



## 2007 ASSEMBLY BILL 474

August 2, 2007 - Introduced by Representatives BERCEAU and BENEDICT,  
cosponsored by Senator RISSER. Referred to Committee on State Affairs.

1     **AN ACT to amend** 139.02 (1) and 139.02 (2) (b); and **to create** 16.964 (6), 20.435  
2           (7) (gm), 20.505 (6) (g), 46.40 (15), 46.48 (31), 51.423 (16) and 139.27 of the  
3           statutes; **relating to:** increasing the tax on fermented malt beverages to fund  
4           law enforcement grants and alcohol and drug abuse treatment and prevention  
5           programs, granting rule-making authority, and making appropriations.

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### ***Analysis by the Legislative Reference Bureau***

This bill increases the tax rate for the tax on fermented malt beverages from \$2 per barrel to \$10 per barrel. In addition, an amount of the taxes collected on fermented malt beverages equal to \$2 per barrel will be used by the Office of Justice Assistance in the Department of Administration to provide grants to counties and municipalities to reduce crimes related to alcohol use by employing additional law enforcement officers and obtaining equipment and training, and an amount of the taxes equal to \$4 per barrel will be used for community aids related to alcohol and drug abuse treatment services. Finally, an amount of the taxes equal to \$2 per barrel will be used for grants for substance abuse treatment and prevention programs.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

**ASSEMBLY BILL 474****SECTION 1**

1           **SECTION 1.** 16.964 (6) of the statutes is created to read:

2           16.964 (6) (a) The office shall provide grants from the appropriation under s.  
3 20.505 (6) (g) to counties or municipalities to employ additional law enforcement  
4 officers, to obtain equipment and training, and, subject to par. (c), for overtime work  
5 if the officers, equipment, training, and overtime assist in reducing crimes related  
6 to alcohol use. A county or municipality may receive a grant for a calendar year if  
7 the county or municipality applies for the grant before September 1 of the preceding  
8 calendar year.

9           (b) A county or municipality applying to the office for a grant under this  
10 subsection shall include a proposed plan of expenditure of the grant moneys. The  
11 grant moneys may be used only as described in par. (a).

12           (c) A county or municipality may, with the approval of the office, use part of the  
13 grant for the payment of salary and fringe benefits for overtime provided by law  
14 enforcement officers. To be eligible to use part of the grant for overtime costs, the  
15 county or municipality shall provide the office with all of the following:

16           1. The reasons why law enforcement officers need to work overtime.

17           2. The status of the hiring and training of new law enforcement officers.

18           3. Documentation that a sufficient amount of the grant will be available, during  
19 the period remaining after the payment of overtime costs, to pay the salary and fringe  
20 benefits of the same number of law enforcement officers and to obtain the equipment  
21 and training that the grant originally planned to pay.

22           (d) The office shall develop criteria that, notwithstanding s. 227.10 (1), need not  
23 be promulgated as rules under ch. 227, for use in determining which counties and  
24 municipalities receive the grants under this subsection and how to distribute the  
25 grants to those counties and municipalities. The office may not award an annual

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1 grant in excess of \$250,000 to any county or municipality. The office shall review any  
2 application and plan submitted under par. (b) to determine if that application and  
3 plan meet the requirements of this subsection. The grant that a county or  
4 municipality receives under this subsection may not supplant existing local  
5 resources.

6 (e) A county or municipality may receive a grant for 3 consecutive years without  
7 submitting a new application each year. For each year that a county or municipality  
8 receives a grant, the county or municipality shall provide matching funds of at least  
9 10 percent of the amount of the grant.

10 **SECTION 2.** 20.435 (7) (gm) of the statutes is created to read:

11 20.435 (7) (gm) *Additional substance abuse treatment and prevention grants.*

12 All moneys received under s. 139.27 (3) for making grants under s. 46.48 (31).

13 **SECTION 3.** 20.505 (6) (g) of the statutes is created to read:

14 20.505 (6) (g) *Law enforcement officer supplement grants; fermented malt*  
15 *beverages tax revenue.* All moneys received under s. 139.27 (2) to provide grants for  
16 law enforcement officers and equipment and training under s. 16.964 (6).

