

December 19, 2018

TO FINANCE COMMITTEE

FROM CITY CLERK DEBORAH NEUSER

RE: Municipal 15 Day Requirement to Pay Alcohol Fees

Alcohol Renewal Licensing will be upon us soon as packets get mailed out in early March. Our Municipal Code 11.010 (9) (g) states: "Payment of Intoxicating Liquor Fee. The intoxicating liquor license fee shall be paid at least 15 days prior to date the license is to be issued." Similar language for fermented malt beverages (11.010 (7)(f)) and Reserve License (11.010 (14) (c)) can also be found in our Municipal Code.

State law allows for payment of license fee after the license is approved but before license is issued.

Per State Statute 125.185, "A municipal governing body that issues licenses authorizing the retail sale of fermented malt beverages, intoxicating liquor or wine shall issue provisional retail licenses." Per Municipal Code 11.010 (13) the City Clerk is authorized to issue provisional licenses.

At the end of the 2017-18 license year, we had five establishments that received a provisional license (one of them for 2 days) in order to continue operating their business because the fees were not paid within 15 days of the end of the licensing year. By receiving this provisional license, the 15 day requirement to pay the license fee is lost. They do not have to close their establishment at midnight on June 30th if they apply for a Provisional License. The only consequence of not paying 15 days prior to the end of the year is an additional \$15 provisional license fee.

The customer is required to come in and apply for the provisional license. After PD approval, the customer must come to Clerk's office again to pick up their provisional license. Then when the regular license is able to be issued, they need to come in again to surrender the provisional license and pick up the regular license. Since there is usually a time issue involved with provisionals the license cannot be sent through the mail.

I am requesting your consideration to have an ordinance drafted to remove the 15 day requirement to pay fees from our Municipal Code in Sections 11.010 (9) (g) and 11.010 (14) (c) and 11.010 (7) (f). Therefore, State law would allow the fees to be paid at any time prior to issuance of the license. Since we are required to issue a provisional license, I can't think of a reason why the City should require them to pay their fees 15 days in advance of issuance.

Deborah Neuser

From: Goodreau, Kurt A - DOR <Kurt.Goodreau@wisconsin.gov>
Sent: Wednesday, December 19, 2018 12:42 PM
To: Deborah Neuser
Subject: Re: Payment of Alcohol Fees
Attachments: image001.png

Hi Deborah,

125.04(f) only says an application shall be filed at least 15 days prior to the granting of the license and nothing about paying the fee 15 days prior. It does seem like a lot of extra work for your office to issue provisionals for something not required under state statute. I believe most clerks just require payment before issuance, but there are also some who like payment right away to cover their cost of publication and background checks. Sorry about not answering directly, but it is really is up to you how you want to handle.

Kurt

Kurt Goodreau, Special Agent
Alcohol & Tobacco Enforcement
Department of Revenue

On Dec 19, 2018, at 12:19 PM, Deborah Neuser <dneuser@manitowoc.org<<mailto:dneuser@manitowoc.org>>> wrote:

Currently our Municipal Code states license fees to be paid 15 days prior to issuance of the license. With the implementation of the provisional license, I do not see a reason to keep this requirement in our Municipal Code. Do you know of any reason why we might want to keep this in our Code? Last year we had 5 establishments get a provisional license for the sole reason that they did not pay their fees 15 days prior to June 30th. Your input would be appreciated.

Deborah A. Neuser
City Clerk, WCMC
City of Manitowoc
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E-Mail: dneuser@manitowoc.org<<mailto:dneuser@manitowoc.org>>

<image001.png>

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SUPPLEMENT TO LICENSING APPLICATION

1. Do you understand that a license may not be issued to any applicant with indebtedness for fermented malt beverages or intoxicating liquor pursuant to the timelines in Wisconsin law? Yes No
2. ~~Do you understand that license fees must be paid 15 days prior to issuance of license? (Therefore, if you plan to be open for business on 7/1, you must pay fees by 6/15).~~ ~~Yes No~~
3. Do you understand that State Statutes do not provide for refunds of unused license fees? Yes No

Under penalty provided by law, the applicant states that each of the above questions has been truthfully answered to the best of his/her knowledge.

Print Name of Corporation/Partnership/Individual

Manitowoc, WI

Address of Licensed Premises

Signature of Corporate Agent, Partner or Individual