

TO: The Board of Directors, Tavern League of Wisconsin (TLW)

TO: The Republican Leadership of the Wisconsin State Legislature

FROM: Equinox Health Navigation LLC (Milwaukee, WI)

DATE: February 6, 2026

SUBJECT: The Survival of the Wisconsin Tavern: A Strategic Case for Legalization and On-Premises THC Consumption

The End of the Prohibition Era

The time has come to confront a truth long ignored in Madison: continued opposition to cannabis legalization is no longer protecting taverns, it's endangering them. Lawmakers in past sessions assumed that legal weed would keep patrons on their couches and out of your barstools.

The data now **disproves** this calculation. Continued prohibition is no longer a protective measure; it is the single greatest threat to the future of the Wisconsin tavern.

We stand at a precipice. The federal government, through the spending bill signed in November 2025, has initiated a countdown. In November 2026, the "hemp loophole" codified in the 2018 Farm Bill will close. The THC seltzers and gummies currently sold in bars, liquor stores, and gas stations across our state will become federally illegal. The revenue stream that many of your members have quietly begun to rely on will vanish overnight. **Hoping for non-enforcement is not a strategy; federal preemption will override state inaction.**

Even apart from the looming federal issue, shifts in consumer behavior make adaptation non-optional. The "Sober Curious" movement is not a fad; it is a demographic cliff. Generation Z consumes approximately 20% less alcohol per capita than Millennials (according to a 2025 Gallup Youth Consumption Survey). If your establishments offer only ethanol, you are voluntarily excluding a massive segment of the emerging market. These customers are not staying home; they are going to Illinois, or they are gathering in private spaces where their preferred social lubricant is legal.

A Proposal to the Tavern League of Wisconsin

The Tavern League has always championed the rights of small business owners. You successfully defended the industry against smoking bans and regulatory overreach. Now, you must defend your members' right to evolve.

We urge the Tavern League to pivot from neutrality to active advocacy for a specific form of legalization: **The "Wisconsin Hospitality Model."**

Do not let Wisconsin become Illinois. In Illinois, cannabis dollars flow exclusively to corporate dispensaries funded by out-of-state private equity. A tavern owner there gets nothing from the cannabis boom except a customer who stays home.

Instead, look to Minnesota. There, the legislature allowed bars and breweries to sell low-dose THC beverages for on-site consumption. The result?

- **Retention of the "Third Place":** Socializing remains in the bar, regardless of whether the patron chooses a beer or a THC tonic.
- **Revenue Growth:** Breweries and bars saw sales increase, not decrease.
- **Control:** The sale of intoxicating substances remains in the hands of trained, licensed professionals, your members, rather than gas stations or unlicensed pop-ups.

The Strategic Pivot: Why This Benefits the Tavern League

Your opposition has been rooted in the fear of substitution, that weed replaces beer. Substitution is already happening, but prohibition ensures that when it does the money leaves your bar rather than staying in it. By selling the substitute yourself, you recapture that revenue.

By advocating for the exclusive right of Class B license holders to serve THC beverages on-premises, you strengthen the value of the liquor license itself. You transform a competitive threat into a proprietary asset.

A Message to State Republicans: The "Small Business Protection Act"

The current prohibitionist stance has shifted from a moral imperative to an anti-business liability. We urge you to frame legalization not as a social concession, but as a **Small Business Protection Act**.

- **Fiscal Waste:** In 2025 alone, Wisconsin residents contributed an estimated **\$150 million in tax revenue** to the state of Illinois. That is capital flight, plain and simple.
- **Regulatory Chaos:** The current "grey market" of hemp is unregulated and unsafe. Without state intervention before the federal loophole closes, this market will retreat underground, controlled by criminal elements rather than tax-paying business owners.

- **Consistency:** You have always fought to protect main street businesses from federal overreach and out-of-state corporate interests. Legalizing the "Wisconsin Hospitality Model" is the only way to prevent out-of-state dispensaries from draining our local economy.

This is the conservative path forward. It favors local control over federal mandates, small business over corporate monopolies, and regulation over the black market.

Conclusion

The Tavern League has "no dog in the fight" only if it chooses to ignore the reality of the market. The choice is no longer between "legal" and "illegal." The choice is between a regulated market that enriches Wisconsin small businesses, or an unregulated black market that enriches our neighbors to the south.

We welcome the opportunity to work with TLW leadership and legislative partners on model bill language that protects and empowers Wisconsin establishments.

Pragmatism, not prohibition, is the Wisconsin way.

Respectfully,

Jesse Briggs

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