a
17 contested case under ss. 227.44 to 227.50, except that the hearing shall be
18 conducted within 45 days of receiving the request for hearing under par. (b) and the
19 division shall make its written decision, including whether a violation has occurred
20 and whether the complaint is dismissed or action is taken under par. (g), within 15
21 days after the hearing. In addition to service of the decision as provided under s.
22 227.48, the division shall provide a copy of the decision to the complainant.

23 (e) 1. If no request for an evidentiary hearing is made under par. (b), within 60
24 days of receiving any response under par. (b) or, if no response is made, within 60

SENATE BILL 681**SECTION 178**

1 days of the date on which a response or request for hearing is due under par. (b), the
2 division may extend the time period for making a decision under par. (c) by an
3 additional 60 days if the division provides notice within the time period specified in
4 par. (c) that an additional 60 days is necessary for investigation.

5 2. If a request for an evidentiary hearing is made under par. (b), within 45
6 days of receiving the request for hearing under par. (b), the division may extend the
7 time period for conducting the hearing by an additional 45 days if the division
8 provides notice within 45 days of receiving the request for hearing under par. (b)
9 that an additional 45 days is necessary for investigation.

10 (f) Within 45 days of receiving any response or request for hearing under par.
11 (b) or, if no response or request for hearing is made, within 45 days of the date on
12 which a response or request for hearing is due under par. (b), the division may elect
13 to file a complaint in circuit court under sub. (4) that includes all allegations of the
14 complaint under par. (a) for which the division determines there is cause to find
15 that a violation of s. 125.753 (5) (a) has occurred. If the division files a complaint in
16 circuit court as provided under this paragraph, the division shall not conduct a
17 hearing under par. (d) or make a written decision under par. (c), but shall proceed
18 with the matter as provided under sub. (4).

19 (g) If the division finds the allegations under par. (a) true and sufficient, the
20 division shall either suspend for not less than 10 days nor more than 90 days or
21 revoke the distributor's permit, and give notice of the suspension or revocation to
22 the distributor.

23 (h) A revocation or suspension proceeding under this subsection is a contested

SENATE BILL 681**SECTION 178**

1 case under ch. 227, except that ss. 227.44 to 227.50 apply to a proceeding under this
2 subsection only if a request for an evidentiary hearing is made under par. (b).

3 **SECTION 179.** 125.14 (2) of the statutes is amended to read:

4 125.14 (2) CONFISCATION; DISPOSAL. (a) *Contraband.* All alcohol beverages
5 or hemp-derived cannabinoid products owned, possessed, kept, stored,
6 manufactured, sold, distributed, or transported in violation of this chapter or ch.
7 139 and all personal property used in connection therewith is unlawful property
8 and may be seized by any peace officer. Any peace officer confiscating personal
9 property under this section may proceed under this section.

10 (c) *Identification.* Any person seizing alcohol beverages, hemp-derived
11 cannabinoid products, or personal property and electing to dispose of it under this
12 subsection shall exercise reasonable diligence to ascertain the name and address of
13 the owner of the alcohol beverages, hemp-derived cannabinoid products, or property
14 and of all persons holding a security interest in the property seized. The person
15 shall report his or her findings in writing to the division.

16 (d) *Order.* Upon conviction of any person for owning, possessing, keeping,
17 storing, manufacturing, selling, distributing, or transporting alcohol beverages or
18 hemp-derived cannabinoid products in violation of this chapter or ch. 139, the court
19 shall order part or all of the alcohol beverages, hemp-derived cannabinoid products,
20 or personal property seized to be destroyed if it is unfit for sale. Alcohol beverages,
21 hemp-derived cannabinoid products, and other personal property fit for sale shall
22 be turned over to the division for disposition. Upon receipt of the confiscated
23 property, the division shall exercise reasonable diligence to ascertain the names
24 and addresses of all owners of the property and of all persons holding a security

SENATE BILL 681**SECTION 179**

1 interest in the property. If a motor vehicle is confiscated, the division shall obtain
2 the written advice of the department of transportation as to the ownership of the
3 motor vehicle and shall make a reasonable search for perfected security interests in
4 the vehicle.

5 (e) *Disposal.* The division shall dispose of the alcohol beverages or hemp-
6 derived cannabinoid products turned over to it by the court by either giving it to law
7 enforcement agencies free of charge for use in criminal investigations, selling it to
8 the highest bidder if the bidder is a person holding a license or permit issued under
9 this chapter, or destroying it, at the discretion of the division. If the division elects
10 to sell the alcohol beverages or hemp-derived cannabinoid products, it shall publish
11 a class 2 notice under ch. 985 asking for sealed bids from qualified bidders. Any
12 items or groups of items in the inventory subject to a security interest, the existence
13 of which was established in the proceedings for conviction as being bona fide and as
14 having been created without the secured party having notice that the items were
15 being used or were to be used in connection with the violation, shall be sold
16 separately. The net proceeds from the sale, less all costs of seizure, storage, and
17 sale, shall be turned over to the secretary of administration and credited to the
18 common school fund.

19 (f) *Sale.* Any personal property, other than alcohol beverages or hemp-derived
20 cannabinoid products, seized under par. (a) and fit for sale, shall be turned over by
21 the division to the department of administration for disposal at public auction to
22 the highest bidder, at a time and place stated in a notice of sale which describes the
23 property to be sold. The sale shall be held in a conveniently accessible place in the
24 county where the property was confiscated. A copy of the notice shall be published

SENATE BILL 681**SECTION 179**

1 as a class 2 notice under ch. 985. The last insertion shall be at least 10 days before
2 the sale. The division shall serve a copy of the notice of sale at least 2 weeks before
3 the date thereof on all persons who are or may be owners or holders of security
4 interests in the property. Any confiscated property worth more than \$100 shall be
5 sold separately, and the balance of the confiscated property shall be sold in bulk or
6 separately at the discretion of the department of administration. The net proceeds
7 from the sale, less all costs of seizure, storage, and sale, shall be turned over to the
8 secretary of administration. No motor vehicle or motorboat confiscated under this
9 section may be sold within 30 days after the date of seizure.

10 **SECTION 180.** 125.14 (5) of the statutes is amended to read:

11 125.14 (5) NUISANCES. Any building or place where alcohol, including alcohol
12 beverages or alcohol is, or hemp-derived cannabinoid products are sold, possessed,
13 stored, brewed, bottled, manufactured, or rectified without a valid permit or license
14 issued under this chapter or ch. 139, or where persons are permitted to drink
15 alcohol beverages or consume hemp-derived cannabinoid products in violation of
16 this chapter is a public nuisance and may be closed until the activity in violation of
17 this chapter is abated. When the activity is abated, the building or place may be
18 used for any lawful purpose.

19 **SECTION 181.** 125.14 (6) (a) of the statutes is amended to read:

20 125.14 (6) (a) *Form of complaint.* In a prosecution for a violation of a statute
21 relating to the sale of alcohol beverages or hemp-derived cannabinoid products, it is
22 not necessary to allege in the complaint, information, or indictment the kind or
23 quantity of alcohol beverages or hemp-derived cannabinoid products sold or the
24 person to whom it was sold. It is sufficient to allege generally that the defendant

SENATE BILL 681**SECTION 181**

1 sold alcohol beverages or hemp-derived cannabinoid products at a time and place
2 mentioned, together with a brief statement of the facts showing that the sale was a
3 violation of this chapter.

4 **SECTION 182.** 125.155 of the statutes is created to read:

5 **125.155 Actions against distributors.** (1) A permittee under s. 125.753;
6 Class “A,” Class “B,” Class “HDC-A,” or Class “HDC-B” licensee; or hemp-derived
7 cannabinoid product trade association that makes a written complaint to the
8 division under s. 125.12 (6m) of a violation of s. 125.753 (5) (a) may bring an action
9 to enforce the provisions of s. 125.753 (5) if any of the following applies:

10 (a) The division has not rendered a decision within the time periods specified
11 in s. 125.12 (6m) (c) to (e).

12 (b) The division has rendered a decision under s. 125.12 (6m) in which the
13 division has determined that a violation has occurred but no action has been
14 brought in circuit court by the division, attorney general, or a district attorney to
15 prosecute the violation.

16 (2) A permittee under s. 125.753; Class “A,” Class “B,” Class “HDC-A,” or
17 Class “HDC-B” licensee; or hemp-derived cannabinoid product trade association
18 that brings an action under sub. (1) shall be entitled to recover reasonable attorney
19 fees if found to be the prevailing party.

20 **SECTION 183.** 125.16 of the statutes is amended to read:

21 **125.16 Actions to recover price denied.** No action may be brought to
22 recover the price of any alcohol beverages or hemp-derived cannabinoid products
23 sold in violation of this chapter or ch. 139.

24 **SECTION 184.** 125.17 (1) of the statutes is amended to read:

SENATE BILL 681**SECTION 184**

1 125.17 (1) AUTHORIZATION. Every municipal governing body shall issue an
2 operator's license to any applicant who is qualified under s. 125.04 (5), except that
3 the municipal governing body may by ordinance authorize a designated municipal
4 official to issue operator's licenses. Operators' licenses may not be required other
5 than for the purpose of complying with ss. 125.32 (2) ~~and~~, 125.68 (2), and 125.767
6 (1) or s. 125.06 (3g). Operators' licenses may be issued only upon written
7 application.

8 **SECTION 185.** 125.175 (1) of the statutes is amended to read:

9 125.175 (1) Subject to sub. (4), the division shall issue an operator's permit to
10 any applicant who is qualified under s. 125.04 (5). Operators' permits may not be
11 required other than for the purpose of complying with ss. 125.32 (2) ~~and~~, 125.68 (2),
12 and 125.767 (1) or s. 125.06 (3g). Operators' permits may be issued only upon
13 written application.

14 **SECTION 186.** 125.185 (1) of the statutes is amended to read:

15 125.185 (1) A municipal governing body that issues licenses authorizing the
16 retail sale of fermented malt beverages, intoxicating liquor, or ~~wine~~ hemp-derived
17 cannabinoid products shall issue provisional retail licenses. The municipal
18 governing body may by ordinance establish standards under which provisional
19 retail licenses shall be issued and shall by ordinance designate the municipal
20 official having authority to issue provisional retail licenses.

21 **SECTION 187.** 125.185 (2) of the statutes is amended to read:

22 125.185 (2) A provisional retail license may be issued only to a person who
23 has applied for a Class "A," Class "B," "Class A," "Class B," ~~or~~ "Class C," Class

SENATE BILL 681**SECTION 187**

1 “HDC-A,” or Class “HDC-B” license and authorizes only the activities that the type
2 of retail license applied for authorizes.

3 **SECTION 188.** 125.185 (4) of the statutes is amended to read:

4 125.185 (4) A provisional retail license expires 60 days after its issuance or
5 when the Class “A,” Class “B,” “Class A,” “Class B,” or “Class C,” Class “HDC-A,”
6 or Class “HDC-B” license is issued to the holder, whichever is sooner. The official
7 who issued the provisional retail license may revoke the license if he or she
8 discovers that the holder of the license made a false statement on the application.

9 **SECTION 189.** 125.19 (3) of the statutes is created to read:

10 125.19 (3) MULTIPLE PERMITS FOR SAME LOCATION. The division may issue
11 multiple permits under this section for the same location and the permitted
12 premises may overlap. If the division issues multiple permits under this section for
13 the same location, each permittee's alcohol beverages shall be stored in areas that
14 are visually distinct from any area where another permittee's alcohol beverages are
15 stored.

16 **SECTION 190.** 125.21 (1) (b) of the statutes is amended to read:

17 125.21 (1) (b) “Bottling” means placing alcohol beverages into sealed finished
18 packages, including cans, bottles, boxes, bags, kegs, barrels, or any other packaging
19 of finished products, but does not include placing sealed finished packages into
20 additional packaging. When “bottle” is used as a verb, it has the same meaning as
21 “bottling.”

22 **SECTION 191.** 125.21 (2) (b) of the statutes is amended to read:

23 125.21 (2) (b) Except as provided in par. (c) and sub. (3) (b) 2. and 3.,

SENATE BILL 681**SECTION 191**

1 agreements authorized under this section may be entered into only by producers
2 who hold permits issued under the same section of this chapter.

3 **SECTION 192.** 125.21 (2) (c) of the statutes is created to read:

4 125.21 (2) (c) The licensor in a licensing agreement is not required to hold a
5 permit issued under subch. II or III. This paragraph does not apply if the licensor
6 also conducts alcohol beverage operations that are regulated under subch. II or III.

7 **SECTION 193.** 125.21 (3) (f) and (g) of the statutes are created to read:

8 125.21 (3) (f) 1. A recipe producer is not required to hold more than one
9 permit issued under the same section of this chapter. If a recipe producer enters
10 into one or more contract production agreements that result in the recipe producer's
11 alcohol beverages being produced at multiple premises, the recipe producer's
12 permit under s. 125.29, 125.295, 125.52, or 125.53, as applicable, shall be issued for
13 the premises at which its alcohol beverages are first produced.

14 2. For each additional premises at which the recipe producer's alcohol
15 beverages will be produced by a contract producer, the recipe producer shall submit
16 to the division a notice countersigned by the applicable contract producer. This
17 notice shall be submitted within 10 days after the contract producer first produces
18 the recipe producer's alcohol beverages at the premises. The division may charge a
19 fee, not to exceed \$50, for each notice.

20 (g) The division is not required to inspect a premises related to a recipe
21 producer's application for a permit under s. 125.29, 125.295, 125.53, or 125.52, as
22 applicable, or a recipe producer's notice under par. (f) 2.

23 **SECTION 194.** 125.24 (1) (a) of the statutes, as created by 2023 Wisconsin Act
24 73, is amended to read:

SENATE BILL 681**SECTION 194**

1 125.24 (1) (a) Except as otherwise provided in this section, the division may
2 issue to property owners no-sale event venue permits that authorize the permittee
3 to rent or lease real property for use as an event venue at which fermented malt
4 beverages ~~and, wine, and hemp-derived cannabinoid products in beverage form~~ are
5 consumed if all requirements under this section are satisfied.

6 **SECTION 195.** 125.24 (1) (d) of the statutes, as created by 2023 Wisconsin Act
7 73, is amended to read:

8 125.24 (1) (d) Subject to sub. (2) (c) 3., a permit may not be issued under this
9 section for premises that are covered by any other license or permit under this
10 chapter, but a caterer holding Class “B” and “Class B” licenses may deliver
11 fermented malt beverages and wine, and, subject to s. 125.10 (6) (c), a caterer
12 holding a Class “B” or Class “HDC-B” license may deliver hemp-derived
13 cannabinoid products in beverage form, to the event venue if all requirements
14 under sub. (2) are satisfied.

15 **SECTION 196.** 125.24 (2) (a) of the statutes, as created by 2023 Wisconsin Act
16 73, is amended to read:

17 125.24 (2) (a) A no-sale event venue permit authorizes the permittee to rent
18 or lease real property for use as an event venue at which fermented malt beverages
19 ~~and, wine, and hemp-derived cannabinoid products in beverage form~~ are consumed
20 on no more than 6 days per calendar year and no more than one day per month.

21 **SECTION 197.** 125.24 (2) (b) of the statutes, as created by 2023 Wisconsin Act
22 73, is amended to read:

23 125.24 (2) (b) 1. A no-sale event venue permittee may not sell or otherwise
24 provide alcohol beverages or hemp-derived cannabinoid products to the renter or

SENATE BILL 681**SECTION 197**

1 lessee of the event venue or to any guest or attendee of an event on the event venue,
2 including charging admission for an event on the event venue at which any alcohol
3 beverages or hemp-derived cannabinoid products are served.

4 2. A no-sale event venue permittee may not allow any person to possess
5 distilled spirits, or hemp-derived cannabinoid products that are not in beverage
6 form, on the event venue when the event venue is being used by a renter or lessee.

7 **SECTION 198.** 125.24 (2) (c) 1., 2. and 4. of the statutes, as created by 2023
8 Wisconsin Act 73, are amended to read:

9 125.24 (2) (c) 1. Allow the renter or lessee of the event venue to bring the
10 renter's or lessee's own fermented malt beverages ~~and~~, wine, and hemp-derived
11 cannabinoid products in beverage form onto the event venue and serve it to guests
12 without charge.

13 2. Allow the guests of the renter or lessee to bring fermented malt beverages
14 ~~and~~, wine, and hemp-derived cannabinoid products in beverage form onto the event
15 venue to be consumed by the guests without charge.

16 4. Allow the renter or lessee to contract with a caterer holding Class "B" and
17 "Class B" licenses for the caterer to provide fermented malt beverages and wine, or,
18 subject to s. 125.10 (6) (c), with a caterer holding a Class "B" or Class "HDC-B"
19 license for the caterer to provide hemp-derived cannabinoid products in beverage
20 form, to the renter or lessee and the renter's or lessee's guests without charge on
21 the event venue.

22 **SECTION 199.** 125.24 (2) (d) 1., 2. and 3. of the statutes, as created by 2023
23 Wisconsin Act 73, are amended to read:

24 125.24 (2) (d) 1. Neither the renter or lessee of the event venue nor any guest

SENATE BILL 681**SECTION 199**

1 of the renter or lessee may bring alcohol beverages or hemp-derived cannabinoid
2 products onto the event venue.

3 2. The caterer may serve the fermented malt beverages ~~and~~, wine, and hemp-
4 derived cannabinoid products in beverage form that are provided on the event
5 venue, but service shall be performed only by persons holding an operator's license
6 under s. 125.17.

7 3. The caterer may not provide fermented malt beverages ~~or~~, wine, or hemp-
8 derived cannabinoid products in beverage form on the event venue unless the renter
9 or lessee has first purchased the fermented malt beverages ~~or~~, wine, or hemp-
10 derived cannabinoid products in beverage form from the caterer in a face-to-face
11 transaction at the caterer's licensed retail premises.

12 **SECTION 200.** 125.24 (2) (e) 1., 2. and 3. of the statutes, as created by 2023
13 Wisconsin Act 73, are amended to read:

14 125.24 (2) (e) 1. Except as provided in par. (c) 3., sell any alcohol beverages or
15 hemp-derived cannabinoid products to guests or attendees of an event on the event
16 venue, including charging admission for an event on the event venue at which any
17 alcohol beverages or hemp-derived cannabinoid products are served.

18 2. Allow any person to possess distilled spirits or hemp-derived cannabinoid
19 products that are not in beverage form on the event venue.

20 3. If there are 20 or more people on the event venue, allow the service of
21 fermented malt beverages ~~or~~, wine, or hemp-derived cannabinoid products in
22 beverage form unless the service is performed by a person holding an operator's
23 license under s. 125.17.

24 **SECTION 201.** 125.24 (3) (g), (h), (i) and (j) of the statutes are created to read:

SENATE BILL 681**SECTION 201**

1 125.24 (3) (g) A manufacturer's permit issued under s. 125.751.

2 (h) A distributor's permit issued under s. 125.753.

3 (i) An out-of-state shipper's permit issued under s. 125.755 or out-of-state
4 ingredient supplier's permit issued under s. 125.756.

5 (j) A Class "HDC-A" or Class "HDC-B" license issued under s. 125.761.

6 **SECTION 202.** 125.25 (1m) of the statutes is created to read:

7 125.25 (1m) Subject to s. 125.10 (6) (c), in addition to the authorization
8 specified in sub. (1), a Class "A" license authorizes retail sales of hemp-derived
9 cannabinoid products for consumption off the premises where sold and in original
10 packages or containers.

11 **SECTION 203.** 125.25 (2) (b) (intro.) of the statutes is amended to read:

12 125.25 (2) (b) (intro.) Subject to ~~s. ss.~~ 125.20 (6) and 125.765 (3), a Class "A"
13 license may not be issued to any person who holds, or has an interest in a permittee
14 holding, any of the following:

15 **SECTION 204.** 125.25 (2) (b) 7., 8. and 9. of the statutes are created to read:

16 125.25 (2) (b) 7. A manufacturer's permit issued under s. 125.751.

17 8. A distributor's permit issued under s. 125.753.

18 9. An out-of-state shipper's permit issued under s. 125.755 or out-of-state
19 ingredient supplier's permit issued under s. 125.756.

20 **SECTION 205.** 125.26 (1m) of the statutes is created to read:

21 125.26 (1m) Subject to s. 125.10 (6) (c), in addition to the authorization
22 specified in sub. (1), a Class "B" license authorizes retail sales of hemp-derived
23 cannabinoid products to be consumed either on the premises where sold or off the
24 premises.

SENATE BILL 681**SECTION 206**

SECTION 206. 125.26 (2) (b) (intro.) of the statutes is amended to read:

125.26 (2) (b) (intro.) Subject to ~~s. ss.~~ 125.20 (6) and 125.765 (3), a Class “B” license may not be issued to any person who holds, or has an interest in a permittee holding, any of the following:

SECTION 207. 125.26 (2) (b) 7., 8. and 9. of the statutes are created to read:

125.26 (2) (b) 7. A manufacturer’s permit issued under s. 125.751.

8. A distributor’s permit issued under s. 125.753.

9. An out-of-state shipper’s permit issued under s. 125.755 or out-of-state ingredient supplier’s permit issued under s. 125.756.

SECTION 208. 125.29 (7) (i) of the statutes is created to read:

125.29 (7) (i) 1. Subject to s. 125.10 (6) (d), a brewer authorized to make full-service retail sales under this subsection may also make retail sales of hemp-derived cannabinoid products, for consumption on or off the premises, at the location where full-service retail sales are authorized. The brewer may make these retail sales only if the brewer has purchased the hemp-derived cannabinoid products from a distributor holding a permit under s. 125.753 or the brewer holds a permit under s. 125.751 and manufactured the hemp-derived cannabinoid products. A brewer that makes retail sales of hemp-derived cannabinoid products is subject to s. 125.767 (6) to the same extent as if the brewer were a retail licensee, except with respect to hemp-derived cannabinoid products manufactured by the brewer.

2. If a brewer that holds a permit under s. 125.751 is authorized to establish a retail outlet under s. 125.751 (6) (b), this retail outlet may be in the same location as a full-service retail outlet authorized under this subsection.