17 **SECTION 4.** 46.40 (15) of the statutes is created to read:

18 46.40 (15) The use of all moneys distributed under this section shall comply  
19 with evidence-based practices established by the department.

20 **SECTION 5.** 46.48 (31) of the statutes is created to read:

21 46.48 (31) **ADDITIONAL SUBSTANCE ABUSE TREATMENT AND PREVENTION GRANTS.** (a)  
22 The department shall distribute grants from the appropriation under s. 20.435 (7)  
23 (gm) to counties, municipalities, school districts, nonprofit organizations, as defined  
24 in s. 103.21 (2), and cooperative educational service agencies to provide alcohol and  
25 drug abuse treatment and prevention programs. A county, municipality, school

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1 district, nonprofit organization, or cooperative educational service agency may  
2 receive a grant for a calendar year if the entity applies for the grant before September  
3 1 of the preceding calendar year.

4 (b) A county, municipality, school district, nonprofit organization, or  
5 cooperative educational service agency that applies for a grant under this subsection  
6 shall include a proposed plan of expenditure of the grant moneys. The grant moneys  
7 may be used only as described in par. (a), except that the county, municipality, school  
8 district, nonprofit organization, or cooperative educational service agency that  
9 receives the grant shall use a portion of the grant, not to exceed an amount equal to  
10 1 percent of the grant, to pay a 3rd party to evaluate the efficiency of the entity's plan.  
11 The use of all moneys distributed under this subsection shall comply with  
12 evidence-based practices established by the department.

13 (c) The department shall develop criteria, by rule, for use in determining which  
14 counties, municipalities, school districts, nonprofit organizations, and cooperative  
15 educational service agencies receive the grants under this subsection and how to  
16 distribute those grants. The department shall review any application and plan  
17 submitted under par. (b) to determine if that application and plan meet the  
18 requirements of this subsection. The grant that an entity receives under this  
19 subsection may not supplant existing local resources.

20 (d) A county, municipality, school district, nonprofit organization, or  
21 cooperative educational service agency may receive a grant for 3 consecutive years  
22 by submitting a new application each year.

23 **SECTION 6.** 51.423 (16) of the statutes is created to read:

24 51.423 (16) The use of all moneys distributed under this section shall comply  
25 with evidence-based practices established by the department.

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1           **SECTION 7.** 139.02 (1) of the statutes is amended to read:

2           139.02 (1) TAX IMPOSED; RATE; LIMITATION. An occupational tax is imposed upon  
3 the removal for consumption or sale or selling of fermented malt beverages at the  
4 rate of \$2 \$10 per barrel of 31 gallons and at a proportionate rate for any other  
5 quantity or fractional parts thereof. Not more than one occupational tax shall be  
6 required to be paid on any one container of fermented malt beverages.

7           **SECTION 8.** 139.02 (2) (b) of the statutes is amended to read:

8           139.02 (2) (b) In this section “eligible producer” means any producer of  
9 fermented malt beverages, whether or not located in this state, producing less than  
10 300,000 barrels of fermented malt beverages in the calendar year for which credit  
11 under par. (a) is claimed. In determining the number of barrels, all brands or labels  
12 of a producer shall be combined and all barrels exported out of this state shall be  
13 included. All facilities for the production of fermented malt beverages owned or  
14 controlled by the same person shall be deemed a single producer.

15           **SECTION 9.** 139.27 of the statutes is created to read:

16           **139.27 Revenue distribution.** (1) In each fiscal year, beginning in fiscal year  
17 2007-08, an amount of the taxes imposed under s. 139.02 (1) equal to \$4 per barrel  
18 of 31 gallons shall be credited to the appropriation account under s. 20.435 (7) (b).

19           (2) In each fiscal year, beginning in fiscal year 2007-08, an amount of the taxes  
20 imposed under s. 139.02 (1) equal to \$2 per barrel of 31 gallons shall be credited to  
21 the appropriation account under s. 20.505 (6) (g).

22           (3) In each fiscal year, beginning in fiscal year 2007-08, an amount of the taxes  
23 imposed under s. 139.02 (1) equal to \$2 per barrel of 31 gallons shall be credited to  
24 the appropriation account under s. 20.435 (7) (gm).

25           **SECTION 10. Fiscal changes.**

