



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-4523/1
KP:kjf&ahe

2017 ASSEMBLY BILL 536

October 16, 2017 - Introduced by Representatives SNYDER, MURSAU and PRONSCHINSKE, cosponsored by Senators PETROWSKI and FEYEN. Referred to Committee on Jobs and the Economy.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT to renumber and amend** 97.30 (4); **to amend** 20.115 (1) (gb), 97.01
2 (15p), 97.01 (15s), 97.30 (2) (a), 97.30 (2) (c), 97.30 (3) (a), 97.30 (3) (am), 97.30
3 (3) (b), 97.30 (3) (c), 97.30 (3) (d), 97.41 (4) (a) and 97.41 (5); and **to create** 97.01
4 (9m), 97.01 (9q), 97.01 (14g) (i), 97.30 (2) (d), 97.30 (3s), 97.30 (4) (b) and 97.41
5 (4) (c) of the statutes; **relating to:** licensing micro markets and providing an
6 exemption from emergency rule procedures.

Analysis by the Legislative Reference Bureau

This bill prescribes that the annual license fee for a retail food establishment that is a micro market is \$40 for one micro market located in a building, or \$60 for two or more micro markets located in the same building. The bill defines a micro market as an indoor, unstaffed, self-checkout kiosk that sells food and beverages in an area that is accessible only by a limited group of people, such as employees, and not the general public. Under current law, a permanent facility from which food is sold to customers at retail is generally required to hold a retail food establishment license granted by the Department of Agriculture, Trade and Consumer Protection, and DATCP has authority to promulgate rules governing the operations of retail food establishments, including annual license fee amounts. The bill allows a new micro market to be issued a retail food establishment license before it is inspected, and requires the new micro market to be inspected within one year of being issued the license. Also, under the bill, micro markets are not subject to certain fees that generally apply to retail food establishments, other than the annual license fee.

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The bill also requires a location that keeps, handles, prepares, or stores food or beverages before sale at a micro market to be regulated and licensed by DATCP as a vending machine commissary.

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:

1 **SECTION 1.** 20.115 (1) (gb) of the statutes is amended to read:

2 20.115 (1) (gb) *Food, lodging, and recreation.* The amounts in the schedule for
3 the regulation of food, lodging, and recreation under chs. 93, 97 and 98. All moneys
4 received under ss. 93.06 (1r) and (1w), 93.09, 93.11, 93.12, 97.17, 97.175, 97.20, 97.21,
5 97.22, 97.24, 97.27, 97.29, 97.30 (3) (a), (b) and (c), 97.30 (3s), 97.41, 97.60 to 97.653,
6 97.67, 98.145 and 98.146 for the regulation of food, lodging, and recreation shall be
7 credited to this appropriation.

8 **SECTION 2.** 97.01 (9m) of the statutes is created to read:

9 97.01 (9m) “Micro market” means any indoor, unstaffed, self-service area that
10 is accessible only to persons authorized by the person in control of the premises and
11 not accessible to the general public, where a customer may obtain unit servings of
12 food or beverage either in bulk or in package before payment at an automated kiosk
13 or by other automated method, without the necessity of replenishing the area
14 between each transaction. “Micro market” does not include a vending machine and
15 does not include a device which dispenses only bottled, prepackaged, or canned soft
16 drinks, a one cent vending device, a device dispensing only candy, gum, nuts, nut
17 meats, cookies, or crackers, or a device dispensing only prepackaged Grade A
18 pasteurized milk or milk products.

19 **SECTION 3.** 97.01 (9q) of the statutes is created to read:

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1 97.01 (9q) “Micro market operator” means the person maintaining a place of
2 business in the state and responsible for the operation of one or more micro markets.

3 **SECTION 4.** 97.01 (14g) (i) of the statutes is created to read:

4 97.01 (14g) (i) The serving of food or beverage through a licensed micro market.