SENATE BILL 681**SECTION 209**

1 **SECTION 209.** 125.32 (2) of the statutes is amended to read:

2 125.32 (2) OPERATORS LICENSES AND PERMITS; CLASS “A,” CLASS “B,” AND
3 OTHER PREMISES. Except as provided under sub. (3) (b) and ss. 125.07 (3) (a) 10. and
4 125.26 (6), no premises operated under a Class “A” or Class “B” license or permit
5 may be open for business, and no person who holds a brewer’s permit,
6 manufacturer’s or rectifier’s permit, or winery permit may allow the sale or
7 provision of taste samples of fermented malt beverages on the brewery premises,
8 manufacturing or rectifying premises, winery premises, or any retail outlet
9 operated by the brewer, manufacturer, rectifier, or winery under s. 125.29 (7),
10 125.52 (4), or 125.53 (3), unless there is upon the premises the licensee or
11 permittee, the agent named in the license or permit if the licensee or permittee is a
12 corporation or limited liability company, or some person who has an operator’s
13 license or operator’s permit and who is responsible for the acts of all persons
14 serving any fermented malt beverages or hemp-derived cannabinoid products to
15 customers. An operator’s license issued in respect to a vessel under s. 125.27 (2) is
16 valid outside the municipality that issues it. For the purpose of this subsection, any
17 person holding a manager’s license under s. 125.18 or any member of the licensee’s
18 or permittee’s immediate family who has attained the age of 18 shall be considered
19 the holder of an operator’s license. No person other than the licensee, permittee, or
20 agent may serve fermented malt beverages or hemp-derived cannabinoid products
21 in any place operated under a Class “A” or Class “B” license or permit or on brewery
22 premises, manufacturing or rectifying premises, winery premises, or any retail
23 outlet operated by a brewer, manufacturer, rectifier, or winery under s. 125.29 (7),
24 125.52 (4), or 125.53 (3) unless he or she has an operator’s license or operator’s

SENATE BILL 681**SECTION 209**

1 permit, is considered to have an operator's license under this subsection, or is at
2 least 18 years of age and is under the immediate supervision of the licensee,
3 permittee, agent, or a person holding an operator's license or operator's permit, who
4 is on the premises at the time of the service.

5 **SECTION 210.** 125.52 (4) (h) of the statutes is created to read:

6 125.52 (4) (h) 1. Subject to s. 125.10 (6) (d), a manufacturer or rectifier
7 authorized to make full-service retail sales under this subsection may also make
8 retail sales of hemp-derived cannabinoid products, for consumption on or off the
9 premises, at the location where full-service retail sales are authorized. The
10 manufacturer or rectifier may make these retail sales only if the manufacturer or
11 rectifier has purchased the hemp-derived cannabinoid products from a distributor
12 holding a permit under s. 125.753 or the manufacturer or rectifier holds a permit
13 under s. 125.751 and manufactured the hemp-derived cannabinoid products. A
14 manufacturer or rectifier that makes retail sales of hemp-derived cannabinoid
15 products is subject to s. 125.767 (6) to the same extent as if the manufacturer or
16 rectifier were a retail licensee, except with respect to hemp-derived cannabinoid
17 products manufactured by the manufacturer or rectifier.

18 2. If a manufacturer or rectifier that holds a permit under s. 125.751 is
19 authorized to establish a retail outlet under s. 125.751 (6) (b), this retail outlet may
20 be in the same location as a full-service retail outlet authorized under this
21 subsection.

22 **SECTION 211.** 125.53 (3) (h) of the statutes is created to read:

23 125.53 (3) (h) 1. Subject to s. 125.10 (6) (d), a winery authorized to make full-
24 service retail sales under this subsection may also make retail sales of hemp-

SENATE BILL 681**SECTION 211**

1 derived cannabinoid products, for consumption on or off the premises, at the
2 location where full-service retail sales are authorized. The winery may make these
3 retail sales only if the winery has purchased the hemp-derived cannabinoid
4 products from a distributor holding a permit under s. 125.753 or the winery holds a
5 permit under s. 125.751 and manufactured the hemp-derived cannabinoid
6 products. A winery that makes retail sales of hemp-derived cannabinoid products
7 is subject to s. 125.767 (6) to the same extent as if the winery were a retail licensee,
8 except with respect to hemp-derived cannabinoid products manufactured by the
9 winery.

10 2. If a winery that holds a permit under s. 125.751 is authorized to establish
11 a retail outlet under s. 125.751 (6) (b), this retail outlet may be in the same location
12 as a full-service retail outlet authorized under this subsection.

13 **SECTION 212.** Subchapter IV of chapter 125 [precedes 125.741] of the statutes
14 is created to read:

CHAPTER 125**SUBCHAPTER IV****HEMP-DERIVED****CANNABINOID PRODUCTS**

19 **125.741 Definitions.** In this subchapter:

20 (1) “Batch” means a specific quantity of a hemp-derived cannabinoid product
21 that is all of the following:

22 (a) Manufactured at the same time and using the same methods, equipment,
23 and ingredients.

SENATE BILL 681**SECTION 212**

1 (b) Uniform and intended to meet specifications for identity, strength, purity,
2 and composition.

3 (c) Manufactured, packaged, and labeled according to a single batch
4 production record.

5 (2) “Distributor” means a person who sells or delivers a hemp-derived
6 cannabinoid product that the person did not manufacture to a retailer for sale to
7 consumers. “Distributor” does not include a common carrier used only to complete
8 delivery from a permittee under s. 125.753 to a retailer.

9 (3) “Manufacturer” means, except in ss. 125.751 (1) (a), 125.755 (1), 125.756
10 (1), and 125.763, a person holding a hemp-derived cannabinoid product
11 manufacturer’s permit issued under s. 125.751.

12 (4) “Nonintoxicating cannabinoid” means any substance extracted from hemp
13 that does not produce intoxicating effects when consumed by any route of
14 administration. “Nonintoxicating cannabinoid” includes all of the following:

15 (a) Cannabidiol.

16 (b) Cannabidiolic acid.

17 (c) Cannabidivarin.

18 (d) Cannabidivarinic acid.

19 (e) Cannabichromene.

20 (f) Cannabichromenic acid.

21 (g) Cannabigerolic acid.

22 (h) Cannabigerol.

23 (i) Cannabinol.

24 (j) Cannabitriol.

SENATE BILL 681**SECTION 212**

1 (5) “Primary source of supply,” with respect to a hemp-derived cannabinoid
2 product, means the manufacturer that manufactured the hemp-derived
3 cannabinoid product or the exclusive agent designated by the manufacturer.

4 **125.743 Requirements and restrictions for hemp-derived**
5 **cannabinoid products.** (1) (a) Except as provided in par. (c), and subject to sub.
6 (4) (b), no product containing cannabinoids may be manufactured, transported,
7 stored, or sold in this state unless the product is a hemp-derived cannabinoid
8 product and the hemp-derived cannabinoid contained in the product is derived from
9 a federally licensed or state-licensed hemp producer, as defined in s. 94.55 (1) (b).

10 (b) Subject to sub. (4) (b), hemp-derived cannabinoid products may contain
11 nonintoxicating cannabinoids but only the nonintoxicating cannabinoids specified
12 in s. 125.741 (4) (a) to (j).

13 (c) Paragraph (a) does not apply to any of the following:

14 1. A cannabidiol product, as defined in s. 961.01 (3r), that is governed by ss.
15 961.32 (2m) and 961.38 (1n) (b), and any tetrahydrocannabinol contained in a
16 cannabidiol product that is dispensed as provided in s. 961.38 (1n) (a) or that is
17 possessed as provided in s. 961.32 (2m) (b).

18 2. A prescription drug product that has been approved by the U.S. food and
19 drug administration.

20 3. A hemp-derived topical product, as defined in s. 125.775 (1), subject to the
21 requirements under s. 125.775.

22 (2) Subject to sub. (1) and the requirements under this chapter, hemp-derived
23 cannabinoid products may be manufactured, transported, stored, sold, and
24 consumed in this state.

SENATE BILL 681**SECTION 212**

1 (3) (a) No hemp-derived cannabinoid product may be manufactured by
2 applying an extracted or concentrated hemp-derived cannabinoid to a commercially
3 available candy or snack food item.

4 (b) No hemp-derived cannabinoid product may contain an ingredient, other
5 than a hemp-derived cannabinoid, that is not approved or generally recognized as
6 safe by the federal food and drug administration.

7 (c) No hemp-derived cannabinoid product may be packaged or mixed with or
8 as part of an alcohol beverage or with any liquid having an alcohol content greater
9 than 0.5 percent alcohol by volume.

10 (d) No hemp-derived cannabinoid product may contain any controlled
11 substance, as defined in s. 961.01 (4), or controlled substance analog, as defined in
12 s. 961.01 (4m), or its salts, isomers, or salts of isomers.

13 (e) No hemp-derived cannabinoid product may contain caffeine in excess of
14 100 milligrams per serving.

15 (4) (a) A hemp-derived cannabinoid product that is produced, marketed, or
16 otherwise intended to be inhaled may not contain any of the following substances:

- 17 1. Acetates.
- 18 2. Medium-chain triglycerides.
- 19 3. Polyethylene glycol.
- 20 4. Propylene glycol.
- 21 5. Diketones, including diacetyl, acetylpropionyl, and acetoin.
- 22 6. Myclobutanil.
- 23 7. Artificial food coloring.
- 24 8. Benzoic acid.

SENATE BILL 681**SECTION 212**

1 (b) A hemp-derived cannabinoid product that is produced, marketed, or
2 otherwise intended to be inhaled may contain an ingredient, other than a hemp-
3 derived cannabinoid, if the ingredient is listed in, and the concentration and route
4 of the ingredient is authorized under, the inactive ingredient database of the
5 federal food and drug administration.

6 (5) A hemp-derived cannabinoid product may be sold in only the following
7 forms and only in compliance with the applicable requirements or restrictions
8 specified for the form in pars. (a) to (f):

9 (a) As a single-serving beverage, if all of the following apply:

10 1. The product is bottled, canned, or otherwise placed in a container having a
11 capacity of not less than 50 milliliters and not more than 19.2 ounces.

12 2. The product is bottled with a sealed cap or is canned or otherwise placed in
13 another container that utilizes a traditional pull-tab.

14 3. The container of the product does not contain more than one serving of the
15 product.

16 4. There are not more than 20 milligrams of tetrahydrocannabinols in the
17 container of the product.

18 (b) As a multi-serving beverage, if all of the following apply:

19 1. The product is bottled or otherwise placed in a container having a capacity
20 of not less than 375 milliliters and not more than 1.75 liters.

21 2. The product is bottled or otherwise placed in a resealable container.

22 3. The measure of a serving size of the product in the container is 1.5 ounces.

23 4. The product contains not more than 20 milligrams of
24 tetrahydrocannabinols per serving.

SENATE BILL 681**SECTION 212**

(c) As a tincture, if all of the following apply:

1. The product is in the form of a solution of hemp concentrate or refined cannabinoid that is dissolved in glycerin, food-grade oils, or other food-grade solvents.

2. The product is intended to be orally ingested.

3. The product contains servings measured in single milliliters.

4. The product container does not contain more than 60 milliliters of the product.

5. The product contains not more than 20 milligrams of tetrahydrocannabinols per serving.

(d) As an edible product, if all of the following apply:

1. The product is intended to be orally ingested and is in a form other than a beverage or tincture.

2. Each serving of the product within the product packaging or container is scored or wrapped or has another indicator that clearly identifies the serving size.

3. The product contains not more than 20 milligrams of tetrahydrocannabinols per serving.

4. The packaging or container of the product contains not more than 40 servings.

(e) As an inhalable product, if all of the following apply:

1. The product is intended to be consumed by combustion or vaporization of the product and inhalation of the resulting smoke, aerosol, or vapor, including hemp flower or hemp plant parts.

2. The product contains not more than 800 milligrams of

SENATE BILL 681**SECTION 212**

1 tetrahydrocannabinols if in cartridge form or, if in the form of hemp flower or hemp
2 plant parts, the container of the product contains not more than one ounce of the
3 product.

4 (f) As a product intended to be absorbed through the skin, if the container of
5 the hemp-derived cannabinoid product contains not more than 800 milligrams of
6 tetrahydrocannabinols.

7 **125.745 Testing of hemp-derived cannabinoid products.** (1) No hemp-
8 derived cannabinoid product may be sold in this state unless the manufacturer has
9 first submitted a representative sample of each batch of the product to an
10 independent, accredited laboratory for testing and certification that the product is
11 in compliance with the applicable standards of this chapter and the laboratory has
12 made such a certification. A certification shall be accompanied by the certificate of
13 analysis of testing results required under sub. (4). The manufacturer shall provide
14 the certificate of analysis of testing results for each batch of a hemp-derived
15 cannabinoid product to the product's distributor.

16 (2) Testing under sub. (1) shall, at a minimum, satisfy all of the following
17 requirements:

18 (a) It is consistent with generally accepted industry standards.

19 (b) It meets all standards established by the division.

20 (3) Certification under sub. (1) may not be made unless testing of the hemp-
21 derived cannabinoid product confirms all of the following requirements are
22 satisfied:

23 (a) The product contains the amount of cannabinoids stated on the label of the
24 product, disclosed as a percentage, as milligrams per serving, and, if there is more

SENATE BILL 681**SECTION 212**

1 than one serving of the product in a package or container, as total milligrams for
2 the package or container, subject to the variance under s. 125.749 (10).

3 (b) The product does not contain more than trace amounts of any mold,
4 residual solvents, or other catalysts, pesticides, fertilizers, mycotoxins, or heavy
5 metals.

6 (c) The product is derived from hemp and does not contain a delta-9-
7 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis
8 or the maximum concentration allowed under federal law up to 1 percent,
9 whichever is greater.

10 (4) A hemp-derived cannabinoid product may not be sold in this state unless it
11 is accompanied by a certificate of analysis of testing results verifying that the
12 product is derived from hemp and retains a concentration of delta-9-
13 tetrahydrocannabinol of not more than 0.3 percent on a dry weight basis or the
14 maximum concentration allowed under federal law up to 1 percent, whichever is
15 greater. This certificate of analysis of testing results may be provided by means of
16 a quick response code on the product's label or packaging. If a hemp-derived
17 cannabinoid product contains hemp concentrate or refined cannabinoids, the
18 certificate of analysis required under this subsection shall include the certificate of
19 analysis required under s. 125.751 (4) (e) for the hemp concentrate or refined
20 cannabinoids.

21 (5) The division may promulgate rules establishing laboratory and testing
22 requirements under this section, including any of the following:

23 (a) Minimum laboratory qualifications required for the division to accept the
24 laboratory's certification under sub. (1).

SENATE BILL 681**SECTION 212**

1 (b) Specific standards applicable under sub. (3) (b).

2 **125.747 Hemp-derived cannabinoid product registration.** (1) (a) A
3 manufacturer or an out-of-state shipper holding a permit under s. 125.755, before
4 selling any hemp-derived cannabinoid product in this state, shall register the
5 product with the division.

6 (b) No hemp-derived cannabinoid product may be sold in this state unless it is
7 first registered under par. (a) and, at the time of sale, continues to appear in the
8 registry under sub. (3) (a).

9 (2) The division shall require, as part of the registration under sub. (1), that
10 the manufacturer or out-of-state shipper certify that the hemp-derived cannabinoid
11 product complies with the requirements of this chapter.

12 (3) (a) The division shall maintain and make publicly available on its website
13 a registry of hemp-derived cannabinoid products that are registered under this
14 section. The division shall update this registry at least monthly to ensure the
15 registry remains current and accurate.

16 (b) Before removing a hemp-derived cannabinoid product from the registry
17 under par. (a), the division shall provide to the manufacturer or out-of-state shipper
18 that registered the product notice and an opportunity to cure deficiencies in the
19 registration. The division may not remove a product from the registry earlier than
20 15 business days after providing this notice. The division's determination on
21 whether to remove a product from the registry is subject to review under ch. 227.

22 (c) If a hemp-derived cannabinoid product is removed from the registry under
23 par. (a), any distributor holding a permit under s. 125.753 or any Class "A," Class

SENATE BILL 681**SECTION 212**

1 “B,” Class “HDC-A,” or Class “HDC-B” licensee in possession of the product shall do
2 all of the following:

3 1. Remove the product from its inventory no later than 21 days after the date
4 the product is removed from the registry.

5 2. Return the product to the manufacturer or out-of-state shipper for disposal.

6 (4) Any person who violates sub. (1) or (3) (c) may be required to forfeit not
7 more than \$1,000 for each day on which a violation occurs.

8 **125.749 Label and packaging requirements.** (1) In this section, “label”
9 includes material attached to, printed or embossed on, or incorporated into the
10 immediate container in which a hemp-derived cannabinoid product is sold.

11 (2) No hemp-derived cannabinoid product may be sold in this state unless the
12 product is labeled in compliance with this section and the label is expressly or
13 impliedly approved by the division as provided in sub. (8).

14 (3) Each hemp-derived cannabinoid product sold in this state shall bear one
15 or more labels that contain, at a minimum, all of the following information:

16 (a) The name, location, contact phone number, and website address of the
17 product’s manufacturer or brand owner.

18 (b) The product’s batch number.

19 (c) The product’s serving size and number of servings per package or
20 container if more than one serving is included in the package or container.

21 (d) The product’s cannabinoid profile per serving and in total for the
22 container.

23 (e) A list of the product’s ingredients, including identification by name of any
24 major food allergens.

SENATE BILL 681**SECTION 212**

1 (f) The product's potency, labeled as milligrams per serving, for total
2 tetrahydrocannabinol and for any hemp-derived cannabinoid present in excess of 1
3 percent of the total tetrahydrocannabinol present in the serving. A product
4 containing multiple servings per container or package shall also include the total
5 amounts of tetrahydrocannabinol, and of any other hemp-derived cannabinoid
6 present in excess of 1 percent of the total tetrahydrocannabinol, present in the
7 package or container.

8 (4) (a) In addition to the information required under sub. (3), a label on each
9 hemp-derived cannabinoid product sold in this state shall include a warning
10 statement that is conspicuous, clearly legible, and printed in at least 6-point type on
11 a contrasting background and that contains the information specified in par. (b)
12 and, if applicable, the statement specified in par. (c).

13 (b) The warning statement under par. (a) for all hemp-derived cannabinoid
14 products shall include all of the following information in substantially similar form:

- 15 1. Keep out of the reach of children.
- 16 2. Must be 21 or older to possess or consume.
- 17 3. May be harmful to those who are pregnant or breastfeeding.
- 18 4. May impair ability to drive or operate machinery.
- 19 5. May contain unidentified substances that are harmful or toxic.
- 20 6. This product is not approved by the FDA for cure, mitigation, treatment, or
21 prevention of any disease.
- 22 7. Use of this product may result in a positive drug test.

23 (c) A hemp-derived cannabinoid product that is produced, marketed, or

SENATE BILL 681**SECTION 212**

1 otherwise intended to be inhaled shall include the following in addition to the
2 statement under par. (b):

3 “**WARNING:** Inhalation of cannabis smoke has been associated with lung
4 injury.”

5 (5) No label of a hemp-derived cannabinoid product sold in this state may
6 contain any claim that the product may be used for or is effective for the prevention,
7 treatment, or cure of a disease or that it may be used to alter the structure or
8 function of human or animal bodies, unless the claim has been approved by the
9 federal food and drug administration.

10 (6) No hemp-derived cannabinoid product may be sold in this state unless the
11 product packaging satisfies all of the following requirements:

12 (a) It is child-resistant according to the packaging standards set forth in 16
13 CFR 1700.15, unless the product is a beverage.

14 (b) It does not contain any feature likely to be appealing to children, including
15 any of the following:

16 1. Cartoon images, superhero characters, comic book characters, video game
17 characters, television show characters, movie characters, or unicorns or other
18 mythical creatures.

19 2. Likeness to commercially available candy, snacks, baked goods, or
20 beverages.

21 (c) It contains no information that would be prohibited on the label under sub.
22 (5).

23 (7) (a) A hemp-derived cannabinoid product that is not a beverage shall be
24 placed in packaging that is opaque to an extent that the contents are not viewable.

SENATE BILL 681**SECTION 212**

1 (b) A hemp-derived cannabinoid product shall be placed in tamper-evident
2 packaging or a tamper-evident container or contain a tamper-evident seal.

3 (8) Before a hemp-derived cannabinoid product may be sold in this state, all
4 labels for the product shall be submitted to the division with an application for label
5 approval. If the division has not acted upon an application within 30 days after the
6 application is submitted, the application is considered approved. The division may
7 deny an application for label approval only on the basis that the label does not
8 comply with the requirements under this section.

9 (9) Any information required under this section on a hemp-derived
10 cannabinoid product label may, if the immediate container holding the product is
11 too small to contain all of the required information, instead be displayed on the
12 product's outer packaging and by means of a quick response code on the product
13 label of the immediate container holding the product.

14 (10) Information on a hemp-derived cannabinoid product label relating to the
15 percentage or milligrams of cannabinoids contained in the product is accurate if the
16 labeled information is within one milligram or 10 percent, whichever is greater, of
17 the actual cannabinoid content of the product.

18 **125.751 Hemp-derived cannabinoid product manufacturers.** (1) (a)
19 The division shall issue hemp-derived cannabinoid product manufacturers' permits
20 to qualified applicants. Except as provided under s. 125.765, a manufacturer's
21 permit may be issued under this section to any person who holds a valid certificate
22 issued under s. 73.03 (50) and who is qualified under s. 125.04 (5), except a person
23 acting as an agent for, or in the employ of, another person.

SENATE BILL 681**SECTION 212**

1 (b) A permit issued under this section shall particularly describe the premises
2 for which issued and is not transferable, except as provided in s. 125.04 (12).

3 (c) 1. A permit issued under this section shall include an endorsement
4 identifying any of the following forms of hemp-derived cannabinoid products
5 manufactured on the premises:

6 a. Beverage products.

7 b. Edible products.

8 c. Inhalable products.

9 d. Tinctures.

10 e. Products absorbed through the skin.

11 2. The endorsement under subd. 1. shall also indicate whether hemp
12 concentrate or refined cannabinoids are manufactured on the premises as
13 authorized under sub. (4) (a).

14 **(2)** A permit issued under this section authorizes the permittee to do all of the
15 following:

16 (a) Purchase hemp concentrate and refined cannabinoids from other persons
17 authorized to engage in such transactions.

18 (b) Make hemp concentrate.

19 (c) Manufacture refined cannabinoids.

20 (d) Manufacture hemp-derived cannabinoid products for public consumption.

21 (e) Package and label hemp-derived cannabinoid products for sale.

22 (f) Sell hemp concentrate and refined cannabinoids to other manufacturers
23 holding a permit under this section for further manufacturing or finishing.

24 (g) Sell finished and packaged hemp-derived cannabinoid products to

SENATE BILL 681**SECTION 212**

1 distributors holding a permit under s. 125.753, other manufacturers holding a
2 permit under this section, or persons located outside this state authorized to receive
3 such products.

4 (3) A manufacturer may manufacture hemp-derived cannabinoid products
5 only in a facility and on equipment that meets applicable health and safety
6 requirements established by the division, including requirements for cleaning and
7 testing machinery between production of different products.

