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Prepared Testimony by Rep. David Steffen before the Senate Committee on Elections and Local Government

Assembly Bill 624: retaining invoices for the sale of malt beverages and intoxicating liquors and the local option for issuing liquor licenses.

March 1, 2016

Chairman LeMahieu and Committee Members,

Thank you for scheduling a public hearing for Assembly Bill 624. This bipartisan bill is part of the administrative rules review project (Red Tape Review) conducted by the Ways and Means Committee this session. A review of Chapters 7, 8, and 9 of the Tax Code uncovered two outdated and overly burdensome items—this straightforward bill addresses these outdated rules and is strongly supported by the Grocers Association. AB 624 passed unanimously out of the Assembly Committee on State Affairs and Government Operations and was passed by the full Assembly on February 9, 2016.

Under current Tax Code, retailers must retain 2 years of paper invoices for the purchase/sale of beer and liquor on their premises. This bill simply recognizes technological advances and allows for these records to be maintained in electronic form should the retailer choose to do so. These records would still need to be accessible on the retailer's premises.

This bill also addresses the outdated, Prohibition-Era statute known as the Local Option. The Local Option allows for the elimination of all alcohol licensing in a Wisconsin community via referendum. Not only is this statute inherently anti-business, it also supersedes the ability and control of local governments to regulate licensing. Should such a referendum pass, local businesses would lose their licenses for two years before being given an opportunity to gain them back via referendum. Establishing a dry district via the Local Option is an outdated law that erodes local control and unnecessarily puts Wisconsin businesses at risk of losing their liquor licenses. This bill repeals this archaic statute.

AB 624 is a commonsense and straightforward bill that ensures our state's Tax Code and relating statutes are up-to-date and do not create unnecessarily burdensome regulations. I strongly encourage you to support AB 624.

Thank you for allowing me to testify, and I welcome your questions and input.