5 **SECTION 5.** 97.01 (15p) of the statutes is amended to read:

6 97.01 (15p) “Vending machine” means any self-service device offered for public
7 use which, upon insertion of a coin or token, or by other means, dispenses unit
8 servings of food or beverage either in bulk or in package, without the necessity of
9 replenishing the device between each vending operation. “Vending machine” does
10 not include a micro market or a device which dispenses only bottled, prepackaged,
11 or canned soft drinks, a one-cent vending device, a vending machine dispensing only
12 candy, gum, nuts, nut meats, cookies, or crackers, or a vending machine dispensing
13 only prepackaged Grade A pasteurized milk or milk products.

14 **SECTION 6.** 97.01 (15s) of the statutes is amended to read:

15 97.01 (15s) “Vending machine commissary” means any building, room or place
16 where the food, beverage, ingredients, containers, transport equipment or supplies
17 for vending machines or micro markets are kept, handled, prepared or stored by a
18 vending machine or micro market operator. “Vending machine commissary” does not
19 mean any place at which the operator is licensed to manufacture, distribute or sell
20 food products under this chapter.

21 **SECTION 7.** 97.30 (2) (a) of the statutes is amended to read:

22 97.30 (2) (a) *Requirement.* Except as provided under par. (b), no person may
23 operate a retail food establishment without a valid license issued by the department
24 or an agent city or county. Except as provided in par. (am), licenses expire on June
25 30 annually, except that a license issued for a new retail food establishment on or

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1 after March 30 but before July 1 expires on June 30 of the following year. Each retail
2 food establishment shall have a separate license. A license is not transferable
3 between persons or establishments. Application for a license shall be made on a form
4 provided by the department, or by the agent city or county, and be accompanied by
5 the applicable fees required under sub. (3) or (3s) or s. 97.41. An application shall
6 indicate whether food processing is conducted at the establishment and shall specify
7 the nature of any food processing activities. An application shall include other
8 information reasonably required by the department, or by the agent city or county,
9 for licensing purposes.

10 **SECTION 8.** 97.30 (2) (c) of the statutes is amended to read:

11 97.30 (2) (c) *Pre-licensing inspection.* The Except as provided under par. (d),
12 the department or an agent city or county may not issue a license for a new retail food
13 establishment until it inspects the new retail food establishment for compliance with
14 this section and rules promulgated under this section. A licensed retail food
15 establishment is not considered a new retail food establishment under this
16 paragraph solely because of a change in ownership, or solely because of alterations
17 in the retail food establishment.

18 **SECTION 9.** 97.30 (2) (d) of the statutes is created to read:

19 97.30 (2) (d) *Initial inspection of micro market.* The department or an agent
20 city or county may issue a license for a new retail food establishment that is a micro
21 market before it inspects the new retail food establishment that is a micro market
22 for compliance with this section and rules promulgated under this section. Before
23 one year after the date that the department or the agent city or county issues a
24 license for a new retail food establishment that is a micro market, it shall inspect the

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1 new retail food establishment for compliance with this section and rules
2 promulgated under this section.

3 **SECTION 10.** 97.30 (3) (a) of the statutes is amended to read:

4 97.30 (3) (a) *License fee.* ~~An~~ Except as provided under sub. (3s), an applicant
5 for a retail food establishment license shall pay the license fee specified under sub.
6 (3m), based on gross receipts from food sales at the retail food establishment during
7 the previous license year. If a retail food establishment was not licensed during the
8 previous license year, a license applicant shall pay an estimated license fee based on
9 projected gross receipts from food sales in the license year for which application is
10 made. At the end of the license year for which an estimated fee has been paid, the
11 licensee shall submit a report to the department stating the actual gross receipts
12 from food sales during the license year. The license fee for that year shall be
13 recomputed based on actual gross receipts. If the license fee based on actual gross
14 receipts differs from the estimated license fee which was paid, the licensee shall pay
15 the balance due or receive a credit from the department on the next year's license fee.