8 (4) (a) A manufacturer may not create hemp concentrate or refined
9 cannabinoids unless the manufacturer has first obtained an endorsement from the
10 division.

11 (b) A manufacturer seeking an endorsement to create hemp concentrate shall
12 inform the division of all methods of extraction and concentration that the
13 manufacturer intends to use and identify the volatile chemicals, if any, that will be
14 involved in the creation of hemp concentrate. A manufacturer may not use a
15 method of extraction and concentration or a volatile chemical without approval by
16 the division.

17 (c) A manufacturer seeking an endorsement to create refined cannabinoids
18 shall inform the division of all methods of conversion that the manufacturer will
19 use, including any specific catalysts that the manufacturer will employ, to create
20 refined cannabinoids and the molecular nomenclature of all cannabinoids or other
21 chemical compounds that the manufacturer will create. A manufacturer may not
22 use a method of conversion or a catalyst without approval by the division.

23 (d) Before any division approval under this subsection, a manufacturer shall
24 obtain a certification from an independent, 3rd-party industrial hygienist or

SENATE BILL 681**SECTION 212**

1 professional engineer approving all of the following with respect to the
2 manufacturer:

3 1. All electrical, gas, fire suppression, and exhaust systems.

4 2. A plan for safe storage and disposal of hazardous substances, including any
5 volatile chemicals.

6 (e) A manufacturer, with the sale to any person of hemp concentrate or refined
7 cannabinoids, shall provide to the person all of the following:

8 1. A statement that discloses the method of extraction and concentration or
9 conversion used and any solvents, gases, catalysts, or other volatile chemicals
10 involved in that method.

11 2. A certificate of analysis indicating that the hemp concentrate or refined
12 cannabinoids are derived from hemp, that the hemp concentrate or refined
13 cannabinoids do not contain more than trace amounts of any mold, residual
14 solvents, or other catalysts, pesticides, fertilizers, mycotoxins, or heavy metals, and
15 the total cannabinoid profile of the product.

16 (f) A manufacturer, prior to the sale or transfer of hemp concentrate or refined
17 cannabinoids, shall place the hemp concentrate or refined cannabinoids in tamper-
18 evident packaging or a tamper-evident container bearing the following label:
19 “WARNING: UNFINISHED PRODUCT; NOT INTENDED FOR HUMAN
20 CONSUMPTION IN THIS FORM.”

21 (5) (a) A manufacturer may transport hemp concentrate and refined
22 cannabinoids on public roadways only if all of the following requirements are
23 satisfied:

24 1. The hemp concentrate or refined cannabinoids are in a locked, safe, and

SENATE BILL 681**SECTION 212**

1 secure storage compartment that is part of the transporting vehicle or in a locked
2 storage container that has a separate key or combination pad.

3 2. The hemp concentrate or refined cannabinoids are packaged in tamper-
4 evident containers that are not visible or recognizable from outside the
5 transporting vehicle.

6 3. The manufacturer has a bill of lading or other shipping documents in its
7 possession that describe the contents of all tamper-evident containers, that
8 demonstrate the contents of these containers were lawfully produced, and that
9 identify the logistical details of the transportation.

10 4. The manufacturer appropriately documents all departures, arrivals, and
11 stops.

12 5. Only designated employees of the manufacturer enter the transporting
13 vehicle while it is transporting hemp concentrate or refined cannabinoids.

14 6. The manufacturer complies with any other rules promulgated by the
15 division.

16 (b) Any vehicle transporting, or assigned by the manufacturer to transport,
17 hemp concentrate or refined cannabinoids is subject to inspection at any time by
18 any person authorized to conduct inspections under s. 125.025 (3).

19 (6) (a) 1. Notwithstanding ss. 125.04 (9) and 125.09 (1), a manufacturer may
20 make retail sales, on the manufacturing premises, of hemp-derived cannabinoid
21 products that have been manufactured by the manufacturer on these premises or on
22 other premises of the manufacturer, for on-premises or off-premises consumption.

23 2. Notwithstanding ss. 125.04 (9) and 125.09 (1), if a manufacturer
24 manufactured, on all of the manufacturer's premises operated by the manufacturer

SENATE BILL 681**SECTION 212**

1 in this state, hemp-derived cannabinoid products containing a cumulative total of at
2 least 5,000 grams of hemp-derived cannabinoids in any one of the 3 preceding
3 calendar years, the manufacturer may engage in retail sales on the manufacturing
4 premises.

5 (b) Notwithstanding ss. 125.04 (9) and 125.09 (1), and subject to pars. (d) and
6 (f), if a manufacturer manufactured, on all of the manufacturer's premises operated
7 by the manufacturer in this state, hemp-derived cannabinoid products containing a
8 cumulative total of at least 5,000 grams of hemp-derived cannabinoids in any one of
9 the 3 preceding calendar years, the manufacturer may engage in retail sales at off-
10 site locations identified in the manufacturer's permit. Subject to pars. (e) and (f),
11 the number of retail sales locations a manufacturer is allowed in addition to the
12 manufacturing premises is determined by the cumulative total of hemp-derived
13 cannabinoids contained in hemp-derived cannabinoid products it manufactured on
14 all of its manufacturing premises in this state in any one of the 3 preceding
15 calendar years, as follows:

16 1. If the manufacturer's cumulative total in a year was at least 5,000 grams of
17 hemp-derived cannabinoids but less than 15,000 grams of hemp-derived
18 cannabinoids, the manufacturer may establish one retail outlet.

19 2. If the manufacturer's cumulative total in a year was at least 15,000 grams
20 of hemp-derived cannabinoids but less than 25,000 grams of hemp-derived
21 cannabinoids, the manufacturer may establish not more than 2 retail outlets.

22 3. If the manufacturer's cumulative total in a year was at least 25,000 grams
23 of hemp-derived cannabinoids, the manufacturer may establish not more than 3
24 retail outlets.

SENATE BILL 681**SECTION 212**

1 (c) 1. Except as provided in subd. 2., a manufacturer may make retail sales of
2 hemp-derived cannabinoid products on the manufacturing premises and at any of
3 its retail outlets only if the hemp-derived cannabinoid products were purchased by
4 the manufacturer from a distributor holding a permit under s. 125.753.

5 2. A manufacturer is not required to purchase from another permittee hemp-
6 derived cannabinoid products manufactured by the manufacturer that the
7 manufacturer sells at retail on the manufacturing premises or at its retail outlet.

8 3. Subject to subd. 2., a manufacturer engaged in retail sales on the
9 manufacturing premises or at its retail outlet is subject to s. 125.767 (6) to the same
10 extent as if the manufacturer were a retail licensee.

11 (d) 1. A manufacturer may not commence sales of hemp-derived cannabinoid
12 products at a retail outlet unless, prior to commencing such sales, the manufacturer
13 receives approval from the municipality in which the retail outlet is located and
14 from the division as provided in par. (f).

15 2. A municipality's approval under subd. 1. shall be based on the same
16 standards and criteria that the municipality has established by ordinance for the
17 evaluation and approval of applications for a retail license under s. 125.761. A
18 municipality may not impose any requirement or restriction in connection with the
19 approval under subd. 1. that the municipality does not impose on retail licenses
20 issued under s. 125.761. If a municipality does not issue retail licenses under s.
21 125.761, a municipality may deny an application under subd. 1.

22 (e) If a person holds more than one manufacturer's permit under this section,
23 the retail sales authority under this subsection for the manufacturing premises

SENATE BILL 681**SECTION 212**

1 applies with respect to each manufacturer's permit, but the limit on retail outlets is
2 an aggregate maximum, regardless of the number of manufacturer's permits held.

3 (f) 1. An application for a manufacturer's permit, including an application for
4 an amendment to the manufacturer's permit, shall specify each retail outlet of the
5 manufacturer and particularly describe the premises of the retail outlet.

6 2. The division shall establish a process for approval of a manufacturer's retail
7 outlet and for revocation of this approval. Subject to par. (d), the division shall
8 approve a manufacturer's retail outlet, and may not revoke this approval, unless the
9 manufacturer has violated a provision of this chapter related to retail outlets. The
10 division's failure to approve, or revocation of approval of, a retail outlet described in
11 a manufacturer's application or permit does not affect any other retail outlet or the
12 manufacturer's premises as described in the application or permit.

13 3. If the division approves a retail outlet, the manufacturer's permit, as
14 initially issued or as amended, shall particularly describe the premises constituting
15 the retail outlet, which shall be considered part of the premises under the
16 manufacturer's permit.

17 4. If the division approves a retail outlet, the agent appointed under s. 125.04
18 (6) for the manufacturer's permit shall also serve as the agent for the retail outlet.

19 5. Section 125.04 (12) (a) does not apply to a manufacturer's retail outlet.
20 Upon notice to the division, a manufacturer may relocate any retail outlet to a new
21 location within this state once per calendar year, except that one retail outlet of a
22 manufacturer may be relocated without limitation on frequency in each calendar
23 year.

24 (g) If a manufacturer also holds a permit issued under s. 125.29, 125.52, or

SENATE BILL 681**SECTION 212**

1 125.53 and is authorized to establish a full-service retail outlet under s. 125.29 (7),
2 125.52 (4), or 125.53 (3), the manufacturer's retail outlet under this subsection may
3 be in the same location as a full-service retail outlet authorized under s. 125.29 (7),
4 125.52 (4), or 125.53 (3).

5 (7) (a) In this subsection, "delta-9-tetrahydrocannabinol permissible limit"
6 means a delta-9-tetrahydrocannabinol concentration of not more than 0.3 percent
7 on a dry weight basis or the maximum concentration allowed under federal law up
8 to 1 percent, whichever is greater, as tested using post-decarboxylation or other
9 similarly reliable methods.

10 (b) A manufacturer may possess, and may transfer to another manufacturer,
11 hemp concentrate or refined cannabinoids with a delta-9-tetrahydrocannabinol
12 concentration above the delta-9-tetrahydrocannabinol permissible limit if the hemp
13 concentrate or refined cannabinoids are reconditioned or processed into a finished
14 hemp-derived cannabinoid product that is below the delta-9-tetrahydrocannabinol
15 permissible limit and the requirements under s. 125.745 are satisfied.

16 **125.753 Hemp-derived cannabinoid product distributors.** (1) (a) The
17 division shall issue hemp-derived cannabinoid product distributors' permits to
18 qualified applicants. Except as provided in sub. (3) and s. 125.765, a distributor's
19 permit may be issued under this section to any person who holds a valid certificate
20 issued under s. 73.03 (50) and who is qualified under s. 125.04 (5), except a person
21 acting as an agent for, or in the employ of, another person.

22 (b) A permit issued under this section shall particularly describe the premises
23 for which issued and is not transferable, except as provided in s. 125.04 (12).

SENATE BILL 681**SECTION 212**

1 (2) A permit issued under this section authorizes the permittee to do all of the
2 following:

3 (a) Purchase, receive, and transport hemp-derived cannabinoid products from
4 manufacturers holding a permit under s. 125.751 or out-of-state shippers holding a
5 permit under s. 125.755.

6 (b) Sell, provide, and transport hemp-derived cannabinoid products to other
7 distributors, to retailers holding a Class “A,” Class “B,” Class “HDC-A,” or Class
8 “HDC-B” license; to permittees under ss. 125.29, 125.52, and 125.53 for authorized
9 retail sale on their production premises or full-service retail outlets established
10 under ss. 125.29 (7), 125.52 (4), and 125.53 (3); and to manufacturers as provided in
11 s. 125.751 (6) (c) 1.

12 (3) The division may not issue a permit under this section unless the permit
13 applicant demonstrates policies for all of the following:

14 (a) Avoiding purchases of hemp-derived cannabinoid products from persons
15 who do not hold a permit under this section or s. 125.751 or 125.755.

16 (b) Avoiding sales to persons who do not hold a Class “A,” Class “B,” Class
17 “HDC-A,” or Class “HDC-B” license or are not authorized to make sales of hemp-
18 derived cannabinoid products under s. 125.29 (7), 125.52 (4), or 125.53 (3), except
19 for sales under s. 125.751 (6) (c) 1. or sales to other distributors.

20 (4) A distributor holding a permit under this section shall store all hemp-
21 derived cannabinoid products on the premises described in the permit issued under
22 this section or under s. 125.757 in an area that is visually distinct from any area
23 where other food or alcohol beverages are stored.

24 (5) (a) All hemp-derived cannabinoid products sold by a distributor holding a

SENATE BILL 681**SECTION 212**

1 permit under this section, whether shipped to the distributor from inside this state
2 or from outside this state, shall be physically unloaded at the premises described in
3 the permit issued under this section, or at a warehouse premises for which the
4 distributor holds a permit under s. 125.757, prior to being delivered to a retail
5 licensee; a permittee under s. 125.29, 125.52, or 125.53; another distributor; or a
6 manufacturer as provided in s. 125.751 (6) (c) 1.

7 (b) A distributor holding a permit under this section shall annually sell and
8 deliver hemp-derived cannabinoid products to at least 25 retail licensees;
9 permittees under s. 125.29, 125.52, or 125.53; manufacturer's retail outlets; or
10 other distributors that do not have an interest in each other or in the distributor.
11 The division may not issue a permit under this section unless the applicant
12 represents to the division an intention to satisfy this requirement, and may not
13 renew a permit issued under this section unless the distributor demonstrates that
14 this requirement has been satisfied.

15 (c) This subsection does not apply to a cooperative distributor under s.
16 125.763.

17 (6) Any person holding a permit issued under this section may solicit orders
18 for sales or shipments by the permittee without obtaining a sales solicitation
19 permit under s. 125.65 or 125.759, but every agent, salesperson, or other
20 representative who solicits orders for sales or shipments by the permittee under
21 this section shall first obtain a permit for soliciting orders under s. 125.65 or
22 125.759.

23 (7) No distributor may purchase hemp-derived cannabinoid products for
24 resale unless the distributor purchases the products either from the primary source

SENATE BILL 681**SECTION 212**

1 of supply for the brand of the products or from a distributor that holds a permit
2 under this section. No distributor may sell hemp-derived cannabinoid products
3 purchased by the distributor to any other licensee or permittee under this chapter if
4 the hemp-derived cannabinoid products were not purchased by the distributor from
5 the primary source of supply or from another distributor holding a permit under
6 this section.

7 **125.755 Out-of-state shippers of hemp-derived cannabinoid products.**

8 (1) The division shall issue out-of-state shippers' permits to qualified applicants
9 that are manufacturers or suppliers of hemp-derived cannabinoid products located
10 in another state. Except as provided under s. 125.765, an out-of-state shipper's
11 permit may be issued under this section to any person who holds a valid certificate
12 issued under s. 73.03 (50) and who is qualified under s. 125.04 (5), except a person
13 acting as an agent for, or in the employ of, another person.

14 (2) (a) A permit issued under this section authorizes the permittee to ship
15 hemp-derived cannabinoid products only to holders of a distributor's permit issued
16 under s. 125.753.

17 (b) No person may ship into this state hemp-derived cannabinoid products
18 unless the person holds a permit under this section and ships the hemp-derived
19 cannabinoid products to a distributor that holds a permit under s. 125.753.

20 (c) No person may receive hemp-derived cannabinoid products in this state
21 that have been directly shipped from outside this state unless the person is a
22 distributor holding a permit under s. 125.753 who receives the hemp-derived
23 cannabinoid products from a permittee under this section.

24 (d) A permittee under this section shall certify that all hemp-derived

SENATE BILL 681**SECTION 212**

1 cannabinoid products shipped into this state conform to the applicable
2 requirements under this chapter.

3 (e) No permittee under this section may sell hemp-derived cannabinoid
4 products in this state or ship hemp-derived cannabinoid products into this state
5 unless the permittee is the primary source of supply for the hemp-derived
6 cannabinoid products.

7 (3) The application for an out-of-state shipper's permit shall include a
8 provision that the permittee agrees to do all of the following:

9 (a) Comply with applicable requirements under this chapter and ch. 139
10 relating to filing returns, paying taxes, and recordkeeping.

11 (b) Permit inspections and examinations of the permittee's premises and
12 records by the division and its duly authorized employees, as authorized under s.
13 125.025 (3).

14 (c) Pay the expenses reasonably attributable to the inspections and
15 examinations under par. (b) made within the United States.

16 (d) Accept service of process and consent to jurisdiction in any proceeding in
17 this state to enforce the provisions of this chapter or ch. 139.

18 (4) Any person holding an out-of-state shipper's permit issued under this
19 section may solicit orders for sales or shipments by the permittee without obtaining
20 the sales solicitation permit required under s. 125.759, but every agent,
21 salesperson, or other representative who solicits orders for sales or shipments by
22 the permittee under this section shall first obtain a permit for soliciting orders
23 under s. 125.759.

24 **125.756 Out-of-state ingredient suppliers.** (1) The division shall issue

SENATE BILL 681**SECTION 212**

1 out-of-state ingredient suppliers' permits to qualified applicants that are
2 manufacturers or suppliers of hemp concentrate or refined cannabinoids located in
3 another state. Except as provided under s. 125.765, an out-of-state ingredient
4 supplier's permit may be issued under this section to any person who holds a valid
5 certificate issued under s. 73.03 (50) and who is qualified under s. 125.04 (5), except
6 a person acting as an agent for, or in the employ of, another person.

7 (2) (a) A permit issued under this section authorizes the permittee to do all of
8 the following:

9 1. Deliver hemp concentrate or refined cannabinoids only to holders of a
10 manufacturer's permit issued under s. 125.751 in the manner authorized under s.
11 125.751 (5).

12 2. Ship hemp concentrate or refined cannabinoids only to holders of a
13 manufacturer's permit issued under s. 125.751 through a common carrier.

14 (b) No person may ship or deliver into this state hemp concentrate or refined
15 cannabinoids unless the person holds a permit under this section and ships or
16 delivers the hemp concentrate or refined cannabinoids to a manufacturer that holds
17 a permit under s. 125.751.

18 (c) No person may receive hemp concentrate or refined cannabinoids in this
19 state that have been directly shipped or delivered from outside this state unless the
20 person is a manufacturer holding a permit under s. 125.751 who receives the hemp
21 concentrate or refined cannabinoids from a permittee under this section.

22 (3) The application for an out-of-state shipper's permit shall include a
23 provision that the permittee agrees to do all of the following:

24 (a) Permit inspections and examinations of the permittee's premises and

SENATE BILL 681**SECTION 212**

1 records by the division and its duly authorized employees, as authorized under s.
2 125.025 (3).

3 (b) Pay the expenses reasonably attributable to the inspections and
4 examinations under par. (a) made within the United States.

5 (c) Accept service of process and consent to jurisdiction in any proceeding in
6 this state to enforce the provisions of this chapter.

7 (4) An out-of-state ingredient supplier under this section, with the sale to any
8 manufacturer of hemp concentrate or refined cannabinoids, shall provide to the
9 manufacturer the information required under s. 125.751 (4) (e).

10 (5) All hemp concentrate or refined cannabinoids shipped or delivered under
11 this section shall be in a tamper-evident container and contain the warning
12 statement specified in s. 125.751 (4) (f).

13 **125.757 Hemp-derived cannabinoid product warehouse permit. (1)**
14 The division shall issue hemp-derived cannabinoid product warehouse permits that
15 authorize the permittees to store and warehouse hemp-derived cannabinoid
16 products in warehouse premises covered by the permits, subject to rules
17 promulgated by the division. The permit does not authorize the sale of any hemp-
18 derived cannabinoid product.

19 (2) (a) Permits may be issued under this section only to a person who holds a
20 valid certificate issued under s. 73.03 (50) and is qualified under s. 125.04 (5),
21 except a person acting as an agent for, or in the employ of, another person.

22 (b) A permit may not be issued under this section to a Class "A," Class "B,"
23 Class "HDC-A," or Class "HDC-B" licensee.

SENATE BILL 681**SECTION 212**

1 (3) (a) Subject to par. (b), a permit may be issued under this section for the
2 same location as a warehouse for which a permit is issued under s. 125.19.

3 (b) All hemp-derived cannabinoid products stored on the premises of a permit
4 issued under this section shall be stored in an area that is visually distinct from any
5 area where other food or alcohol beverages are stored.

6 (4) The division may issue multiple permits under this section for the same
7 location and the permitted premises may overlap. If the division issues multiple
8 permits under this section for the same location, each permittee's hemp-derived
9 cannabinoid products shall be stored in areas that are visually distinct from any
10 area where another permittee's hemp-derived cannabinoid products are stored.

11 **125.759 Salesperson permit for hemp-derived cannabinoid products.**

12 (1) The division may issue a permit for wholesale sales for future delivery that
13 authorizes the permittee to solicit orders, and to engage in the sale, of hemp-
14 derived cannabinoid products for delivery at a future date. A person holding a
15 permit under this section may give a sample of a brand of hemp-derived
16 cannabinoid products to a Class "A" or Class "HDC-A" licensee who has not
17 previously purchased that brand from the permittee.

18 (2) Permits under this section may be issued to a person who holds a valid
19 certificate issued under s. 73.03 (50) and who is qualified under s. 125.04 (5).

20 (3) (a) Except as provided in par. (b) and ss. 125.753 (6) and 125.755 (4), both
21 individuals engaged in actual solicitation of orders or sales and their employers
22 shall obtain permits under this section.

23 (b) A person may hold a permit under s. 125.65 in lieu of a permit under this

SENATE BILL 681**SECTION 212**

1 section. No requirement under this section applies to a person who holds a permit
2 under s. 125.65.

3 (4) The division shall require the following information in applications for
4 permits under this section:

5 (a) The type of permit desired.

6 (b) The name and address of the applicant; if the applicant is a partnership,
7 limited liability company, or association, the name and address of each member
8 thereof; or if the applicant is a corporation, the name and address of each of its
9 officers.

10 (c) The places where the business is to be conducted.

11 (d) For the period of at least 3 years immediately preceding the date of
12 application, the business or occupation, if any, engaged in by the applicant; if a
13 partnership, limited liability company, or association, by each member thereof; or if
14 a corporation, by each officer.

15 (e) Any other information required by the division.

16 (5) Employers shall furnish the division with the names of all employees
17 engaged in activities requiring a permit under this section and shall notify the
18 division whenever an employee begins or terminates employment. Upon leaving
19 employment, an employee shall submit his or her permit to the division for
20 cancellation.

21 (6) Every person holding a permit under this section shall exhibit it upon
22 request to any prospective purchaser.

23 (7) Nonresident persons holding permits under this section may solicit sales

SENATE BILL 681**SECTION 212**

1 from retailers in this state only if the orders are solicited for, and will be filled by,
2 persons holding permits under s. 125.753.

3 (8) Any person who violates this section shall be fined not less than \$100 nor
4 more than \$500 or imprisoned for not less than 30 days nor more than 6 months or
5 both. Conviction for a violation of this section shall result in automatic revocation
6 of any permit issued under this section. If a permit issued under this section is so
7 revoked, another permit may not be issued to the same person for a period of 2 years
8 following revocation.

