

2009 DRAFTING REQUEST

Bill

Received: 11/21/2008

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Terese Berceau (608) 266-3784

By/Representing: brian

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters: chanaman

Subject: Tax, Other - alcohol and tobacco

Extra Copies:

Submit via email: YES

Requester's email: Rep.Berceau@legis.wisconsin.gov

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov  
cathlene.hanaman@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Increasing the tax on fermented malt beverages

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 11/21/2008	kfollett 12/03/2008		_____			S&L
/1			jfrantze 12/03/2008	_____	mbarman 12/03/2008	sbasford 01/16/2009	

FE Sent For: @ intro, 6/1/09

<END>

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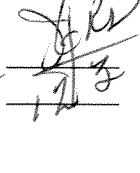
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/?	jkreye	11/15/08 12/13/08	 12/13/08	 12/13/08			

FE Sent For:

<END>

# Bill Request Form

**Legislative Reference Bureau**  
One East Main Street, Suite 200  
Legal Section 266-3561

You may use this form or talk directly with the LRB attorney who will draft the bill.

Date 11/21/08

Legislator, agency, or other person requesting this draft Rep. Buncaw

Person submitting request (name and phone number) Quan R. 6-3847

Persons to contact for questions about this draft (names and phone numbers) Quan

Describe the problem, including any helpful examples. How do you want to solve the problem?

*Please re-draft for 2009-10 session*

*2007 AB 474*

*The beer TAX bill*

*- no changes*

Please attach a copy of any correspondence or other material that may help us. If you know of any statute sections that might be affected, list them or provide a marked-up copy.

You may attach a marked-up copy of any LRB draft or provide its number (e.g., 2005 LRB-2345/1 or 2003 AB-67).

2007 AB 474 attached

Requests are confidential unless stated otherwise. May we tell others that we are working on this for you? YES  NO

If yes:                      Anyone who asks?    YES    NO  
   Any legislator?        YES    NO

Only the following persons \_\_\_\_\_

Do you consider this request urgent?    YES  NO     If yes, please indicate why \_\_\_\_\_

Should we give this request priority over any pending request of this legislator, agency, or person?

YES  NO

2007 - 2008 LEGISLATURE

LRB-1930/1  
JK&CMH:wj:mwa

0905/11  
15f

PWF

## 2007 ASSEMBLY BILL 474

in 11-21-08

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

Regen

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.

### *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.

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

**ASSEMBLY BILL 474**

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

## ASSEMBLY BILL 474

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

EVIDENCE-BASED PRACTICES CS

**ASSEMBLY BILL 474**

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.



## ASSEMBLY BILL 474

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 <sup>✓</sup>~~\$10~~ <sup>✓</sup> 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 <sup>a</sup> ~~2007-08~~ <sup>10</sup>, 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~~ <sup>9</sup> <sup>10</sup>, 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~~ <sup>9</sup> <sup>10</sup>, 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.

ASSEMBLY BILL 474

1 (1) COMMUNITY AIDS; ALCOHOL ABUSE TREATMENT. In the schedule under section  
 2 20.005 (3) of the statutes for the appropriation to the department of health and family  
 3 services under section 20.435 (7) (b) of the statutes, as affected by the acts of 2007  
 4 the dollar amount is increased by \$18,800,000 for fiscal year 2007-08 and the dollar  
 5 amount is increased by \$18,800,000 for fiscal year 2008-09 for alcohol abuse services  
 6 under sections 46.40 and 51.423 of the statutes. 2010-11

SECTION 11. Effective date.

7  
 8 (1) This act takes effect on July 1, 2007, or on the day after publication of the  
 9 2007-09 biennial budget act, whichever is later. 2009

(END)

2009-11

**Kreye, Joseph**

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**From:** Rieselman, Brian  
**Sent:** Friday, January 16, 2009 9:46 AM  
**To:** Kreye, Joseph  
**Subject:** LRB 0905/1 Beer Tax Bill

Hi Joe,

Can we get this jacketed?

Thanks,

Brian