

Fiscal Estimate Narratives

DOR 4/6/2011

LRB Number	11-1178/1	Introduction Number	AB-0059	Estimate Type	Original
Description Semiannual meetings of small winery cooperative wholesalers					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Department of Revenue (DOR) was authorized to issue up to six wholesalers' permits to small winery cooperatives (cooperative wholesalers) between October 1, 2008 and December 31, 2008. Only wineries certified by DOR as small wineries could become members of a cooperative wholesaler. A cooperative wholesaler can sell and distribute only the wine of its members, which can be sold or distributed only to retailers or other wholesalers. Small wineries are defined as wineries producing less than 25,000 gallons of wine in a calendar year.

DOR received and approved applications for two small winery cooperative wholesaler permits during the designated time period.

Under current law, the board of directors of a cooperative wholesaler must meet in person with DOR and the University of Wisconsin Center for Cooperatives (CFC) at least once every six months. At each of these semiannual meetings, a cooperative wholesaler is required to provide reports of its operations and sales activities.

This bill repeals the requirement for these semiannual meetings. It also repeals the requirement for the semiannual reports that are to be submitted at these meetings.

The bill retains, however, a separate current law requirement whereby cooperative wholesalers that are seeking renewal of their two-year wholesaler permits must file biennial reports detailing their sales and distribution activities. These biennial reports are to be filed with DOR in the form and manner as prescribed by the department.

This bill will not have any significant effect on the Department's administrative operations.

Long-Range Fiscal Implications