9 (9) The division may not require a fee for a permit under this section for an
10 individual who is eligible for the veterans fee waiver program under s. 45.44.

11 **125.761 Hemp-derived cannabinoid product retailers.** (1) Subject to
12 sub. (3), a municipal governing body may issue Class “HDC-A” licenses for the sale
13 of hemp-derived cannabinoid products from premises within the municipality. A
14 Class “HDC-A” license authorizes retail sales of hemp-derived cannabinoid
15 products for consumption off the premises where sold and in original packages or
16 containers.

17 (2) Subject to sub. (3), a municipal governing body may issue Class “HDC-B”
18 licenses for the sale of hemp-derived cannabinoid products from premises within
19 the municipality. A Class “HDC-B” license authorizes retail sales of hemp-derived
20 cannabinoid products for consumption either on the premises where sold or off the
21 premises.

22 (3) (a) Except as provided in par. (b) and s. 125.765, Class “HDC-A” and Class
23 “HDC-B” licenses may be issued to any person qualified under s. 125.04 (5), except
24 a person acting as an agent for, or in the employ of, another person.

SENATE BILL 681**SECTION 212**

1 (b) A municipality may not issue Class “HDC-A” licenses or Class “HDC-B”
2 licenses unless the governing body of the municipality has enacted an ordinance
3 allowing for the issuance of the license. This authorizing ordinance shall conform
4 to the requirements under this chapter and, notwithstanding s. 125.10 (1), may not
5 impose additional burdens or requirements on the licensee or on sales of hemp-
6 derived cannabinoid products that are not also imposed on alcohol beverages.

7 (4) Class “HDC-A” and Class “HDC-B” licenses shall particularly describe the
8 premises for which issued and are not transferable, except as provided in s. 125.04
9 (12). Class “HDC-A” and Class “HDC-B” licenses are subject to revocation for
10 violation of any of the terms or provisions of the license.

11 (5) In addition to the requirements under s. 125.04 (5), an applicant for a
12 Class “HDC-A” or Class “HDC-B” license shall submit all of the following with the
13 license application:

14 (a) A floor plan of the proposed licensed premises accompanied by a detailed
15 description of the premises.

16 (b) Affidavits from all of the applicant’s officers, partners, members, and
17 agents, as applicable, containing biographical information prescribed by the
18 division.

19 (6) The annual fee for a license issued under this section shall be determined
20 by the municipal governing body issuing the license and shall be the same for all
21 Class “HDC-A” licenses and all Class “HDC-B” licenses, respectively, except that
22 the minimum fee is \$50 and the maximum fee is \$500. The fee for a license for less
23 than 12 months shall be prorated according to the number of months or fraction
24 thereof for which the license is issued.

SENATE BILL 681

SECTION 212

1 (7) A person need not hold a Class “HDC-A” or Class “HDC-B” license issued
2 by a municipality under this section if all of the following apply:

3 (a) The person holds a Class “A” or Class “B” license issued by the
4 municipality.

5 (b) The municipality has not adopted an ordinance under s. 125.10 (6) (c).

6 **125.763 Small cooperative distributors.** (1) In this section:

7 (a) “Cooperative distributor” means an entity established under this section.

8 (b) “Member” means a small manufacturer that meets the requirements
9 established under this section for membership in a cooperative distributor and that
10 has been qualified and accepted for membership in a cooperative distributor.

11 (c) “Out-of-state manufacturer” means a person that manufactures hemp-
12 derived cannabinoid products and that is located in a state other than this state.

13 (d) “Retailer” means any person holding a Class “A,” Class “B,” Class “HDC-
14 A,” or Class “HDC-B” license.

15 (e) “Small manufacturer” means a Wisconsin manufacturer or out-of-state
16 manufacturer that produces hemp-derived cannabinoid products containing less
17 than 5,500 total grams of hemp-derived cannabinoids in a calendar year.

18 (f) “Wisconsin manufacturer” means a manufacturer operating under a
19 permit issued under s. 125.751.

20 (2) (a) 1. A cooperative distributor may only be created as provided under this
21 section and s. 185.043 (3). Each cooperative distributor operating under authority
22 of this section shall be organized under ch. 185 but shall be subject to the
23 limitations on such cooperatives imposed by this section. Subject to subd. 3., only
24 small manufacturers may be members of a cooperative distributor. The principal

SENATE BILL 681**SECTION 212**

1 purpose of a cooperative distributor shall be to sell and distribute hemp-derived
2 cannabinoid products manufactured by its members.

3 2. Notwithstanding s. 185.08 (1), a cooperative distributor shall include in its
4 articles of incorporation under ch. 185 a single location for its agent and principal
5 office, which location shall be in this state.

6 3. A small manufacturer may become a member of a cooperative distributor
7 only if the small manufacturer is certified by the division under sub. (6) as a small
8 manufacturer.

9 (b) In addition to the requirements specified in s. 185.31 for the board of
10 directors of a cooperative distributor, a director representing a member that is a
11 Wisconsin manufacturer shall be either an owner or an employee of that Wisconsin
12 manufacturer. If any out-of-state manufacturer is a member of the cooperative
13 distributor, at least one director shall be either an owner or an employee of an out-
14 of-state manufacturer that is a member of the cooperative distributor.

15 (c) Notwithstanding any provision of ch. 185, a cooperative distributor may
16 not employ any owner or employee of a member. However, an individual that is an
17 owner or an employee of a member may act as a volunteer to assist that cooperative
18 distributor in the sale and distribution of hemp-derived cannabinoid products to
19 retailers and other distributors in the manner authorized under this section.

20 (3) (a) 1. Within 7 days after filing its articles of incorporation under ch. 185,
21 a cooperative distributor shall apply to the division for a distributor's permit under
22 s. 125.753. The provisions of s. 125.04 (5) (c) and (6) shall apply to a cooperative
23 distributor as if the cooperative distributor were a corporation or a limited liability
24 company, and for each of these provisions, the division shall determine whether the

SENATE BILL 681**SECTION 212**

1 cooperative distributor is most similar to a corporation or a limited liability
2 company in the context of that provision and apply that provision to the cooperative
3 distributor accordingly.

4 2. The division may issue not more than one distributor's permit to any
5 cooperative distributor. The division may not issue more than a total of 6
6 distributors' permits to cooperative distributors in this state. The division may not
7 issue any new distributor's permit to a cooperative distributor after the first day of
8 the 13th month beginning after the effective date of this subdivision [LRB
9 inserts date], but may renew distributors' permits that were initially issued to
10 cooperative distributors prior to that date.

11 3. No cooperative distributor may operate in this state without a distributor's
12 permit.

13 (b) 1. Notwithstanding s. 125.753 (2), and except as provided in subd. 3., a
14 cooperative distributor issued a distributor's permit under par. (a) is authorized to
15 sell and distribute only hemp-derived cannabinoid products. Except as provided in
16 subd. 3., a cooperative distributor may not sell or distribute any product other than
17 hemp-derived cannabinoid products.

18 2. A cooperative distributor shall purchase hemp-derived cannabinoid
19 products from its members to be resold to retailers and other distributors. A
20 cooperative distributor may not purchase hemp-derived cannabinoid products from
21 any person other than a member. A cooperative distributor may not resell or
22 distribute a hemp-derived cannabinoid product unless it has been purchased from a
23 member. Notwithstanding s. 125.753 (2), a cooperative distributor may not sell or

SENATE BILL 681**SECTION 212**

1 distribute hemp-derived cannabinoid products except to a retailer or to a
2 distributor holding a permit under s. 125.753.

3 3. A cooperative distributor may purchase ancillary industry trade goods used
4 by manufacturers in the packaging and sale of hemp-derived cannabinoid products
5 if such trade goods do not include any hemp-derived cannabinoid products. Any
6 industry trade goods purchased by a cooperative distributor under this subdivision
7 may be offered for resale to the cooperative distributor's members or to any
8 manufacturer that was formerly a member of the cooperative distributor.

9 4. A cooperative distributor shall work with all of its members on evenhanded
10 terms. Any preferential treatment by a cooperative distributor for the benefit of a
11 member that is a Wisconsin manufacturer, and any discrimination against a
12 member that is an out-of-state manufacturer, is prohibited.

13 (c) Neither a cooperative distributor nor its members are subject to any
14 restriction on dealings under s. 125.765 between distributors and manufacturers.
15 Except as provided in s. 125.753 (5) (c) and as otherwise provided in this section, all
16 provisions of this chapter and ch. 139 that apply to a distributor issued a permit
17 under s. 125.753 also apply to a cooperative distributor issued a permit under s.
18 125.753.

19 (4) A member of a cooperative distributor may make its hemp-derived
20 cannabinoid products available for purchase by a retailer or another distributor
21 only through the cooperative distributor of which it is a member. A member of a
22 cooperative distributor may not sell its hemp-derived cannabinoid products directly
23 to any other distributor or directly to a retailer.

24 (5) With each application for renewal of a distributor's permit issued to a

SENATE BILL 681**SECTION 212**

1 cooperative distributor, the cooperative distributor shall file with the division, in
2 the form and manner prescribed by the division by rule, a biennial report that
3 includes detailed information on its members, board of directors, and sale and
4 distribution activities.

5 (6) (a) The division shall, upon application, certify eligible applicants as small
6 manufacturers and renew prior certifications of eligible applicants as small
7 manufacturers.

8 (b) Any manufacturer seeking to become a member of, or to maintain its
9 membership in, a cooperative distributor may apply to the division for certification
10 as a small manufacturer. If the manufacturer meets the definition of a small
11 manufacturer under this section and submits any other information that the
12 division determines is necessary to certify that the manufacturer is operating as a
13 small manufacturer and is eligible for membership in a cooperative distributor, the
14 division shall certify the manufacturer as a small manufacturer. This certification
15 shall remain valid for one year.

16 (c) In certifying any manufacturer under par. (b), the division shall classify
17 the manufacturer as either a Wisconsin manufacturer or an out-of-state
18 manufacturer.

19 (d) The division shall refuse to certify under this subsection any
20 manufacturer that cannot demonstrate it holds all necessary permits for its
21 operations or that the division finds is otherwise not in full compliance with the
22 laws of this state.

23 (7) (a) Any manufacturer that sells or distributes its hemp-derived
24 cannabinoid products directly to a retailer, rather than through a distributor or

SENATE BILL 681**SECTION 212**

1 cooperative distributor, is subject to a fine of not more than \$10,000 and revocation
2 of all of its permits by the division under s. 125.12 (5).

3 (b) Any cooperative distributor that provides preferential treatment to a
4 Wisconsin manufacturer or discriminates against an out-of-state manufacturer is
5 subject to a fine of not more than \$10,000 and revocation of its distributor's permit
6 by the division under s. 125.12 (5).

7 **125.765 Interest restrictions related to hemp-derived cannabinoid**
8 **products. (1)** In this section:

9 (a) "Licensee" means a person who holds a license issued under this chapter.

10 (b) "Permittee" means a person who holds a permit issued under this chapter.

11 (c) "Restricted entity" means an entity holding more than a 10 percent
12 ownership interest in a permittee or licensee.

13 (d) "Restricted individual" means any of the following:

14 1. An individual who works or acts in a managerial capacity for a permittee or
15 licensee.

16 2. An individual serving as an officer, director, member, manager, or agent of
17 a corporation or limited liability company holding a permit or license.

18 3. An individual holding more than a 10 percent ownership interest in a
19 permittee or licensee.

20 (e) "Restricted investor" means a restricted individual or restricted entity.

21 (2) (a) Subject to sub. (3), a manufacturer's permit under s. 125.751 may not
22 be issued to any person who holds, or has an interest in a licensee or permittee
23 holding, any of the following:

24 1. A distributor's permit issued under s. 125.753.

SENATE BILL 681**SECTION 212**

1 2. A Class “HDC-A” or Class “HDC-B” license issued under s. 125.761.

2 3. A Class “A” license issued under s. 125.25 or Class “B” license issued under
3 s. 125.26.

4 (b) Subject to sub. (3), a distributor’s permit under s. 125.753 may not be
5 issued to any person who holds, or has an interest in a licensee or permittee
6 holding, any of the following:

7 1. A manufacturer’s permit issued under s. 125.751.

8 2. An out-of-state shipper’s permit issued under s. 125.755 or out-of-state
9 ingredient supplier’s permit issued under s. 125.756.

10 3. A Class “HDC-A” or Class “HDC-B” license issued under s. 125.761.

11 4. A Class “A” license issued under s. 125.25 or Class “B” license issued under
12 s. 125.26.

13 (c) Subject to sub. (3), an out-of-state shipper’s permit under s. 125.755 may
14 not be issued to any person who holds, or has an interest in a licensee or permittee
15 holding, any of the following:

16 1. A distributor’s permit issued under s. 125.753.

17 2. A Class “HDC-A” or Class “HDC-B” license issued under s. 125.761.

18 3. A Class “A” license issued under s. 125.25 or Class “B” license issued under
19 s. 125.26.

20 (d) Subject to sub. (3), neither a Class “HDC-A” license nor a Class “HDC-B”
21 license under s. 125.761 may be issued to any person who holds, or has an interest
22 in a permittee holding, any of the following:

23 1. A manufacturer’s permit issued under s. 125.751.

24 2. A distributor’s permit issued under s. 125.753.

SENATE BILL 681**SECTION 212**

1 3. An out-of-state shipper's permit issued under s. 125.755 or out-of-state
2 ingredient supplier's permit issued under s. 125.756.

3 (e) Subject to sub. (3), an out-of-state ingredient supplier's permit under s.
4 125.756 may not be issued to any person who holds, or has an interest in a licensee
5 or permittee holding, any of the following:

6 1. A distributor's permit issued under s. 125.753.

7 2. A Class "HDC-A" or Class "HDC-B" license issued under s. 125.761.

8 3. A Class "A" license issued under s. 125.25 or Class "B" license issued under
9 s. 125.26.

10 (f) If a license or permit may not be issued to a person under pars. (a) to (e),
11 the person may not acquire an interest prohibited under pars. (a) to (e) after the
12 license or permit has been issued.

13 **(3)** (a) A licensee or permittee may be owned in part by, or grant an ownership
14 interest to, a restricted investor who would otherwise be prohibited from having an
15 ownership interest in the licensee or permittee if all of the following are satisfied:

16 1. No single restricted investor holds more than a 10 percent ownership
17 interest in the licensee or permittee, including any passive or disregarded entity
18 connected to the restricted investor.

19 2. No restricted investor serves as an officer, director, manager, operator, or
20 agent of the licensee or permittee.

21 3. No restricted investor is involved in the day-to-day operations of the
22 licensee or permittee or exerts any control over such operations beyond the person's
23 ability to vote as an owner.

SENATE BILL 681**SECTION 212**

1 4. The aggregate amount of ownership held by all restricted investors in the
2 licensee or permittee does not exceed 49 percent.

3 5. The licensee or permittee discloses all restricted investors to the division.

4 6. Each restricted investor executes an affidavit, on a form prescribed by the
5 division, swearing to a complete lack of involvement in the day-to-day operations of,
6 and lack of control over, the licensee or permittee beyond the restricted investor's
7 ability to vote as an owner. If the restricted investor is a restricted entity, the
8 affidavit shall be executed on behalf of the restricted entity by an individual who is
9 an officer or director of the restricted entity or who otherwise has management
10 authority over the restricted entity.

11 (b) A licensee or permittee, or a restricted individual of a licensee or
12 permittee, may enter into a landlord-tenant relationship with another licensee or
13 permittee who would otherwise be prohibited from having an ownership interest in
14 the licensee or permittee if all of the following are satisfied:

15 1. The lease or rental agreement explicitly states that the landlord has no
16 control over or day-to-day involvement in the business of the tenant.

17 2. No control or involvement in the business of the tenant by the landlord
18 exists.

19 3. The landlord and tenant maintain compliance with s. 125.771 as applicable
20 and subject to s. 125.771 (2) (h), and this requirement is set forth in the lease or
21 rental agreement.

22 4. The lease or rental agreement is in writing and disclosed to the division for
23 review.

SENATE BILL 681**SECTION 212**

1 (c) A spouse may have an interest in the license or permit of the other spouse
2 if all of the following are satisfied:

3 1. The marriage is governed by a valid marital property agreement or
4 prenuptial agreement.

5 2. The marital property agreement or prenuptial agreement was disclosed on
6 any license or permit application.

7 3. A copy of the marital property agreement or prenuptial agreement is
8 provided to the municipal clerk or division prior to issuance of the license or permit.

9 4. Both spouses execute an affidavit, on a form prescribed by the division,
10 swearing to a complete lack of involvement in the day-to-day operations of, and lack
11 of control over, each respective business.

12 (d) For purposes of sub. (2), employment in a nonmanagerial capacity for a
13 licensee or permittee is not an interest in the licensee or permittee.

14 (e) This section does not prohibit a manufacturer from having a retail outlet
15 or making retail sales as provided in s. 125.751 (6).

16 **125.767 Requirements for retail operations.** (1) Except as provided
17 under sub. (2) (c) and s. 125.07 (3) (a) 10., no premises operated under a Class
18 “HDC-A” or Class “HDC-B” license may be open for business, and no person who
19 holds a manufacturer’s permit may allow the sale of hemp-derived cannabinoid
20 products on the manufacturing premises or on a retail outlet operated by the
21 manufacturer under s. 125.751 (6), unless there is upon the premises the licensee or
22 permittee, the agent named in the license or permit if the licensee or permittee is a
23 corporation or limited liability company, or some person who has an operator’s
24 license or operator’s permit and who is responsible for the acts of all persons

SENATE BILL 681**SECTION 212**

1 serving any hemp-derived cannabinoid products to customers. For the purpose of
2 this subsection, any member of the licensee's or permittee's immediate family who
3 has attained the age of 18 is considered the holder of an operator's license. No
4 person other than the licensee, permittee, or agent may serve hemp-derived
5 cannabinoid products in any place operated under a Class "HDC-A" or Class "HDC-
6 B" license or on a manufacturer's manufacturing premises or retail outlet unless
7 the person has an operator's license or operator's permit, is considered to have an
8 operator's license under this subsection, or is at least 18 years of age and is under
9 the immediate supervision of the licensee, permittee, agent, or a person holding an
10 operator's license or operator's permit, who is on the premises at the time of the
11 service.

12 (2) (a) No premises for which a Class "HDC-B" license is issued may remain
13 open between the hours of 2 a.m. and 6 a.m., except as provided in this paragraph
14 and par. (d). On Saturday and Sunday, the closing hours shall be between 2:30 a.m.
15 and 6 a.m. except that, on the Sunday that daylight saving time begins as specified
16 in s. 175.095 (2), the closing hours shall be between 3:30 a.m. and 6 a.m. On
17 January 1, premises operating under a Class "HDC-B" license are not required to
18 close.

19 (b) Between 12 midnight and 6 a.m., no person may sell hemp-derived
20 cannabinoid products on Class "HDC-B" licensed premises in an original unopened
21 package or container or for consumption away from the premises.

22 (c) Class "HDC-A" premises may remain open for the conduct of their regular
23 business but may not sell hemp-derived cannabinoid products between 12 midnight
24 and 6 a.m. Subsection (1) does not apply to Class "HDC-A" premises between 12

SENATE BILL 681**SECTION 212**

1 midnight and 6 a.m. or at any other time during which the sale of hemp-derived
2 cannabinoid products is prohibited by a municipal ordinance adopted under par. (e).

3 (d) Hotels and restaurants the principal business of which is the furnishing of
4 food and lodging to patrons, bowling centers, movie theaters, painting studios,
5 indoor golf and baseball facilities, racetrack grounds, as defined in s. 125.27 (5) (a),
6 indoor horseshoe-pitching facilities, curling clubs, golf courses, and golf clubhouses
7 may remain open for the conduct of their regular business but may not sell hemp-
8 derived cannabinoid products during the hours specified in par. (a).

9 (e) A municipality may, by ordinance, impose more restrictive hours than
10 those provided in par. (b) or (c) but may not impose different hours than those
11 provided in par. (a) or (d).

12 (3) (a) On a manufacturer's manufacturing premises, no person may sell
13 hemp-derived cannabinoid products at retail for on-premises consumption or
14 consume hemp-derived cannabinoid products during the closing hours applicable to
15 a Class "HDC-B" licensee under sub. (2) (a). A retail outlet under s. 125.751 (6)
16 shall be subject to the same closing hours applicable to a Class "HDC-B" licensee
17 under sub. (2) (a).

18 (b) On a manufacturer's manufacturing premises and retail outlets, no person
19 may sell hemp-derived cannabinoid products at retail for off-premises consumption
20 during the hours in which a Class "HDC-B" licensee in the municipality where the
21 manufacturing premises or retail outlet is located may not make retail sales under
22 sub. (2) (b) and (e).

23 (c) No member of the public or invited guests may be present on a

SENATE BILL 681**SECTION 212**

1 manufacturer's manufacturing premises during the closing hours applicable to a
2 Class "HDC-B" licensee under sub. (2) (a).

3 (d) Activities authorized under s. 125.751 (2) may occur on a manufacturer's
4 premises at any time.

5 (4) A Class "HDC-A" or Class "HDC-B" license authorizes only face-to-face
6 sales to consumers at the premises described in the retail license.

7 (5) No Class "HDC-B" license may be granted for any premises where any
8 other business is conducted in connection with the premises, except that this
9 restriction does not apply if the premises for which the Class "HDC-B" license is
10 issued is connected to premises where other business is conducted by a secondary
11 doorway that serves as a safety exit and is not the primary entrance to the Class
12 "HDC-B" premises. No other business may be conducted on premises operating
13 under a Class "HDC-B" license. These restrictions do not apply to any of the
14 following:

15 (a) A hotel.

16 (b) A restaurant, whether or not it is a part of or located in any mercantile
17 establishment.

18 (c) A combination grocery store and tavern.

19 (d) A combination sporting goods store and tavern in towns, villages, and 4th
20 class cities.

21 (e) A combination novelty store and tavern.

22 (f) A bowling center or recreation premises.

23 (g) A club, society, or lodge that has been in existence for 6 months or more
24 prior to the date of filing the application for the Class "HDC-B" license.

SENATE BILL 681**SECTION 212**

1 (h) A movie theater.

2 (i) A painting studio.

3 (j) An axe throwing facility.

4 **(6)** (a) A Class “A,” Class “B,” Class “HDC-A,” or Class “HDC-B” licensee may
5 purchase hemp-derived cannabinoid products only from a distributor holding a
6 permit under s. 125.753.

