License Conditions

When considering applications for Class A or Class B alcohol licenses, the municipality may attach specific conditions to the license. The applicant agrees to the conditions, although often without enthusiasm, because without the conditions it is unlikely the license will be granted. These conditions are analogous to conditional use permits attached to their property. Violation of alcohol license conditions may be grounds for suspension, nonrenewal or revocation. License conditions can be extremely helpful, if the political will power to enforce them is present. Prior a vote approving the license, the applicant has an incentive (the license) to agree to proposed conditions. License conditions can address past problems at that location and secure binding assurances for the community. After the vote, license conditions must be agreed to by both the licensee and the municipality that no longer has an incentive to cooperate. Once problems exist, adding license conditions is far more time consuming and potentially expensive for the community.

Once awarded, a license can only be suspended, revoked or non-renewed for cause. Before the award, a license application may be refused for any reason that is not arbitrary or discriminatory. License conditions are an underutilized tool that allows a community to tailor a license to the very specific concerns of each licensee without amending local ordinances.

For example, an ordinance requiring all licensed establishments to sweep a parking lot and sidewalk area at the close of business may be impractical, not all licensees will have parking areas and sidewalks or such an ordinance might be unenforceable. Alternatively, a large venue with sidewalk and parking areas would be a good candidate for a license condition outlining specific exterior tasks or standards to resolve neighborhood concerns about trash.

Municipalities need to think through possible problems including past problems at the location prior to initially issuing the license. License conditions can be written to cover most aspects of the licensee and its operation. The City of Racine has successfully used extensive and very detailed license conditions to address specific concerns and control gang activity in some bars and taverns. Licensees that fail to meet those conditions find themselves facing suspension or revocation.

License conditions should be specific and even unique. Municipal authority is broad, and each situation specific. Neighborhood groups, local residents have the ability to suggest license conditions before a license is awarded. The following examples are a starting point for consideration and discussion.

Examples of conditions for Class B – on premises licenses: restaurants, clubs, taverns

Security:

- Require video cameras at specific locations with images or tapes retained for a specified period of time.
- Require an ID check point at the door, electronic ID scanner with memory and records maintained for a specific period of time.
- Make licensee responsible for maintaining an orderly queue or entrance line.
- Require all alcohol servers and bar staff to take Responsible Beverage Server Training
- Bar patrons involved in a physical altercation for xx days.
Management:

- Establish a dress code, to reduce gang activity or set standard of decorum
- No flat fee or timed dinks specials.
- Limitations on entertainment, such as no live bands, amplified music on exterior seating.
- Set an occupancy number – the total number of individuals in the building – that reflects the number of patrons based on concerns for public safety or crowd control. The number set by the fire or building inspector is the upper limit, but a lower number may be placed on the license.
- Establish and enforce employee rules prohibiting drinking or measurable alcohol in blood or breathe or limits employees to a .04 BAC.
- Set earlier closing time: While municipalities may not adopt ordinances establishing closing times that that conflict with state statues, license conditions may set an earlier closing time. Earlier closing time makes it less likely that a restaurant will operate as a club late in the evening. Earlier staggered closing times can help relieve over congested sidewalks and streets resulting from uniform closing time.
- Establish an acceptable sound level in cooperation with neighborhood representatives.
- Require staff to sweep and remove trash (cigarette butts) within x feet of the entrance.

The inherent difference between on-premises (Class B) and off-premises (Class A) licensees suggest different license conditions.

Possible conditions or Class A off-premises licensees:

Merchandise

- Agrees to remove any product from the shelves immediately at the request of the Police or Sheriff. Wisconsin does not have a central system for recalling alcohol beverages – such as Four Loko after health or safety issues are identified.
- Will not sell single serving containers of alcohol
- Separate coolers for alcohol and alcohol free beverages.

Promotional Activities

- Prohibit alcohol tasting events where gasoline is sold
- Limit the number of tasting events annually or simultaneously
- Alcohol promotions limited to specific areas of the store.
- Limit or prohibit alcohol advertising in the store that is viewable from the outside.