7 (b) No Class “A,” Class “B,” Class “HDC-A,” or Class “HDC-B” licensee may
8 possess hemp-derived cannabinoid products purchased from any person other than
9 a distributor holding a permit issued under s. 125.753.

10 (c) Any person who violates par. (a) or (b), if the total volume of hemp-derived
11 cannabinoid products purchased or possessed by that person in one month contains
12 not more than 4 grams of hemp-derived cannabinoids, may be required to forfeit not
13 more than \$100. A person who purchases or possesses hemp-derived cannabinoid
14 products containing more than a total volume of 4 grams of hemp-derived
15 cannabinoids in one month in violation of par. (a) or (b) shall be fined not more than
16 \$10,000 or imprisoned for not more than 9 months or both.

17 (d) Notwithstanding par. (c), a Class “HDC-B” licensee who purchases hemp-
18 derived cannabinoid products from a Class “HDC-A” licensee for resale or who
19 possesses hemp-derived cannabinoid products purchased from a Class “HDC-A”
20 licensee for resale may be fined not more than \$100.

21 (e) No person may possess on premises covered by a Class “A,” Class “B,” Class
22 “HDC-A,” or Class “HDC-B” license any hemp-derived cannabinoid products not
23 authorized by law for sale on the premises.

24 **(7)** A Class “A,” Class “B,” Class “HDC-A,” or Class “HDC-B” licensee may

SENATE BILL 681**SECTION 212**

1 store hemp-derived cannabinoid products only on the licensed retail premises to
2 which the hemp-derived cannabinoid product are delivered under s. 125.769 (5) (c).
3 The licensee may not transport hemp-derived cannabinoid products from one
4 licensed premises to another licensed premises.

5 (8) (a) No person may allow another to use the person's Class "HDC-A" or
6 Class "HDC-B" license to sell hemp-derived cannabinoid products. The license of a
7 person who violates this paragraph shall be revoked.

8 (b) No person may give away hemp-derived cannabinoid products, or use any
9 other means, to evade any provision of this chapter or ch. 139. A person who
10 violates this paragraph may be fined not more than \$10,000 or imprisoned for not
11 more than 9 months or both.

12 (9) A Class "A," Class "B," Class "HDC-A," or Class "HDC-B" licensee shall
13 maintain all hemp-derived cannabinoid products behind a barrier or at the point of
14 sale unless the product is a beverage in a container with a capacity of at least 4 fluid
15 ounces.

16 **125.769 Distribution restrictions for hemp-derived cannabinoid**
17 **products. (1) In this section:**

18 (a) "Brand" means any word, name, group of letters, symbol, or combination
19 thereof, including the name of the manufacturer or out-of-state shipper if the
20 manufacturer's or out-of-state shipper's name is also a significant part of the
21 product name, adopted and used by a manufacturer or out-of-state shipper to
22 identify a specific hemp-derived cannabinoid product and to distinguish that
23 product from other hemp-derived cannabinoid products produced by that

SENATE BILL 681**SECTION 212**

1 manufacturer or out-of-state shipper or other manufacturers or out-of-state
2 shippers.

3 (b) "Designated sales territory" means the geographical area identified in a
4 written agreement between a distributor and a manufacturer or out-of-state
5 shipper under which the distributor is authorized to distribute one or more brands
6 of hemp-derived cannabinoid products supplied by the manufacturer or out-of-state
7 shipper.

8 (c) "Out-of-state shipper" means a permittee under s. 125.755.

9 (d) "Retailer" means any person holding a Class "A," Class "B," Class "HDC-
10 A," or Class "HDC-B" license.

11 (e) "Retail premises" means the premises described in a Class "A," Class "B,"
12 Class "HDC-A," or Class "HDC-B" license.

13 (2) No hemp-derived cannabinoid product may be sold, transported, or
14 delivered to a retailer unless, prior to such sale, transport, or delivery, the hemp-
15 derived cannabinoid product is first unloaded at, physically at rest at, and only then
16 distributed from a distributor's warehouse premises covered by a permit issued
17 under s. 125.753 or 125.757.

18 (3) (a) 1. A distributor may not sell, transport, or deliver any brand of hemp-
19 derived cannabinoid product unless the distributor has entered into a written
20 agreement with the manufacturer or out-of-state shipper supplying the brand that
21 grants to the distributor distribution rights for the brand and identifies the
22 designated sales territory for which such distribution rights are granted, including
23 the precise geographical area comprising the designated sales territory.

24 2. A manufacturer or out-of-state shipper may not, in any agreement under

SENATE BILL 681**SECTION 212**

1 this paragraph, grant to more than one distributor distribution rights for the same
2 brand in the same designated sales territory or in any part of the same designated
3 sales territory.

4 (b) Within a distributor's designated sales territory for any brand of hemp-
5 derived cannabinoid product, the distributor may not refuse to sell the brand of
6 hemp-derived cannabinoid product, or refuse to offer reasonable service related to
7 the sale of the brand of hemp-derived cannabinoid product, to any retailer.

8 (c) A distributor has an obligation to negotiate in good faith with any
9 manufacturer that seeks to sell its products in this state through the distributor.

10 (4) No distributor may sell, transport, or deliver, or cause to be sold,
11 transported, or delivered, any brand of hemp-derived cannabinoid product to any of
12 the following:

13 (a) Any retailer located outside the distributor's designated sales territory for
14 the brand. This paragraph does not apply if another distributor that has been
15 granted distribution rights for the brand in the designated sales territory where the
16 sale, transportation, or delivery occurs is unable to service the designated sales
17 territory and the manufacturer or out-of-state shipper granting distribution rights
18 has, notwithstanding sub. (3) (a), given consent for the sale, transportation, or
19 delivery, which consent shall be limited to the time period that another distributor
20 is unable to service the designated sales territory.

21 (b) Any person, other than another distributor, that the distributor knows or
22 should know will transport the product for resale in a designated sales territory for
23 which another distributor has been granted distribution rights for the brand.

SENATE BILL 681**SECTION 212**

1 (5) (a) A manufacturer or out-of-state shipper may sell, transport, and deliver
2 hemp-derived cannabinoid products only to a distributor.

3 (b) A distributor may purchase hemp-derived cannabinoid products only from
4 a manufacturer, an out-of-state shipper, or another distributor. A distributor may
5 not sell hemp-derived cannabinoid products unless the products were purchased
6 from a manufacturer, an out-of-state shipper, or another distributor.

7 (c) Deliveries of hemp-derived cannabinoid products to retailers may be made
8 only by distributors and shall be made to retailers only at their retail premises.

9 **125.771 Regulation of trade practices for hemp-derived cannabinoid**

10 **products.** (1) (a) Except as provided in this section, no manufacturer or
11 distributor may furnish, give, lend, lease, or sell any furniture, fixtures, fittings,
12 equipment, money, or other thing of value to any Class “B” or Class “HDC-B”
13 licensee, or to any person for the use, benefit, or relief of any Class “B” or Class
14 “HDC-B” licensee, or guarantee the repayment of any loan or the fulfillment of any
15 financial obligation of any Class “B” or Class “HDC-B” licensee. Such actions may
16 not be taken by the manufacturer or distributor directly or indirectly, or through a
17 subsidiary or affiliate corporation or limited liability company, or by any officer,
18 director, stockholder, partner, or member thereof.

19 (b) No manufacturer or distributor may enter into any agreement whereby
20 any Class “B” or Class “HDC-B” licensee is required to purchase the hemp-derived
21 cannabinoid products of any manufacturer to the exclusion of those manufactured
22 by other manufacturers. Such contracts may not be entered into by the
23 manufacturer or distributor, directly or indirectly, or through a subsidiary or an

SENATE BILL 681**SECTION 212**

1 affiliate corporation or limited liability company, or by any officer, director,
2 stockholder, partner, or member thereof.

3 (c) No Class “A,” Class “B,” Class “HDC-A,” or Class “HDC-B” licensee may
4 condition the purchase of hemp-derived cannabinoid products from a manufacturer
5 or distributor upon the furnishing by the manufacturer or distributor of any thing
6 of value, other than the products purchased, to the licensee or to any person for the
7 use, benefit, or relief of the licensee.

8 (d) A distributor may not sell or offer to sell a brand of hemp-derived
9 cannabinoid products exclusively to one Class “A” or Class “HDC-A” licensee or to a
10 group of Class “A” or Class “HDC-A” licensees affiliated through common
11 ownership, management, or control, unless the brand of hemp-derived cannabinoid
12 products is produced by a manufacturer that produces hemp-derived cannabinoid
13 products containing less than 50,000 total grams of hemp-derived cannabinoids in
14 a calendar year.

15 (e) A manufacturer or distributor may not directly or indirectly induce a Class
16 “A,” Class “B,” Class “HDC-A,” or Class “HDC-B” licensee to purchase the
17 manufacturer’s or distributor’s hemp-derived cannabinoid products to the
18 exclusion, in whole or in part, of such products sold or offered for sale by another
19 manufacturer or distributor by any of the following means:

20 1. Requiring the retail licensee to take and dispose of a certain quota of any
21 such products.

22 2. Requiring the retail licensee to purchase one product in order to obtain
23 another, including by requiring the retail licensee to purchase a minimum quantity

SENATE BILL 681**SECTION 212**

1 of a product in standard packaging to obtain the same product in premium
2 packaging or by offering multiple products only in combination packaging.

3 (f) Nothing in par. (a) affects the extension of usual and customary
4 commercial credits for hemp-derived cannabinoid products, or related industry
5 products, that are actually sold and delivered. Nothing in par. (a) prohibits the bona
6 fide sale and delivery of hemp-derived cannabinoid products.

7 (g) Any licensee who is a party to a violation of par. (a) or (b) or who receives
8 the benefits thereof is guilty of the violation.

9 **(2)** Notwithstanding the prohibitions in sub. (1) (a) and (b), a manufacturer or
10 distributor may do any of the following:

11 (a) Give to any Class “B” or Class “HDC-B” licensee, at any given time, for
12 placement inside the premises, signs, clocks, or menu boards with an aggregate
13 value of not more than \$2,500. If a gift of any item would cause the \$2,500 limit to
14 be exceeded, the recipient shall pay the manufacturer or distributor the amount of
15 the item’s value in excess of \$2,500. Each recipient shall keep an invoice or credit
16 memo containing the name of the donor and the number and value of items received
17 under this paragraph. The value of an item is its cost to the donor. Each recipient
18 shall make the records kept under this paragraph available to the division for
19 inspection upon request.

20 (b) Give to any Class “B” or Class “HDC-B” licensee signs made from paper,
21 cardboard, plastic, vinyl, or other like material for placement inside the premises,
22 notwithstanding the aggregate value limitation of par. (a).

23 (c) Sell at fair market value to a Class “B” or Class “HDC-B” licensee
24 miscellaneous advertising matter, the items specified under pars. (a) and (b),

SENATE BILL 681**SECTION 212**

1 nonmechanical coolers, and supply items used in the consumption of food or hemp-
2 derived cannabinoid products.

3 (d) Sell consumable merchandise intended for resale, including the sale or
4 loan of containers thereof, to Class “B” or Class “HDC-B” licensees in the regular
5 course of business.

6 (e) Purchase advertising and other services and rights for a fair consideration
7 from any corporate Class “B” or Class “HDC-B” licensee who is a member of a
8 regularly established athletic league and whose principal business is the
9 ownership, maintenance, and operation of a professional athletic team playing a
10 regular schedule of games and whose principal source of income is derived from the
11 sale of tickets to games played by such teams.

12 (f) Contribute money or other things of value to or for the benefit of a
13 nonprofit corporation, exempt under section 501 (c) (3) of the Internal Revenue
14 Code, as defined in s. 71.22 (4), that is conducting festivals of limited duration in a
15 1st class city if the festivals are sponsored and endorsed in whole or part by a
16 municipal corporation.

17 (g) Contribute money or other things of value to or for a nonprofit corporation,
18 exempt under section 501 (c) (3) of the Internal Revenue Code, as defined in s. 71.22
19 (4), that conducts an autumn ethnic festival of limited duration in a 2nd class city
20 that had a population in 1986 of at least 49,000 but less than 50,000, if that festival
21 is sponsored and endorsed in whole or part by that municipal corporation.

22 (h) Enter into a landlord-tenant relationship with a Class “B” or Class “HDC-
23 B” licensee if all of the requirements under s. 125.20 (6) (b) or 125.765 (3) (b) are
24 satisfied.

SENATE BILL 681**SECTION 212**

1 (i) 1. Purchase advertising from a person who does not hold a license under
2 this chapter and who conducts national or regional sweepstakes, contests, or
3 promotions on the premises of Class “B” or Class “HDC-B” licensees that sell the
4 manufacturer’s or distributor’s products. The person may promote an event or
5 activity in connection with a sweepstakes, contest, or promotion, including
6 promoting the location of the event or activity, if the Class “B” or Class “HDC-B”
7 licensee on whose premises the event or activity will occur does not receive money
8 for hosting the event or activity and, except as provided in subd. 3., if the
9 advertising for the event or activity identifies at least 4 unaffiliated Class “B” or
10 Class “HDC-B” licensees.

11 2. Conduct national or regional sweepstakes, contests, or promotions on the
12 premises of Class “B” or Class “HDC-B” licensees that sell the manufacturer’s or
13 distributor’s products. The manufacturer or distributor may promote an event or
14 activity in connection with a sweepstakes, contest, or promotion, including
15 promoting the location of the event or activity, if the Class “B” or Class “HDC-B”
16 licensee on whose premises the event or activity will occur does not receive money
17 for hosting the event or activity and, except as provided in subd. 3., if the
18 advertising for the event or activity identifies at least 4 unaffiliated Class “B” or
19 Class “HDC-B” licensees.

20 3. A manufacturer that produces hemp-derived cannabinoid products
21 containing less than 5,500 total grams of hemp-derived cannabinoids annually may
22 purchase advertising under subd. 1., and may promote sweepstakes, contests, or
23 promotions through advertising under subd. 2., if the advertising identifies at least
24 one Class “B” or Class “HDC-B” licensee.

SENATE BILL 681**SECTION 212**

(j) Purchase products from a Class “B” or Class “HDC-B” licensee.

(k) 1. Provide, in this state, reasonable business entertainment that is deductible under section 162 of the Internal Revenue Code to a Class “B” or Class “HDC-B” licensee by doing any of the following:

a. Providing tickets or free admission to athletic events, concerts, or similar activities.

b. Providing food and beverages and paying for local ground transportation in connection with activities described in subd. 1. a. and business meetings.

2. Notwithstanding subd. 1., no manufacturer or distributor may provide business entertainment to a Class “B” or Class “HDC-B” licensee under subd. 1. in one day that has a value exceeding \$500, and no manufacturer or distributor may provide business entertainment to a Class “B” or Class “HDC-B” licensee under subd. 1. on more than 8 days in any calendar year.

(3) Distributors of hemp-derived cannabinoid products shall charge the same price to all Class “A,” Class “B,” Class “HDC-A,” and Class “HDC-B” licensees making purchases in similar quantities. Any discount offered on hemp-derived cannabinoid products shall be delivered to the licensee in a single transaction and single delivery and on a single invoice.

(4) (a) 1. No Class “A,” Class “B,” Class “HDC-A,” or Class “HDC-B” licensee may do any of the following:

a. Receive, purchase, or acquire hemp-derived cannabinoid products from any distributor, except for cash or credit for a period of not more than 30 days.

b. Receive, purchase, or acquire hemp-derived cannabinoid products from any distributor if at the time of the receipt, purchase, or acquisition the retail licensee is

SENATE BILL 681**SECTION 212**

1 indebted to any distributor for hemp-derived cannabinoid products received,
2 purchased, acquired, or delivered more than 30 days earlier.

3 2. No Class "A," Class "B," Class "HDC-A," or Class "HDC-B" licensee may
4 receive any hemp-derived cannabinoid products on consignment or on any basis
5 other than a bona fide sale.

6 (b) No Class "A," Class "B," Class "HDC-A," or Class "HDC-B" license may be
7 issued to a person having an indebtedness for hemp-derived cannabinoid products
8 outstanding for more than 30 days. In each application for a Class "A," Class "B,"
9 Class "HDC-A," or Class "HDC-B" license, the applicant shall state whether the
10 applicant has indebtedness for hemp-derived cannabinoid products to any
11 distributor that has been outstanding for more than 30 days.

12 (c) A licensee that violates this subsection is subject to the penalties under s.
13 125.11 except that the licensee may not be imprisoned. No manufacturer or
14 distributor may be subjected to any penalty as the result of the sale of hemp-derived
15 cannabinoid products to a retail licensee when purchased by the retail licensee in
16 violation of this subsection.

17 **125.773 Effect of subchapter on employment and property rights;**
18 **regulated professions. (1)** Nothing in this subchapter does any of the following:

19 (a) Requires an employer to permit or accommodate the use or possession of
20 hemp-derived cannabinoid products at a place of employment by an employee.

21 (b) Interferes with an employer's ability to limit or prohibit the use or
22 possession of hemp-derived cannabinoid products at a place of employment by an
23 employee.

24 (c) Provides a cause of action against an employer.

SENATE BILL 681**SECTION 212**

1 (d) Limits an employer's ability to establish and enforce a drug-free workplace
2 policy.

3 (e) Limits an employer's ability to prohibit an employee from engaging in
4 work-related activities while under the influence of hemp-derived cannabinoid
5 products.

6 **(2)** Nothing in this subchapter does any of the following:

7 (a) Requires an owner or person in control of property to permit or
8 accommodate the use or possession of hemp-derived cannabinoid products on the
9 property.

10 (b) Interferes with the ability of an owner or person in control of property to
11 limit or prohibit the use or possession of hemp-derived cannabinoid products on the
12 property.

13 (c) Provides a cause of action against an owner or person in control of
14 property.

15 (d) Limits the ability of an owner or person in control of property to establish
16 and enforce a drug-free policy for the property.

17 (e) Limits the ability of an owner or person in control of property to prohibit a
18 person from accessing the property or engaging in activities on the property while
19 the person is under the influence of hemp-derived cannabinoid products.

20 **(3)** A person who practices in an occupation or profession regulated by the
21 department of safety and professional services, an examining board, an affiliated
22 credentialing board, or the supreme court may not undertake any task as part of
23 the practice of that occupation or profession while the person is under the influence

SENATE BILL 681**SECTION 212**

1 of any hemp-derived cannabinoid product if doing so would constitute professional
2 malpractice.

3 **125.775 Hemp-derived topical products.** (1) In this section, “hemp-
4 derived topical product” means a product containing hemp concentrate intended for
5 external application to a part of the body of a human or animal and not intended to
6 be absorbed through the skin and into the bloodstream.

7 (2) Hemp-derived topical products may not contain cannabinoids other than
8 nonintoxicating cannabinoids.

9 (3) A hemp-derived topical product may not be sold in this state unless it
10 bears a label indicating it is for topical application only and not intended for human
11 consumption.

12 (4) A hemp-derived topical product may be manufactured in this state only by
13 a permittee under s. 125.751.

14 (5) Except for the provisions under this section, this chapter does not apply to
15 hemp-derived topical products.

16 **125.777 Production agreements involving hemp-derived cannabinoid**
17 **products.** (1) DEFINITIONS. In this section:

18 (a) “Alternating proprietorship” means an arrangement in which a host
19 producer provides use of space and equipment, and may additionally provide
20 personnel, to a guest producer for the production of hemp-derived cannabinoid
21 products.

22 (b) “Contract producer” means a producer who directly manufactures,
23 packages, or labels hemp-derived cannabinoid products as an agent of a recipe
24 producer or out-of-state recipe supplier.

SENATE BILL 681**SECTION 212**

1 (c) “Contract production” means a contract, agreement, or business
2 arrangement described in sub. (3) (b) whereby a recipe producer or out-of-state
3 recipe supplier provides consideration to a contract producer for the production,
4 packaging, or labeling of hemp-derived cannabinoid products.

5 (d) “Guest producer” means a producer who enters into a contract, agreement,
6 or business arrangement with a host producer whereby the producer has use of the
7 host producer’s premises and equipment, and may have use of the host producer’s
8 personnel, for the production of the guest producer’s hemp-derived cannabinoid
9 products.

10 (e) “Host producer” means a producer who enters into a contract, agreement,
11 or business arrangement with a guest producer whereby the guest producer has use
12 of the producer’s premises and equipment, and may have use of the producer’s
13 personnel, for the production of the guest producer’s hemp-derived cannabinoid
14 products.

15 (f) “Licensing agreement” means an agreement between a licensor and a
16 producer for the production of hemp-derived cannabinoid products containing the
17 name, symbol, or mark of the licensor.

18 (g) “Out-of-state recipe supplier” means a person to whom all of the following
19 applies:

20 1. The person is located in another state and produces hemp-derived
21 cannabinoid products in that state.

22 2. The person does not hold a permit under this subchapter, other than a
23 permit issued under s. 125.755.

24 3. The person purchases hemp-derived cannabinoid products from a producer

SENATE BILL 681**SECTION 212**

1 that are manufactured consistently with a recipe provided by the person or are
2 packaged or labeled for the person.

3 (h) “Packaging” means placing hemp-derived cannabinoid products into
4 sealed finished packages, including cans, bottles, boxes, bags, or any other
5 packaging of finished products, but does not include placing sealed finished
6 packages into additional packaging. When “package” is used as a verb, it has the
7 same meaning as “packaging.”

8 (i) “Producer” means a manufacturer holding a permit under s. 125.751.

9 (j) “Recipe producer” means a producer who purchases hemp-derived
10 cannabinoid products from another producer that are manufactured consistently
11 with a recipe provided by the recipe producer or are packaged or labeled for the
12 recipe producer.

13 **(2) PRODUCTION ARRANGEMENTS AUTHORIZED; AGREEMENTS BETWEEN SAME**
14 **PRODUCER TYPE.** (a) Production arrangements under subs. (3) to (5) are authorized
15 as provided in this section. A permittee under this subchapter that enters into such
16 a production arrangement does not act as an agent for or in the employ of another
17 under s. 125.751 (1), and such a production arrangement is not a prohibited interest
18 under s. 125.765.

19 (b) Except as provided in par. (c) and sub. (3) (b) 2., agreements authorized
20 under this section may be entered into only by producers.

21 (c) The licensor in a licensing agreement is not required to hold a permit
22 issued under this subchapter. This paragraph does not apply if the licensor also
23 conducts hemp-derived cannabinoid product operations that are regulated under
24 this subchapter.

SENATE BILL 681**SECTION 212**

1 **(3) CONTRACT PRODUCTION.** (a) An agreement for contract production shall
2 comply with the requirements of this subsection.

3 (b) An agreement for contract production may be entered into between any of
4 the following:

5 1. Two producers.

6 2. A producer and an out-of-state recipe supplier.

7 (c) All contract production activities shall occur pursuant to a written
8 agreement between the contract producer and the recipe producer or out-of-state
9 recipe supplier.

10 (d) 1. Except as provided in subd. 2., hemp-derived cannabinoid products
11 produced under an agreement for contract production between a contract producer
12 and a recipe producer shall count toward the production volume of the recipe
13 producer and shall be considered, for this purpose, as produced on the recipe
14 producer's premises.

15 2. Hemp-derived cannabinoid products produced under an agreement for
16 contract production between a contract producer and a recipe producer may not be
17 considered in determining production volume for purposes of s. 125.751 (6), but
18 shall be considered as produced by the recipe producer for other purposes under s.
19 125.751 (6).

20 (e) The recipe producer shall be considered the producer for purposes of filing
21 reports under s. 139.11 (2) and taxation under s. 139.032, and shall include hemp-
22 derived cannabinoid products manufactured under a contract production
23 agreement in the report required under s. 139.11 (2). For hemp-derived
24 cannabinoid products produced under an agreement for contract production

SENATE BILL 681**SECTION 212**

1 between a contract producer and a recipe producer, the contract producer shall
2 exclude the hemp-derived cannabinoid products from reports required under s.
3 139.11 (2).

4 (f) 1. A recipe producer is not required to hold more than one manufacturer's
5 permit issued under s. 125.751. If a recipe producer enters into one or more
6 contract production agreements that result in the recipe producer's hemp-derived
7 cannabinoid product being produced at multiple premises, the recipe producer's
8 manufacturer's permit shall be issued for the premises at which its hemp-derived
9 cannabinoid product is first produced.

10 2. For each additional premises at which the recipe producer's hemp-derived
11 cannabinoid product will be produced by a contract producer, the recipe producer
12 shall submit to the division a notice countersigned by the applicable contract
13 producer. This notice shall be submitted within 10 days after the contract producer
14 first produces the recipe producer's hemp-derived cannabinoid product at the
15 premises. The division may charge a fee, not to exceed \$50, for each notice.

16 (g) The division is not required to inspect a premises related to a recipe
17 producer's application for a manufacturer's permit or a recipe producer's notice
18 under par. (f) 2.

19 (4) ALTERNATING PROPRIETORSHIP. (a) An alternating proprietorship shall
20 comply with the requirements of this subsection.

21 (b) All alternating proprietorships shall occur pursuant to a written
22 agreement between the host producer and guest producer.

23 (c) The agreement under par. (b) shall provide that the guest producer retains
24 the right to control the production of the hemp-derived cannabinoid products. If the

SENATE BILL 681**SECTION 212**

1 agreement provides that the host producer and host producer's personnel are
2 agents of the guest producer or acting under the direction of the guest producer, the
3 agreement shall specify the terms and compensation for the use of the host
4 producer's personnel.

5 (d) The guest producer shall be considered the producer for purposes of filing
6 reports under s. 139.11 (2) and taxation under s. 139.032, and shall include hemp-
7 derived cannabinoid products manufactured under an alternating proprietorship in
8 the report required under s. 139.11 (2). The host producer shall exclude hemp-
9 derived cannabinoid products manufactured in an alternating proprietorship from
10 reports required under s. 139.11 (2).

11 (e) Hemp-derived cannabinoid products produced under an alternating
12 proprietorship shall count toward the production volume of the guest producer and
13 shall be considered, for this purpose, as produced on the guest producer's premises.

14 **(5) LICENSING AGREEMENTS.** (a) A producer may enter into a licensing
15 agreement or contract with a licensor authorizing the producer-licensee to use the
16 licensor's trademark or name if all of the following requirements are satisfied:

17 1. The licensing agreement or contract is in writing.

18 2. The producer-licensee is entirely responsible for producing the hemp-
19 derived cannabinoid products and for all related processing steps and regulatory
20 requirements.

21 (b) Hemp-derived cannabinoid products produced under the licensing
22 agreement shall count toward the production volume of the producer-licensee and
23 shall be considered, for this purpose, as produced on the producer-licensee's
24 premises.

SENATE BILL 681**SECTION 213**

1 **SECTION 213.** 134.96 (1) (bm) of the statutes is created to read:

2 134.96 (1) (bm) “Hemp-derived cannabinoid product” has the meaning given
3 in s. 125.02 (6p).

4 **SECTION 214.** 134.96 (3) of the statutes is amended to read:

5 134.96 (3) An owner or employee of a lodging establishment may deny lodging
6 to an adult if the owner or employee reasonably believes that consumption of an
7 alcohol beverage by an underage person not accompanied by his or her parent,
8 guardian or spouse who has attained the legal drinking age, consumption of a
9 hemp-derived cannabinoid product by an underage person, or illegal use of a
10 controlled substance or controlled substance analog, may occur in the area of the
11 lodging establishment procured.

12 **SECTION 215.** 135.02 (3) (c) of the statutes is created to read:

13 135.02 (3) (c) A contract or agreement, either expressed or implied, whether
14 oral or written, between 2 or more persons by which a distributor of hemp-derived
15 cannabinoid products is granted the right to sell or distribute hemp-derived
16 cannabinoid products or use a trade name, trademark, service mark, logotype,
17 advertising, or other commercial symbol related to hemp-derived cannabinoid
18 products. This paragraph does not apply if the dealer’s net revenues from the sale
19 of all of the grantor’s brands of hemp-derived cannabinoid products constitute less
20 than 5 percent of the dealer’s total net revenues from the sale of hemp-derived
21 cannabinoid products during the dealer’s most recent fiscal year.

22 **SECTION 216.** 135.02 (5f) of the statutes is created to read:

23 135.02 (5f) “Hemp” has the meaning given in s. 94.55 (1).

SENATE BILL 681**SECTION 217**

1 **SECTION 217.** 135.02 (5f) of the statutes, as created by 2025 Wisconsin Act
2 (this act), is amended to read:

3 135.02 **(5f)** “Hemp” has the meaning given in s. 94.55 (1) (a).

4 **SECTION 218.** 135.02 (5g), (5h), (5m) and (5p) of the statutes are created to
5 read:

6 135.02 **(5g)** “Hemp concentrate” means the extracts or resins of hemp,
7 including extracts or resins that are refined to increase the presence of targeted
8 cannabinoids, but does not include refined cannabinoids or synthetic cannabinoids.

9 **(5h)** (a) Subject to par. (b), “hemp-derived cannabinoid” means any
10 cannabinoid that is extracted from hemp, including a refined cannabinoid and
11 including any of the following:

12 1. Delta-6-tetrahydrocannabinol or delta-6-tetrahydrocannabinolic acid or
13 delta-6-tetrahydrocannabivarin.

14 2. Delta-8-tetrahydrocannabinol or delta-8-tetrahydrocannabinolic acid or
15 delta-8-tetrahydrocannabivarin.

16 3. Delta-9-tetrahydrocannabinol or delta-9-tetrahydrocannabinolic acid or
17 delta-9-tetrahydrocannabivarin.

18 4. Delta-10-tetrahydrocannabinol or delta-10-tetrahydrocannabinolic acid or
19 delta-10-tetrahydrocannabivarin.

20 (b) “Hemp-derived cannabinoid” does not include any of the following:

21 1. Tetrahydrocannabiphorol.

22 2. Tetrahydrocannabinol acetate.

23 3. Hexahydrocannabinol.

24 4. Any synthetic cannabinoid.

SENATE BILL 681**SECTION 218**

1 **(5m)** (a) Subject to par. (b), “hemp-derived cannabinoid product” means a
2 product that contains or that is labeled to contain a hemp-derived cannabinoid and
3 that is produced, marketed, or otherwise intended to be ingested orally, inhaled, or
4 absorbed through the skin.

5 (b) “Hemp-derived cannabinoid product” does not include any of the following:

6 1. A hemp-derived topical product.

7 2. A cannabidiol product, as defined in s. 961.01 (3r), that is governed by ss.
8 961.32 (2m) and 961.38 (1n) (b), and any tetrahydrocannabinol contained in a
9 cannabidiol product that is dispensed as provided in s. 961.38 (1n) (a) or that is
10 possessed as provided in s. 961.32 (2m) (b).

11 3. A prescription drug product that has been approved by the U.S. food and
12 drug administration.

13 **(5p)** “Hemp-derived topical product” means a product containing hemp
14 concentrate intended for external application to a part of the body of a human or
15 animal and not intended to be absorbed through the skin and into the bloodstream.

16 **SECTION 219.** 135.02 (7) of the statutes is created to read:

17 135.02 (7) “Refined cannabinoid” means a cannabinoid extracted from hemp
18 with a chemical makeup that is changed after extraction to create a different
19 cannabinoid or other chemical compound by applying a catalyst other than heat or
20 light. “Refined cannabinoid” includes any tetrahydrocannabinol created from
21 cannabidiol or hemp concentrate, except that “refined cannabinoid” does not include
22 a cannabinoid described in sub. (5h) (b) 1. to 4. or a product described in sub. (5m)
23 (b).

24 **SECTION 220.** 135.02 (8) of the statutes is created to read:

SENATE BILL 681

135.02 (8) “Synthetic cannabinoid” means a substance with a similar chemical structure and pharmacological activity to a cannabinoid but that is not extracted or derived from hemp and is instead created or produced by chemical or biochemical synthesis.

SECTION 221. Chapter 139 (title) of the statutes is amended to read:

CHAPTER 139

ALCOHOL BEVERAGE, HEMP-DERIVED

CANNABINOID PRODUCT,

AND TOBACCO TAXES

SECTION 222. Subchapter I (title) of chapter 139 [precedes 139.01] of the statutes is amended to read:

CHAPTER 139

SUBCHAPTER I

ALCOHOL BEVERAGE AND

HEMP-DERIVED CANNABINOID

PRODUCT TAXES

SECTION 223. 139.01 (1) of the statutes is renumbered 139.01 (1m).

SECTION 224. 139.01 (1g) of the statutes is created to read:

139.01 **(1g)** “Alcohol beverages” has the meaning given in s. 125.02 (1).

SECTION 225. 139.01 (2p) of the statutes is amended to read:

139.01 **(2p)** “Division” means the division of alcohol beverages intoxicating products in the department.

SECTION 226. 139.01 (2tg), (2tm) and (2ts) of the statutes are created to read:

SENATE BILL 681

SECTION 226

1 139.01 (2tg) “Hemp-derived cannabinoid product” has the meaning given in s.
2 125.02 (6p).

3 (2tm) “Hemp-derived cannabinoid product distributor” means a person
4 holding a permit issued under s. 125.753.

5 (2ts) “Hemp-derived cannabinoid product manufacturer” means a person
6 holding a permit issued under s. 125.751.

7 **SECTION 227.** 139.01 (5) of the statutes is amended to read:

8 139.01 (5) A “manufacturer” is, except in the term “hemp-derived
9 cannabinoid product manufacturer,” means a person, other than a rectifier, who
10 manufactures or distills intoxicating liquors, including selling at wholesale such
11 intoxicating liquors manufactured or distilled by the licensee at the premises
12 designated in the license.

13 **SECTION 228.** 139.01 (7) of the statutes is amended to read:

14 139.01 (7) “Retailer” as applied to a seller of fermented malt beverages or
15 hemp-derived cannabinoid products has the same meaning as in s. 125.02 (19), and
16 as applied to a seller of intoxicating liquors is any person who sells such liquors to
17 consumers.

18 **SECTION 229.** 139.01 (9) of the statutes is amended to read:

19 139.01 (9) “Sell” or “sold” or “sale” or “selling” includes the transfer, gift,
20 barter, trade, or exchange of ~~intoxicating liquor or fermented malt alcohol~~ alcohol
21 beverages or hemp-derived cannabinoid products; offering or exposing ~~intoxicating~~
22 ~~liquor or fermented malt alcohol~~ alcohol beverages or hemp-derived cannabinoid products
23 for transfer, gift, barter, trade, or exchange; possession of ~~intoxicating liquor or~~
24 ~~fermented malt alcohol~~ alcohol beverages or hemp-derived cannabinoid products with

SENATE BILL 681**SECTION 229**

1 intent to transfer, give, barter, trade, or exchange the same; or any shift, device,
2 scheme, or transaction whatever whereby ~~intoxicating liquor or fermented malt~~
3 alcohol beverages or hemp-derived cannabinoid products may be obtained; but
4 excludes the solicitation of orders for, or the sale for, future delivery.

5 **SECTION 230.** 139.032 of the statutes is created to read:

6 **139.032 Hemp-derived cannabinoid product tax.** (1) An occupational
7 tax is imposed upon the selling of hemp-derived cannabinoid products, as provided
8 in sub. (2).

9 (2) (a) Except as provided in par. (c), the rate of the tax under sub. (1) is as
10 follows:

11 1. For a hemp-derived cannabinoid product that is a beverage, \$0.03 per
12 milligram of tetrahydrocannabinol in each hemp-derived cannabinoid product sold
13 to a retailer of hemp-derived cannabinoid products, based on the certificate of
14 analysis of testing results provided to the hemp-derived cannabinoid product
15 distributor by the hemp-derived cannabinoid product manufacturer under s.
16 125.745 (1).

17 2. Except as provided in subd. 3., for a hemp-derived cannabinoid product that
18 is not a beverage, \$0.045 per milligram of tetrahydrocannabinol in each hemp-
19 derived cannabinoid product sold to a retailer of hemp-derived cannabinoid
20 products, based on the certificate of analysis of testing results provided to the
21 hemp-derived cannabinoid product distributor by the hemp-derived cannabinoid
22 product manufacturer under s. 125.745 (1).

23 3. For a hemp-derived cannabinoid product that is in the form of hemp plant
24 parts or hemp flower, \$50 per one ounce of weight, based on the certificate of

SENATE BILL 681**SECTION 230**

1 analysis of testing results provided to the hemp-derived cannabinoid product
2 distributor by the hemp-derived cannabinoid product manufacturer under s.
3 125.745 (1).

4 (b) Except as provided in par. (c), liability for the tax under sub. (1) is incurred
5 by a hemp-derived cannabinoid product distributor at the time of the hemp-derived
6 cannabinoid product's sale to the retailer.

7 (c) The rate of the tax specified in par. (a) applies to a hemp-derived
8 cannabinoid product sold by a hemp-derived cannabinoid product manufacturer to
9 a consumer under s. 125.751 (6), except that the applicable tax is based on the
10 hemp-derived cannabinoid product sold to the consumer, rather than a retailer,
11 based on the certificate of analysis of testing results obtained by the manufacturer
12 under s. 125.745. Liability for the tax is incurred by the hemp-derived cannabinoid
13 product manufacturer at the time of the sale to the consumer.

14 (3) (a) The tax imposed under sub. (1) shall be paid to, and a monthly return
15 filed with, the department on or before the 15th of the month following the month
16 in which the tax liability is incurred. Each person subject to this tax shall file an
17 information report on the dates prescribed by the secretary.

18 (b) Each person required to file a return and pay the tax under sub. (1) shall
19 first provide security in the amount, at the time, and of the type required by the
20 department or enter into a surety bond with a corporate surety to secure payment
21 of the tax with bond and surety to be approved by the department. This bond shall
22 be twice the department's estimate of the taxpayer's maximum monthly tax
23 liability but shall not be less than \$1,000 nor more than \$100,000. These bonds
24 shall be filed.

SENATE BILL 681**SECTION 230**

1 (4) (a) Not more than one occupational tax under this section may be required
2 to be paid on any one container of hemp-derived cannabinoid products.

3 (b) The tax imposed under this section is in addition to the applicable tax
4 imposed under s. 77.52 or 77.53 on the sale of the hemp-derived cannabinoid
5 product.

6 **SECTION 231.** 139.04 (intro.) of the statutes is amended to read:

7 **139.04 Exclusions.** (intro.) No tax is levied by ss. 139.02 ~~and~~, 139.03, and
8 139.032 in respect to:

9 **SECTION 232.** 139.04 (5) of the statutes is amended to read:

10 139.04 (5) Sale, possession, or removal of ~~fermented malt alcohol~~ hemp-derived cannabinoid products for shipment in interstate
11 ~~intoxicating liquor~~ hemp-derived cannabinoid products for shipment in interstate
12 or foreign commerce.

13 **SECTION 233.** 139.08 (4) of the statutes is amended to read:

14 139.08 (4) INSPECTION FOR ENFORCEMENT. Duly authorized employees of the
15 department of justice and the department of revenue and any sheriff, police officer,
16 marshal, or constable, within their respective jurisdictions, may at all reasonable
17 hours enter any licensed premises, and examine the books, papers, and records of
18 any brewer, brewpub, manufacturer, bottler, rectifier, wholesaler, hemp-derived
19 cannabinoid product manufacturer, hemp-derived cannabinoid product distributor,
20 or retailer, for the purpose of inspecting the same and determining whether the tax
21 and fee imposed by ss. 139.01 to 139.25 have been fully paid, and may inspect and
22 examine, according to law, any premises where ~~fermented malt alcohol~~ hemp-derived cannabinoid products
23 ~~intoxicating liquors~~ hemp-derived cannabinoid products are manufactured, sold,
24 exposed for sale, possessed, or stored, for the purpose of inspecting the same and

SENATE BILL 681**SECTION 233**

1 determining whether the tax imposed by ss. 139.01 to 139.25 has been fully paid,
2 and whether ss. 139.01 to 139.25 are being complied with. Any refusal to permit
3 such examination of such premises is sufficient grounds under s. 125.12 for
4 revocation or suspension of any license or permit granted for the sale of any
5 ~~fermented malt alcohol~~ beverages or ~~intoxicating liquors~~ hemp-derived cannabinoid
6 products and is punishable under s. 139.25 (10).

7 **SECTION 234.** 139.09 of the statutes is amended to read:

8 **139.09 Registration.** Every brewer, brewpub, bottler, manufacturer,
9 rectifier, wholesaler, hemp-derived cannabinoid product manufacturer, hemp-
10 derived cannabinoid product distributor, or retailer liable for payment of the
11 occupational tax imposed in ss. 139.01 to 139.25 shall hold a valid certificate under
12 s. 73.03 (50). The secretary shall assign the person a registration number.

13 **SECTION 235.** 139.10 (1) of the statutes is amended to read:

14 139.10 (1) On the certificate of the secretary, the secretary of administration
15 shall refund to any purchaser or any banking institution in Wisconsin the tax paid
16 on hemp-derived cannabinoid products, intoxicating liquor, or on whole cases or full
17 kegs of fermented malt beverages which are spoiled or unfit to drink or otherwise
18 consume and the tax paid on fermented malt beverages sold to the U.S. armed
19 forces or the secretary may make allowance of the amount of the tax.

20 **SECTION 236.** 139.11 (1) of the statutes is amended to read:

21 139.11 (1) PRESERVATION OF RECORDS. Every person who manufactures,
22 rectifies, distributes, imports, transports, stores, warehouses, or sells ~~intoxicating~~
23 ~~liquor or fermented malt alcohol~~ beverages or hemp-derived cannabinoid products
24 shall keep complete and accurate records of all such ~~liquor or malt alcohol~~

SENATE BILL 681**SECTION 236**

1 beverages or hemp-derived cannabinoid products purchased, sold, manufactured,
2 rectified, brewed, fermented, distilled, produced, stored, warehoused, imported, or
3 transported within this state. Such records shall be of a kind and in the form
4 prescribed by the secretary and shall be safely preserved to ensure accessibility for
5 inspection by the secretary or by the division as provided in s. 125.025 (3). A person
6 required to keep records under this subsection may keep such records in electronic
7 form only. Any common carrier or fulfillment house required to submit reports
8 under s. 125.22 or 125.23 shall maintain, for 3 years, all records related to the
9 reports or otherwise required to be kept under this subsection.

10 **SECTION 237.** 139.11 (2) of the statutes is amended to read:

11 139.11 (2) REPORT. Each brewer, brewpub, bottler, manufacturer, rectifier,
12 ~~and wholesaler,~~ hemp-derived cannabinoid product manufacturer, and hemp-
13 derived cannabinoid product distributor shall on or before the 15th day of each
14 calendar month or the dates prescribed by the secretary file a verified report of all
15 ~~fermented malt alcohol~~ hemp-derived cannabinoid beverages or ~~intoxicating liquor~~ products
16 manufactured, received, sold, delivered, or shipped by him or her during
17 the preceding calendar month, except that the department may allow wholesale,
18 winery, and out-of-state shipper permittees whose tax liability is less than \$500 per
19 quarter to file on a quarterly basis. Quarterly reports shall be filed on or before the
20 15th of the next month following the close of the calendar quarter.

21 **SECTION 238.** 139.11 (3) of the statutes is amended to read:

22 139.11 (3) SECRETARY'S POWERS. When the secretary finds that the records
23 kept by any brewer, brewpub, bottler, manufacturer, rectifier, wholesaler, hemp-
24 derived cannabinoid product manufacturer, hemp-derived cannabinoid product

SENATE BILL 681**SECTION 238**

1 distributor, or retailer are in such condition that an unusual amount of time is
2 required to determine therefrom the amount of tax due, the secretary may give
3 notice of such fact to such person and may require the records to be kept in such
4 form as the secretary prescribes. If such requirements are not complied with within
5 30 days after the date of the notice, the brewer, brewpub, bottler, manufacturer,
6 rectifier, wholesaler, hemp-derived cannabinoid product manufacturer, hemp-
7 derived cannabinoid product distributor, or retailer shall pay the expenses
8 reasonably attributable to the determination of tax at the rate of \$30 per day for
9 each auditor. The secretary shall render a bill therefor by registered mail to the
10 person charged with payment at the conclusion of the audit, which bill shall
11 constitute notice of assessment and demand of payment thereof. The brewer,
12 brewpub, bottler, manufacturer, rectifier, wholesaler, hemp-derived cannabinoid
13 product manufacturer, hemp-derived cannabinoid product distributor, or retailer
14 shall, within 10 days after the mailing of the bill, pay its amount, and such payment
15 shall be credited to the appropriation made in s. 20.566 (1) (a).

16 **SECTION 239.** 139.11 (4) (c) of the statutes is created to read:

17 139.11 (4) (c) Sections 71.78 (1), (1g), (1m), and (4) to (9) and 71.83 (2) (a) 3.
18 and 3m., relating to confidentiality of income and franchise tax returns, apply to
19 any information obtained from any person on a hemp-derived cannabinoid product
20 tax return, report, schedule, exhibit, or other document or from an audit report
21 relating to any of those documents, except that the department of revenue shall
22 publish a current list, available on paper and on the department's website,
23 providing detailed information regarding every person issued a permit under s.

SENATE BILL 681**SECTION 239**

1 125.751, 125.753, 125.755, or 125.756. This information shall include the name and
2 address of the permit holder and the date on which the division issued the permit.

3 **SECTION 240.** 139.18 (3) of the statutes is created to read:

4 139.18 (3) The possession of any hemp-derived cannabinoid product on which
5 a tax has not been paid, except upon the premises of a hemp-derived cannabinoid
6 product manufacturer, hemp-derived cannabinoid product distributor, or
7 warehouse for which a permit has been issued under s. 125.757, shall be deemed
8 prima facie evidence that the hemp-derived cannabinoid product is possessed with
9 the intent to sell it contrary to law.

10 **SECTION 241.** 139.22 of the statutes is amended to read:

11 **139.22 Confiscation.** If a duly authorized employee of the department of
12 revenue or the department of justice or any sheriff, police officer, marshal, or
13 constable, within his or her respective jurisdiction, discovers any fermented malt
14 beverages upon any premises other than the premises of a brewer, brewpub, or
15 bottler, ~~or~~ any intoxicating liquor upon any premises other than the premises of a
16 manufacturer, rectifier, winery, or wholesaler, or any hemp-derived cannabinoid
17 products upon any premises other than the premises of a hemp-derived cannabinoid
18 product manufacturer or hemp-derived cannabinoid product distributor, and upon
19 which the tax has not been paid or which was possessed, kept, stored,
20 manufactured, sold, distributed, or transported in violation of ss. 139.01 to 139.25,
21 the employee or any such officer may immediately seize the fermented malt
22 beverages ~~or~~, intoxicating liquors, or hemp-derived cannabinoid products. Any such
23 fermented malt beverages ~~or~~, intoxicating liquors, or hemp-derived cannabinoid

SENATE BILL 681**SECTION 241**

1 products so seized shall be transferred by the department of revenue to the division
2 and disposed of under s. 125.14 (2) (e).

3 **SECTION 242.** 139.25 (2) (intro.) of the statutes is amended to read:

4 139.25 (2) DELINQUENT RETURNS. (intro.) Delinquent ~~beverage~~ tax returns
5 required under this subchapter are subject to a \$10 late filing fee. Delinquent
6 ~~beverage~~ taxes imposed by this subchapter bear interest at the rate of 1.5 percent
7 per month until paid. The taxes imposed by this subchapter shall become
8 delinquent if not paid:

9 **SECTION 243.** 139.25 (4) of the statutes is amended to read:

10 139.25 (4) FAILURE TO FILE RETURN. In case of failure to file any return
11 required under s. 139.032, 139.05, 139.06, or 139.11 by the due date, and upon a
12 showing by the department under s. 73.16 (4), there shall be added to the amount
13 required to be shown as tax on that return 5 percent of the amount of that tax if the
14 failure is for not more than one month, and an additional 5 percent of the tax for
15 each additional month or fraction thereof during which that failure continues, not
16 exceeding 25 percent of the tax in the aggregate. For purposes of this subsection,
17 the amount of tax required to be shown on the return shall be reduced by the
18 amount of any part of the tax which is paid on or before the due date prescribed for
19 payment of the tax and by the amount of any credit against the tax which may be
20 claimed upon the return.

21 **SECTION 244.** 185.043 (1) and (2) of the statutes are amended to read:

22 185.043 (1) Except as provided in ~~sub.~~ subs. (2) and (3), 5 or more adults, one
23 of whom must be a resident, may form a cooperative by signing, acknowledging, and
24 filing articles.

SENATE BILL 681**SECTION 244**

1 (2) If the cooperative is formed for purposes of operating as a small
2 cooperative wholesaler under s. 125.545, 3 or more individuals, at least one of whom
3 must be a resident and all of which must be owners of small wineries or small
4 manufacturers certified by the division of ~~alcohol beverages~~ intoxicating products
5 in the department of revenue under s. 125.545 (6) (a), may form a cooperative by
6 signing, acknowledging, and filing articles. Membership in a cooperative formed
7 under this subsection is limited to small wineries or small manufacturers certified
8 by the division of ~~alcohol beverages~~ under s. 125.545 (6) (a).

9 **SECTION 245.** 185.043 (3) of the statutes is created to read:

10 185.043 (3) If the cooperative is formed for purposes of operating as a small
11 cooperative distributor under s. 125.763, 3 or more individuals, at least one of whom
12 must be a resident and all of which must be owners of small manufacturers certified
13 by the division of intoxicating products in the department of revenue under s.
14 125.763 (6), may form a cooperative by signing, acknowledging, and filing articles.
15 Membership in a cooperative formed under this subsection is limited to small
16 manufacturers certified by the division under s. 125.763 (6).

17 **SECTION 246.** 302.37 (2) of the statutes is amended to read:

18 302.37 (2) Except as provided in s. 302.375 (2m), neither the sheriff or other
19 keeper of any jail nor any other person shall give, sell or deliver to any prisoner for
20 any cause whatever any alcohol beverages or hemp-derived cannabinoid product, as
21 defined in s. 125.02 (6p), unless a physician certifies in writing that the health of
22 the prisoner requires it, in which case the prisoner may be allowed the quantity
23 prescribed.

24 **SECTION 247.** 302.375 (title) of the statutes is amended to read:

SENATE BILL 681**SECTION 247**

1 **302.375** (title) **Restrictions on liquor and ~~dangerous drugs~~ other**
2 **intoxicating substances; placement of prisoners.**

3 **SECTION 248.** 302.375 (1g) (ar) of the statutes is created to read:

4 302.375 (**1g**) (ar) “Hemp-derived cannabinoid product” has the meaning given
5 in s. 125.02 (6p).

6 **SECTION 249.** 302.375 (1m) (a) of the statutes is amended to read:

7 302.375 (**1m**) (a) Sells, gives or delivers any intoxicating liquor or hemp-
8 derived cannabinoid product to the prisoner.

9 **SECTION 250.** 302.375 (1m) (b) of the statutes is amended to read:

10 302.375 (**1m**) (b) Willfully permits a prisoner to have any controlled
11 substance, controlled substance analog ~~or~~, intoxicating liquor, or hemp-derived
12 cannabinoid product.

13 **SECTION 251.** 302.375 (1m) (c) of the statutes is amended to read:

14 302.375 (**1m**) (c) Has within his or her possession in the prison, jail or house
15 of correction any intoxicating liquor or hemp-derived cannabinoid product, with
16 intent to sell, give, ~~or~~ deliver the liquor or hemp-derived cannabinoid product to the
17 prisoner.

18 **SECTION 252.** 302.375 (2) of the statutes is amended to read:

19 302.375 (**2**) Except as provided in sub. (2m), any prisoner who uses
20 intoxicating liquor or hemp-derived cannabinoid products in violation of s. 302.37
21 (2) shall be fined not more than \$10,000 or imprisoned for not more than 9 months
22 or both.

23 **SECTION 253.** 340.01 (21m) of the statutes is created to read:

SENATE BILL 681**SECTION 253**

1 340.01 (21m) “Hemp-derived cannabinoid product” has the meaning given in
2 s. 125.02 (6p).

3 **SECTION 254.** 340.01 (50m) (e) of the statutes is amended to read:

4 340.01 (50m) (e) ~~Delta-9-tetrahydrocannabinol~~ Tetrahydrocannabinol
5 isomers, excluding its any precursors or metabolites, at a total concentration of one
6 or more nanograms per milliliter of a person’s blood.

7 **SECTION 255.** 343.06 (1) (d) of the statutes is amended to read:

8 343.06 (1) (d) To any person whose dependence on alcohol or hemp-derived
9 cannabinoid products has attained such a degree that it interferes with his or her
10 physical or mental health or social or economic functioning, or who is addicted to
11 the use of controlled substances or controlled substance analogs, except that the
12 secretary may issue a license if the person submits to an examination, evaluation or
13 treatment in a treatment facility meeting the standards prescribed in s. 51.45 (8)
14 (a), as directed by the secretary, in accordance with s. 343.16 (5).

15 **SECTION 256.** 343.10 (5) (a) 1. and (8) (intro.) of the statutes are amended to
16 read:

17 343.10 (5) (a) 1. In addition to any restrictions appearing on the former
18 operator’s license of the applicant, the occupational license shall contain definite
19 restrictions as to hours of the day, not to exceed 12, hours per week, not to exceed 60,
20 type of occupation and areas or routes of travel which are permitted under the
21 license. The occupational license may permit travel to and from church during
22 specified hours if the travel does not exceed the restrictions as to hours of the day
23 and hours per week in this subdivision. The occupational license may permit travel
24 necessary to comply with a driver safety plan ordered under s. 343.30 (1q) or

SENATE BILL 681**SECTION 256**

1 343.305 if the travel does not exceed the restrictions as to hours of the day and
2 hours per week in this subdivision. The occupational license may contain
3 restrictions on the use of alcohol and hemp-derived cannabinoid products and on
4 the use of controlled substances and controlled substance analogs in violation of s.
5 961.41.

6 (8) VIOLATION OF RESTRICTIONS. (intro.) Any person who violates a
7 restriction on an occupational license as to hours of the day, area, routes or purpose
8 of travel, vehicles allowed to be operated, use of an ignition interlock device, sobriety
9 or use of alcohol, hemp-derived cannabinoid products, controlled substances, or
10 controlled substance analogs shall be:

11 **SECTION 257.** 343.16 (5) (a) of the statutes, as affected by 2025 Wisconsin Act
12 17, is amended to read:

13 343.16 (5) (a) The secretary may require any applicant for a license or any
14 licensed operator to submit to a special examination by such persons or agencies as
15 the secretary may direct to determine incompetency, physical or mental disability,
16 disease, or any other condition that might prevent such applicant or licensed person
17 from exercising reasonable and ordinary control over a motor vehicle. If the
18 department requires the applicant to submit to an examination, the applicant shall
19 pay for the examination. If the department receives an application for a renewal or
20 duplicate license after voluntary surrender under s. 343.265 or receives a report
21 from a physician, physician assistant, advanced practice registered nurse licensed
22 under s. 441.09, or optometrist under s. 146.82 (3), or if the department has a report
23 of 2 or more arrests within a one-year period for any combination of violations of s.
24 346.63 (1) or (5) or a local ordinance in conformity with s. 346.63 (1) or (5) or a law

SENATE BILL 681**SECTION 257**

1 of a federally recognized American Indian tribe or band in this state in conformity
2 with s. 346.63 (1) or (5), or s. 346.63 (1m), 1985 stats., or s. 346.63 (2) or (6) or
3 940.25, or s. 940.09 where the offense involved the use of a vehicle, the department
4 shall determine, by interview or otherwise, whether the operator should submit to
5 an examination under this section. The examination may consist of an assessment.
6 If the examination indicates that education or treatment for a disability, disease or
7 condition concerning the use of alcohol, a hemp-derived cannabinoid product, a
8 controlled substance, or a controlled substance analog is appropriate, the
9 department may order a driver safety plan in accordance with s. 343.30 (1q). If
10 there is noncompliance with assessment or the driver safety plan, the department
11 shall revoke the person's operating privilege in the manner specified in s. 343.30
12 (1q) (d).

13 **SECTION 258.** 343.30 (1q) (c) 1. (intro.) and (d) 1. of the statutes are amended
14 to read:

15 343.30 (1q) (c) 1. (intro.) Except as provided in subd. 1. a., b., or d., the court
16 shall order the person to submit to and comply with an assessment by an approved
17 public treatment facility as defined in s. 51.45 (2) (c) for examination of the person's
18 use of alcohol, hemp-derived cannabinoid products, controlled substances, or
19 controlled substance analogs and development of a driver safety plan for the person.
20 The court shall notify the department of transportation of the assessment order.
21 The court shall notify the person that noncompliance with assessment or the driver
22 safety plan will result in revocation of the person's operating privilege until the
23 person is in compliance. The assessment order shall:

24 (d) 1. The assessment report shall order compliance with a driver safety plan.

SENATE BILL 681**SECTION 258**

1 The report shall inform the person of the fee provisions under s. 46.03 (18) (f). The
2 driver safety plan may include a component that makes the person aware of the
3 effect of his or her offense on a victim and a victim's family. The driver safety plan
4 may include treatment for the person's misuse, abuse or dependence on alcohol,
5 hemp-derived cannabinoid products, controlled substances, or controlled substance
6 analogs, or attendance at a school under s. 345.60, or both. If the plan requires
7 treatment at an approved tribal treatment facility, as defined in s. 51.01 (2c), the
8 plan may include traditional tribal treatment modes. If the plan requires inpatient
9 treatment, the treatment shall not exceed 30 days. A driver safety plan under this
10 paragraph shall include a termination date consistent with the plan which shall not
11 extend beyond one year.

12 **SECTION 259.** 343.303 of the statutes is amended to read:

13 **343.303 Preliminary breath screening test.** If a law enforcement officer
14 has probable cause to believe that the person is violating or has violated s. 346.63
15 (1) or (2m) or a local ordinance in conformity therewith, or s. 346.63 (2) or (6) or
16 940.25 or s. 940.09 where the offense involved the use of a vehicle, or if the officer
17 detects any presence of alcohol, a hemp-derived cannabinoid product, a controlled
18 substance, controlled substance analog or other drug, or a combination thereof, on a
19 person driving or operating or on duty time with respect to a commercial motor
20 vehicle or has reason to believe that the person is violating or has violated s. 346.63
21 (7) or a local ordinance in conformity therewith, the officer, prior to an arrest, may
22 request the person to provide a sample of his or her breath for a preliminary breath
23 screening test using a device approved by the department for this purpose. The
24 result of this preliminary breath screening test may be used by the law enforcement

SENATE BILL 681**SECTION 259**

1 officer for the purpose of deciding whether or not the person shall be arrested for a
2 violation of s. 346.63 (1), (2m), (5) or (7) or a local ordinance in conformity
3 therewith, or s. 346.63 (2) or (6), 940.09 (1) or 940.25 and whether or not to require
4 or request chemical tests as authorized under s. 343.305 (3). The result of the
5 preliminary breath screening test shall not be admissible in any action or
6 proceeding except to show probable cause for an arrest, if the arrest is challenged,
7 or to prove that a chemical test was properly required or requested of a person
8 under s. 343.305 (3). Following the screening test, additional tests may be required
9 or requested of the driver under s. 343.305 (3). The general penalty provision under
10 s. 939.61 (1) does not apply to a refusal to take a preliminary breath screening test.

11 **SECTION 260.** 343.305 (8) (b) 2. g. of the statutes is amended to read:

12 343.305 (8) (b) 2. g. Whether the person had a valid prescription for
13 methamphetamine or one of its metabolic precursors or gamma-hydroxybutyric
14 acid or ~~delta-9-tetrahydrocannabinol~~ tetrahydrocannabinol in a case in which subd.
15 4m. a. and b. apply.

16 **SECTION 261.** 343.305 (8) (b) 4m. (intro.) of the statutes is amended to read:

17 343.305 (8) (b) 4m. (intro.) If, at the time the offense allegedly occurred, all of
18 the following apply, the hearing officer shall determine whether the person had a
19 valid prescription for methamphetamine or one of its metabolic precursors, gamma-
20 hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~ tetrahydrocannabinol:

21 **SECTION 262.** 343.305 (8) (b) 4m. a. of the statutes is amended to read:

22 343.305 (8) (b) 4m. a. A blood test administered in accordance with this
23 section indicated that the person had a detectable amount of methamphetamine or
24 gamma-hydroxybutyric acid or a total concentration of one or more nanograms of

SENATE BILL 681**SECTION 262**

1 ~~delta-9-tetrahydrocannabinol~~ tetrahydrocannabinol isomers, excluding its any
2 precursors or metabolites, per milliliter of the person's blood but did not have a
3 detectable amount of any other restricted controlled substance in his or her blood.

4 **SECTION 263.** 343.305 (8) (b) 5. c. of the statutes is amended to read:

5 343.305 (8) (b) 5. c. In a case in which subd. 4m. a. and b. apply, the person
6 had a valid prescription for methamphetamine or one of its metabolic precursors,
7 gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
8 tetrahydrocannabinol.

9 **SECTION 264.** 343.305 (8) (b) 6. c. of the statutes is amended to read:

10 343.305 (8) (b) 6. c. In a case in which subd. 4m. a. and b. apply, the person did
11 not have a valid prescription for methamphetamine or one of its metabolic
12 precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
13 tetrahydrocannabinol.

14 **SECTION 265.** 343.38 (1) (d) 2. of the statutes is amended to read:

15 343.38 (1) (d) 2. Not more than 45 days before applying for reinstatement, the
16 person submits to and complies with an assessment by an approved public
17 treatment facility, as defined in s. 51.45 (2) (c), for examination of the person's use of
18 alcohol, hemp-derived cannabinoid products, controlled substances, or controlled
19 substance analogs and development of a driver safety plan for the person.

20 **SECTION 266.** 343.44 (1) (a) of the statutes is amended to read:

21 343.44 (1) (a) *Operating while suspended.* No person whose operating
22 privilege has been duly suspended under the laws of this state may operate a motor
23 vehicle upon any highway in this state during the period of suspension or in
24 violation of any restriction on an occupational license issued to the person during

SENATE BILL 681**SECTION 266**

1 the period of suspension. A person's knowledge that his or her operating privilege is
2 suspended is not an element of the offense under this paragraph. In this
3 paragraph, "restriction on an occupational license" means restrictions imposed
4 under s. 343.10 (5) (a) as to hours of the day, area, routes or purpose of travel,
5 vehicles allowed to be operated, use of an ignition interlock device, sobriety or use of
6 alcohol, hemp-derived cannabinoid products, controlled substances, or controlled
7 substance analogs.

8 **SECTION 267.** 343.44 (1) (b) of the statutes is amended to read:

9 343.44 (1) (b) *Operating while revoked.* No person whose operating privilege
10 has been duly revoked under the laws of this state may operate a motor vehicle upon
11 any highway in this state during the period of revocation or in violation of any
12 restriction on an occupational license issued to the person during the period of
13 revocation. A person's knowledge that his or her operating privilege is revoked is
14 not an element of the offense under this paragraph. In this paragraph, "restriction
15 on an occupational license" means restrictions imposed under s. 343.10 (5) (a) as to
16 hours of the day, area, routes or purpose of travel, vehicles allowed to be operated,
17 use of an ignition interlock device, sobriety or use of alcohol, hemp-derived
18 cannabinoid products, controlled substances, or controlled substance analogs.

19 **SECTION 268.** 346.63 (1) (d) of the statutes is amended to read:

20 346.63 (1) (d) In an action under par. (am) that is based on the defendant
21 allegedly having a detectable amount of methamphetamine, or gamma-
22 hydroxybutyric acid, ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or
23 tetrahydrocannabinol isomers at a total concentration of one or more nanograms
24 per milliliter of his or her blood, the defendant has a defense if he or she proves by

SENATE BILL 681**SECTION 268**

1 a preponderance of the evidence that at the time of the incident or occurrence he or
2 she had a valid prescription for methamphetamine or one of its metabolic
3 precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
4 tetrahydrocannabinol.

5 **SECTION 269.** 346.63 (2) (b) 2. of the statutes is amended to read:

6 346.63 (2) (b) 2. In an action under par. (a) 3. that is based on the defendant
7 allegedly having a detectable amount of methamphetamine, or gamma-
8 hydroxybutyric acid, ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or
9 tetrahydrocannabinol isomers at a total concentration of one or more nanograms
10 per milliliter of his or her blood, the defendant has a defense if he or she proves by
11 a preponderance of the evidence that at the time of the incident or occurrence he or
12 she had a valid prescription for methamphetamine or one of its metabolic
13 precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
14 tetrahydrocannabinol.

15 **SECTION 270.** 346.637 (1) of the statutes is amended to read:

16 346.637 (1) The laws relating to operating a motor vehicle and drinking
17 alcohol, using hemp-derived cannabinoid products, using controlled substances or
18 controlled substance analogs, or using any combination of alcohol, hemp-derived
19 cannabinoid products, controlled substances, and controlled substance analogs.

20 **SECTION 271.** 346.637 (2) of the statutes is amended to read:

21 346.637 (2) The effects of alcohol, hemp-derived cannabinoid products,
22 controlled substances, or controlled substance analogs, or the use of them in any
23 combination, on a person's ability to operate a motor vehicle.

24 **SECTION 272.** 346.64 (1) of the statutes is amended to read:

SENATE BILL 681**SECTION 272**

1 346.64 (1) No person who owns or has direct control of a commercial motor
2 vehicle or any vehicle operated upon a highway for the conveyance of passengers for
3 hire shall employ as an operator of such vehicle and retain in the person's
4 employment any person who is addicted to the excessive use of intoxicating liquor or
5 hemp-derived cannabinoid products or to the use of a controlled substance or
6 controlled substance analog under ch. 961. In addition to being subject to fine or
7 imprisonment as prescribed by law, such person shall forfeit \$5 for each day such
8 operator is retained in the person's employ.

9 **SECTION 273.** 346.93 (1) of the statutes is amended to read:

10 346.93 (1) No underage person, as defined under s. 125.02 (20m), may
11 knowingly possess, transport, or have under his or her control any alcohol beverage
12 or hemp-derived cannabinoid product in any motor vehicle unless the person is
13 employed by a brewer, brewpub, alcohol beverage or hemp-derived cannabinoid
14 product licensee, wholesaler, retailer, distributor, manufacturer, or rectifier and is
15 possessing, transporting, or having such beverage or product in a motor vehicle
16 under his or her control during his or her working hours and in the course of
17 employment, as provided under s. 125.07 (4) (bm) or (bp).

18 **SECTION 274.** 346.935 (1) of the statutes is renumbered 346.935 (1m) and
19 amended to read:

20 346.935 (1m) No person may drink alcohol beverages ~~or~~, inhale nitrous oxide,
21 or consume hemp-derived cannabinoid products while he or she is in any motor
22 vehicle when the vehicle is upon a highway.

23 **SECTION 275.** 346.935 (1g) of the statutes is created to read:

SENATE BILL 681**SECTION 275**

1 346.935 (1g) In this section, “hemp-derived cannabinoid product” has the
2 meaning given in s. 125.02 (6p).

3 **SECTION 276.** 346.935 (2) of the statutes is amended to read:

4 346.935 (2) No person may possess on his or her person, in a privately owned
5 motor vehicle upon a public highway, any bottle, container, or receptacle containing
6 alcohol beverages ~~or~~, nitrous oxide, or hemp-derived cannabinoid products if the
7 bottle, container, or receptacle has been opened, the seal has been broken, or the
8 contents of the bottle, container, or receptacle have been partially removed or
9 released.

10 **SECTION 277.** 346.935 (3) of the statutes is amended to read:

11 346.935 (3) The owner of a privately owned motor vehicle, or the driver of the
12 vehicle if the owner is not present in the vehicle, shall not keep, or allow to be kept
13 in the motor vehicle when it is upon a highway, any bottle, container, or receptacle
14 containing alcohol beverages ~~or~~, nitrous oxide, or hemp-derived cannabinoid
15 products if the bottle, container, or receptacle has been opened, the seal has been
16 broken, or the contents of the bottle, container, or receptacle have been partially
17 removed or released. This subsection does not apply if the bottle, container, or
18 receptacle is kept in the trunk of the vehicle or, if the vehicle has no trunk, in some
19 other area of the vehicle not normally occupied by the driver or passengers. A
20 utility compartment or glove compartment is considered to be within the area
21 normally occupied by the driver and passengers.

22 **SECTION 278.** 346.935 (4) (b) of the statutes is amended to read:

23 346.935 (4) (b) This section does not apply to passengers in a limousine or in
24 a motor bus who possess any bottle, container, or receptacle containing alcohol

SENATE BILL 681

SECTION 278

1 beverages or hemp-derived cannabinoid products that has been opened, on which
2 the seal has been broken, or the contents of which have been partially removed or
3 released if the vehicle is operated by a chauffeur holding a valid license and
4 endorsements authorizing operation of the vehicle as provided in ch. 343 and is in
5 compliance with any local ordinance or regulation adopted under s. 349.24.

6 **SECTION 279.** 350.01 (10v) (e) of the statutes is amended to read:

7 350.01 (10v) (e) ~~Delta-9-tetrahydrocannabinol~~ Tetrahydrocannabinol
8 isomers, excluding its any precursors or metabolites, at a total concentration of one
9 or more nanograms per milliliter of a person's blood.

10 **SECTION 280.** 350.101 (1) (e) of the statutes is amended to read:

11 350.101 (1) (e) *Defenses.* In an action under par. (bm) that is based on the
12 defendant allegedly having a detectable amount of methamphetamine, or gamma-
13 hydroxybutyric acid, ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or
14 tetrahydrocannabinol isomers at a total concentration of one or more nanograms
15 per milliliter of his or her blood, the defendant has a defense if he or she proves by
16 a preponderance of the evidence that at the time of the incident or occurrence he or
17 she had a valid prescription for methamphetamine or one of its metabolic
18 precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
19 tetrahydrocannabinol.

20 **SECTION 281.** 350.101 (2) (d) 2. of the statutes is amended to read:

21 350.101 (2) (d) 2. In an action under par. (bm) that is based on the defendant
22 allegedly having a detectable amount of methamphetamine, or gamma-
23 hydroxybutyric acid, ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or
24 tetrahydrocannabinol isomers at a total concentration of one or more nanograms

SENATE BILL 681**SECTION 281**

1 per milliliter of his or her blood, the defendant has a defense if he or she proves by
2 a preponderance of the evidence that at the time of the incident or occurrence he or
3 she had a valid prescription for methamphetamine or one of its metabolic
4 precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
5 tetrahydrocannabinol.

6 **SECTION 282.** 565.02 (3) (b) 3. of the statutes is amended to read:

7 565.02 (3) (b) 3. The accessibility of the location from which the retailer will
8 sell lottery tickets or lottery shares to the public. Restrictions under s. 125.07
9 relating to presence of underage persons on premises licensed to sell alcohol
10 beverages or hemp-derived cannabinoid products may not be used under this
11 subdivision to deny a person a lottery retailer contract.

12 **SECTION 283.** 632.32 (2) (aj) of the statutes is created to read:

13 632.32 (2) (aj) “Hemp-derived cannabinoid product” has the meaning given in
14 s. 125.02 (6p).

15 **SECTION 284.** 632.32 (6) (b) 4. of the statutes is amended to read:

16 632.32 (6) (b) 4. Any use of the motor vehicle for unlawful purposes, or for
17 transportation of liquor or hemp-derived cannabinoid products in violation of law,
18 or while the driver is under the influence of an intoxicant, a hemp-derived
19 cannabinoid product, or a controlled substance or controlled substance analog
20 under ch. 961 or a combination thereof, under the influence of any other drug to a
21 degree which renders him or her incapable of safely driving, or under the combined
22 influence of an intoxicant and any other drug to a degree which renders him or her
23 incapable of safely driving, or any use of the motor vehicle in a reckless manner. In
24 this subdivision, “drug” has the meaning specified in s. 450.01 (10).

SENATE BILL 681**SECTION 285**

SECTION 285. 767.41 (6) (g) 5. of the statutes is amended to read:

767.41 **(6)** (g) 5. If the party who committed the battery or abuse has a significant problem with alcohol or drug abuse, prohibiting that party from being under the influence of alcohol, a hemp-derived cannabinoid product, as defined in s. 125.02 (6p), or any controlled substance when the parties exchange the child for periods of physical placement and from possessing or consuming alcohol, a hemp-derived cannabinoid product, or any controlled substance during his or her periods of physical placement.

SECTION 286. 813.129 (2) (g) of the statutes is amended to read:

813.129 **(2)** (g) Whether the person has a history of abusing alcohol, a hemp-derived cannabinoid product, as defined in s. 125.02 (6p), or a controlled substance.

SECTION 287. 885.235 (1) (d) 5. of the statutes is amended to read:

885.235 **(1)** (d) 5. ~~Delta-9-tetrahydrocannabinol~~ Tetrahydrocannabinol isomers, excluding ~~its~~ any precursors or metabolites, at a total concentration of one or more nanograms per milliliter of a person's blood.

SECTION 288. 885.235 (5) of the statutes is amended to read:

885.235 **(5)** Notwithstanding sub. (4), in any action or proceeding for a violation of s. 23.33 (4c) (a) 2m. or (b) 2m., 23.335 (12) (a) 2m. or (b) 2m., 30.681 (1) (b) 1m. or (2) (b) 1m., 346.63 (1) (am) or (2) (a) 3., 350.101 (1) (bm) or (2) (bm), 940.09 (1) (am) or (cm) or (1g) (am) or (cm), 940.25 (1) (am) or (cm), or 941.20 (1) (bm), the only form of chemical analysis of a sample of human biological material that is admissible as evidence bearing on the question of whether or not the person had ~~delta-9-tetrahydrocannabinol~~ tetrahydrocannabinol isomers at a total

SENATE BILL 681**SECTION 288**

1 concentration of one or more nanograms per milliliter of the person's blood is a
2 chemical analysis of a sample of the person's blood.

3 **SECTION 289.** 895.047 (3) (a) of the statutes is amended to read:

4 895.047 (3) (a) If the defendant proves by clear and convincing evidence that
5 at the time of the injury the claimant was under the influence of any controlled
6 substance ~~or~~, controlled substance analog, or restricted controlled substance to the
7 extent prohibited under s. 346.63 (1) (a) or (am), or had an alcohol concentration, as
8 defined in s. 340.01 (1v), of 0.08 or more, there shall be a rebuttable presumption
9 that the claimant's intoxication or drug use was the cause of his or her injury.

10 **SECTION 290.** 895.53 (2) of the statutes is amended to read:

11 895.53 (2) Any person withdrawing blood at the request of a traffic officer, law
12 enforcement officer or conservation warden for the purpose of determining the
13 presence or quantity of alcohol, hemp-derived cannabinoid products, as defined in s.
14 125.02 (6p), controlled substances, controlled substance analogs, or any
15 combination of alcohol, hemp-derived cannabinoid products, controlled substances,
16 and controlled substance analogs is immune from any civil or criminal liability for
17 the act, except for civil liability for negligence in the performance of the act.

18 **SECTION 291.** 905.04 (4) (e) 3. of the statutes is amended to read:

19 905.04 (4) (e) 3. There is no privilege in situations where the examination of
20 the expectant mother of an abused unborn child creates a reasonable ground for an
21 opinion of the physician, registered nurse, chiropractor, psychologist, social worker,
22 marriage and family therapist or professional counselor that the physical injury
23 inflicted on the unborn child was caused by the habitual lack of self-control of the
24 expectant mother of the unborn child in the use of alcohol beverages, hemp-derived

SENATE BILL 681**SECTION 291**

1 cannabinoid products, as defined in s. 125.02 (6p), controlled substances, or
2 controlled substance analogs, exhibited to a severe degree.

3 **SECTION 292.** 938.02 (1p) of the statutes is amended to read:

4 938.02 **(1p)** “Alcohol or other drug abuse impairment” means a condition of a
5 person which is exhibited by characteristics of habitual lack of self-control in the
6 use of alcohol beverages, hemp-derived cannabinoid products, controlled
7 substances, or controlled substance analogs to the extent that the person’s health is
8 substantially affected or endangered or the person’s social or economic functioning
9 is substantially disrupted.

10 **SECTION 293.** 938.02 (8c) of the statutes is created to read:

11 938.02 **(8c)** “Hemp-derived cannabinoid product” has the meaning given in s.
12 125.02 (6p).

13 **SECTION 294.** 938.24 (2m) (a) 3. of the statutes is amended to read:

14 938.24 **(2m)** (a) 3. Alleged to have committed any offense that appears to the
15 intake worker to be directly motivated by the juvenile’s need to purchase or
16 otherwise obtain alcohol beverages, hemp-derived cannabinoid products, controlled
17 substances, or controlled substance analogs.

18 **SECTION 295.** 938.245 (2) (a) 3. of the statutes is amended to read:

19 938.245 **(2)** (a) 3. ‘Alcohol and other drug abuse assessment.’ That the
20 juvenile submit to an alcohol and other drug abuse assessment that meets the
21 criteria under s. 938.547 (4) and that is conducted by an approved treatment facility
22 for an examination of the juvenile’s use of alcohol beverages, hemp-derived
23 cannabinoid products, controlled substances, or controlled substance analogs and
24 any medical, personal, family, or social effects caused by its use, if the

SENATE BILL 681**SECTION 295**

1 multidisciplinary screen under s. 938.24 (2) shows that the juvenile is at risk of
2 having needs and problems related to the use of alcohol beverages, hemp-derived
3 cannabinoid products, controlled substances, or controlled substance analogs and
4 its medical, personal, family, or social effects.

5 **SECTION 296.** 938.295 (1c) (c) of the statutes is amended to read:

6 938.295 (1c) (c) The greater weight of the evidence at the fact-finding hearing
7 indicates that any offense which formed the basis for the adjudication was
8 motivated by the juvenile's need to purchase or otherwise obtain alcohol beverages,
9 hemp-derived cannabinoid products, controlled substances, or controlled substance
10 analogs.

11 **SECTION 297.** 938.295 (1g) of the statutes is amended to read:

12 938.295 (1g) REPORT OF RESULTS AND RECOMMENDATIONS. If the court orders
13 an alcohol or other drug abuse assessment under sub. (1), the approved treatment
14 facility shall, within 14 days after the order, report the results of the assessment to
15 the court, except that, if requested by the facility and if the juvenile is not held in
16 secure or nonsecure custody, the court may extend the period for assessment for not
17 more than 20 additional working days. The report shall include a recommendation
18 as to whether the juvenile is in need of treatment, intervention, or education
19 relating to the use or abuse of alcohol beverages, hemp-derived cannabinoid
20 products, controlled substances, or controlled substance analogs and, if so, shall
21 recommend a service plan and appropriate treatment from an approved treatment
22 facility or education from a court-approved alcohol or other drug abuse education
23 program.

24 **SECTION 298.** 938.32 (1g) (intro.) of the statutes is amended to read:

SENATE BILL 681**SECTION 298**

1 938.32 (1g) ALCOHOL OR OTHER DRUG ABUSE TREATMENT AND EDUCATION.

2 (intro.) If the petition alleges that the juvenile committed a violation specified
3 under ch. 961 and if the multidisciplinary screen conducted under s. 938.24 (2)
4 shows that the juvenile is at risk of having needs and problems related to the use of
5 alcohol beverages, hemp-derived cannabinoid products, controlled substances, or
6 controlled substance analogs and its medical, personal, family, and social effects,
7 the court may establish as a condition under sub. (1) any of the following:

8 **SECTION 299.** 938.34 (6r) (a) of the statutes is amended to read:

9 938.34 (6r) (a) If the report prepared under s. 938.33 (1) recommends that the
10 juvenile is in need of treatment for the use or abuse of alcohol beverages, hemp-
11 derived cannabinoid products, controlled substances, or controlled substance
12 analogues and its medical, personal, family, or social effects, order the juvenile to
13 enter an outpatient alcohol and other drug abuse treatment program at an
14 approved treatment facility. The approved treatment facility shall, under the terms
15 of a service agreement between the county and the approved treatment facility, or
16 with the written informed consent of the juvenile or the juvenile's parent if the
17 juvenile has not attained the age of 12, report to the agency primarily responsible
18 for providing services to the juvenile as to whether the juvenile is cooperating with
19 the treatment and whether the treatment appears to be effective.

20 **SECTION 300.** 938.34 (6r) (b) of the statutes is amended to read:

21 938.34 (6r) (b) If the report prepared under s. 938.33 (1) recommends that the
22 juvenile is in need of education relating to the use of alcohol beverages, hemp-
23 derived cannabinoid products, controlled substances, or controlled substance
24 analogues, order the juvenile to participate in an alcohol or other drug abuse

SENATE BILL 681**SECTION 300**

1 education program approved by the court. The person or agency that provides the
2 education program shall, under the terms of a service agreement between the
3 county and the education program, or with the written informed consent of the
4 juvenile or the juvenile's parent if the juvenile has not attained the age of 12, report
5 to the agency primarily responsible for providing services to the juvenile about the
6 juvenile's attendance at the program.

7 **SECTION 301.** 938.343 (10) (intro.) of the statutes is amended to read:

8 938.343 (10) ALCOHOL OR DRUG ASSESSMENT, TREATMENT, OR EDUCATION.
9 (intro.) If the violation is related to the use or abuse of alcohol beverages, hemp-
10 derived cannabinoid products, controlled substances, or controlled substance
11 analogs, order the juvenile to do any of the following:

12 **SECTION 302.** 938.344 (title) of the statutes is amended to read:

13 **938.344 (title) Disposition; certain ~~intoxiating liquor, beer~~ alcohol**
14 **beverage, hemp-derived cannabinoid product, and drug violations.**

15 **SECTION 303.** 938.344 (2) (title) of the statutes is amended to read:

16 938.344 (2) (title) UNDERAGE ALCOHOL OR HEMP-DERIVED CANNABINOID
17 PRODUCT POSSESSION OR POSSESSION ON SCHOOL GROUNDS.

18 **SECTION 304.** 938.344 (2b) (title) of the statutes is amended to read:

19 938.344 (2b) (title) UNDERAGE PURCHASE OF ALCOHOL OR HEMP-DERIVED
20 CANNABINOID PRODUCT OR ENTERING LICENSED PREMISES.

21 **SECTION 305.** 938.396 (1) (c) 3. a. of the statutes is amended to read:

22 938.396 (1) (c) 3. a. The use, possession, or distribution of alcohol, a hemp-
23 derived cannabinoid product, or a controlled substance or controlled substance

SENATE BILL 681**SECTION 305**

1 analog by a juvenile enrolled in the public school district, private school, or tribal
2 school.

3 **SECTION 306.** 938.547 (1) of the statutes is amended to read:

4 938.547 (1) LEGISLATIVE FINDINGS AND PURPOSE. The legislature finds that
5 the use and abuse of alcohol and other drugs by juveniles is a state responsibility of
6 statewide dimension. The legislature recognizes that there is a lack of adequate
7 procedures to screen, assess and treat juveniles for alcohol and other drug abuse.
8 To reduce the incidence of alcohol and other drug abuse by juveniles, the legislature
9 deems it necessary to experiment with solutions to the problems of the use and
10 abuse of alcohol and other drugs by juveniles by establishing a juvenile alcohol and
11 other drug abuse pilot program in a limited number of counties. The purpose of the
12 program is to develop intake and court procedures that screen, assess and give new
13 dispositional alternatives for juveniles with needs and problems related to the use
14 of alcohol beverages, hemp-derived cannabinoid products, controlled substances, or
15 controlled substance analogs who come within the jurisdiction of a court assigned
16 to exercise jurisdiction under this chapter and ch. 48 in the pilot counties selected
17 by the department.

18 **SECTION 307.** 939.22 (15m) of the statutes is created to read:

19 939.22 (15m) “Hemp-derived cannabinoid product” has the meaning given in
20 s. 125.02 (6p).

21 **SECTION 308.** 939.22 (33) (e) of the statutes is amended to read:

22 939.22 (33) (e) ~~Delta-9-tetrahydrocannabinol~~ Tetrahydrocannabinol isomers,
23 excluding ~~its~~ any precursors or metabolites, at a total concentration of one or more
24 nanograms per milliliter of a person’s blood.

SENATE BILL 681**SECTION 309**

1 **SECTION 309.** 940.09 (2) (b) of the statutes is amended to read:

2 940.09 (2) (b) In any action under sub. (1) (am) or (cm) or (1g) (am) or (cm)
3 that is based on the defendant allegedly having a detectable amount of
4 methamphetamine or gamma-hydroxybutyric acid ~~or delta-9-tetrahydrocannabinol~~
5 in his or her blood, or tetrahydrocannabinol isomers at a total concentration of one
6 or more nanograms per milliliter of his or her blood, the defendant has a defense if
7 he or she proves by a preponderance of the evidence that at the time of the incident
8 or occurrence he or she had a valid prescription for methamphetamine or one of its
9 metabolic precursors ~~or~~, gamma-hydroxybutyric acid, or ~~delta-9-~~
10 ~~tetrahydrocannabinol~~ tetrahydrocannabinol.

11 **SECTION 310.** 940.225 (5) (ai) of the statutes is amended to read:

12 940.225 (5) (ai) "Intoxicant" means any alcohol beverage, hemp-derived
13 cannabinoid product, hazardous inhalant, controlled substance, controlled
14 substance analog, or other drug, or any combination thereof.

15 **SECTION 311.** 940.25 (2) (b) of the statutes is amended to read:

16 940.25 (2) (b) In any action under this section that is based on the defendant
17 allegedly having a detectable amount of methamphetamine; or gamma-
18 hydroxybutyric acid, ~~or delta-9-tetrahydrocannabinol~~ in his or her blood, or
19 tetrahydrocannabinol isomers at a total concentration of one or more nanograms
20 per milliliter of his or her blood, the defendant has a defense if he or she proves by
21 a preponderance of the evidence that at the time of the incident or occurrence he or
22 she had a valid prescription for methamphetamine or one of its metabolic
23 precursors, gamma-hydroxybutyric acid, or ~~delta-9-tetrahydrocannabinol~~
24 tetrahydrocannabinol.

SENATE BILL 681**SECTION 312**

SECTION 312. 941.20 (1) (bm) of the statutes is amended to read:

941.20 (1) (bm) Operates or goes armed with a firearm while he or she has a detectable amount of a restricted controlled substance in his or her blood. A defendant has a defense to any action under this paragraph that is based on the defendant allegedly having a detectable amount of methamphetamine, or gamma-hydroxybutyric acid, or delta-9-tetrahydrocannabinol in his or her blood, or tetrahydrocannabinol isomers at a total concentration of one or more nanograms per milliliter of his or her blood, if he or she proves by a preponderance of the evidence that at the time of the incident or occurrence he or she had a valid prescription for methamphetamine or one of its metabolic precursors, gamma-hydroxybutyric acid, ~~or delta-9-tetrahydrocannabinol~~ tetrahydrocannabinol.

SECTION 313. 941.237 (title) of the statutes is amended to read:

941.237 (title) Carrying handgun where ~~alcohol beverages~~ intoxicants may be sold and consumed.

SECTION 314. 941.237 (1) (fm) of the statutes is amended to read:

941.237 (1) (fm) "Tavern" means an establishment, other than a private club or fraternal organization, in which alcohol beverages or hemp-derived cannabinoid products are sold for consumption on the premises.

SECTION 315. 941.237 (3) (cx) of the statutes is amended to read:

941.237 (3) (cx) A licensee, as defined in s. 175.60 (1) (d), or an out-of-state licensee, as defined in s. 175.60 (1) (g), if the licensee or out-of-state licensee is not consuming alcohol or hemp-derived cannabinoid products on the premises.

SECTION 316. 944.36 of the statutes is amended to read:

944.36 Solicitation of ~~drinks~~ intoxicants prohibited. Any licensee,

SENATE BILL 681**SECTION 316**

1 permittee, or bartender of a retail ~~alcohol beverage~~ establishment covered by a
2 license or permit issued under ch. 125 who permits an entertainer or employee to
3 solicit any hemp-derived cannabinoid product, a drink of any alcohol beverage, as
4 defined in s. 125.02 (1), or any other drink from a customer on the premises, or any
5 entertainer or employee who solicits such products or drinks from any customer, is
6 guilty of a Class B misdemeanor.

7 **SECTION 317.** 948.015 (3) of the statutes is amended to read:

8 948.015 (3) Section 125.07, relating to furnishing alcohol beverages or hemp-
9 derived cannabinoid products to underage persons.

10 **SECTION 318.** 961.11 (5) of the statutes is amended to read:

11 961.11 (5) The authority of the controlled substances board to control under
12 this section does not extend to intoxicating liquors, as defined in s. 139.01 (3), to
13 fermented malt beverages as defined in s. 125.02, to hemp-derived cannabinoid
14 products, as defined in s. 125.02 (6p), or to tobacco.

15 **SECTION 319.** 967.055 (1m) (b) 5. of the statutes is amended to read:

16 967.055 (1m) (b) 5. ~~Delta-9 tetrahydrocannabinol~~ Tetrahydrocannabinol
17 isomers, excluding ~~its~~ any precursors or metabolites, at a total concentration of one
18 or more nanograms per milliliter of a person's blood.

19 **SECTION 320. Nonstatutory provisions.**

20 (1) DEPLETION OF LABEL INVENTORY. Notwithstanding the requirements
21 under s. 125.749 (2) to (5), if at the time of application an applicant for label
22 approval has an inventory of unused labels that do not meet all requirements under
23 s. 125.749 (2) to (5) but are in substantial compliance with these requirements, the

SENATE BILL 681**SECTION 320**

1 division of intoxicating products may, in approving the application, allow the
2 applicant to use labels from the inventory until the inventory is depleted.

3 **SECTION 321. Effective dates.** This act takes effect on the first day of the
4 10th month beginning after publication, except as follows:

5 (1) WISCONSIN FAIR DEALERSHIP LAW. The treatment of s. 135.02 (3) (c), (5g),
6 (5h), (5m), (5p), (7), and (8) and the creation of s. 135.02 (5f) take effect on the day
7 after publication.

8 (2) LABEL REQUIREMENTS. The treatment of s. 125.749 and SECTION 320 (1) of
9 this act take effect on the first day of the 16th month beginning after publication.

10 (3) REPORTING. The treatment of s. 125.025 (6) (c) takes effect on the first day
11 of the 22nd month beginning after publication.

12 (END)