16 **SECTION 11.** 97.30 (3) (am) of the statutes is amended to read:

17 97.30 (3) (am) *Weights and measures inspection fee.* An applicant for a retail
18 food establishment license shall pay the weights and measures inspection fee
19 specified under sub. (3m), based on gross receipts from food sales at the retail food
20 establishment during the previous license year. If a retail food establishment was
21 not licensed during the previous license year, a license applicant shall pay an
22 estimated weights and measures inspection fee based on projected gross receipts
23 from food sales in the license year for which application is made. At the end of the
24 license year for which an estimated fee has been paid, the licensee shall submit a
25 report to the department stating the actual gross receipts from food sales during the

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1 license year. The weights and measures inspection fee for that year shall be
2 recomputed based on actual gross receipts. If the weights and measures inspection
3 fee based on actual gross receipts differs from the estimated weights and measures
4 inspection fee which was paid, the licensee shall pay the balance due or receive a
5 credit from the department on the next year's weights and measures inspection fee.
6 This paragraph does not apply to a retail food establishment that is a micro market.

7 **SECTION 12.** 97.30 (3) (b) of the statutes is amended to read:

8 97.30 (3) (b) *Reinspection fee.* If the department reinspects a retail food
9 establishment because the department finds a violation of this chapter or rules
10 promulgated under this chapter, the department shall charge the retail food
11 establishment operator the reinspection fee specified under sub. (3m). A
12 reinspection fee is payable when the reinspection is completed, and is due upon
13 written demand from the department. The department may issue a demand for
14 payment when it issues a license renewal application form to the retail food
15 establishment operator. This paragraph does not apply to a retail food establishment
16 that is a micro market.

17 **SECTION 13.** 97.30 (3) (c) of the statutes is amended to read:

18 97.30 (3) (c) *Surcharge for operating without a license.* An applicant for a retail
19 food establishment license shall pay a license fee surcharge of \$100 or twice the
20 amount of the annual license fee specified under sub. (3m) whichever is less, or if the
21 applicant operates a micro market a license fee surcharge of \$100 or twice the
22 amount of the annual license fee specified under sub. (3s) whichever is less, if the
23 department determines that, within one year prior to submitting a license
24 application, the applicant operated the retail food establishment without a license
25 in violation of this subsection. Payment of this license fee surcharge does not relieve

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1 the applicant of any other civil or criminal liability which results from the unlicensed
2 operation of the retail food establishment, but does not constitute evidence of a
3 violation of any law.

4 **SECTION 14.** 97.30 (3) (d) of the statutes is amended to read:

5 97.30 (3) (d) *Licensing contingent on payment of fees.* The department may not
6 issue or renew a retail food establishment license unless the license applicant pays
7 all fees which are due and payable under this subsection and sub. (3m) or (3s), as set
8 forth in a statement from the department. The department shall refund a fee paid
9 under protest if the department determines that the fee was not due and payable as
10 a condition of licensing under this subsection.

11 **SECTION 15.** 97.30 (3s) of the statutes is created to read:

12 97.30 (3s) FEES; MICRO MARKETS. An applicant for a retail food establishment
13 license to operate a micro market shall pay one of the following annual license fee
14 amounts:

15 (a) For one micro market located in a building, \$40.

16 (b) For 2 or more micro markets located in the same building, \$60.

17 **SECTION 16.** 97.30 (4) of the statutes is renumbered 97.30 (4) (a) and amended
18 to read:

19 97.30 (4) (a) Subsection (3) does not apply to any retail food establishment
20 licensed by an agent city or county under s. 97.41. An Except as provided under par.
21 (b), an applicant for a retail food establishment license issued by an agent city or
22 county shall pay fees established by the agent city or county under s. 97.41.

23 **SECTION 17.** 97.30 (4) (b) of the statutes is created to read:

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1 97.30 (4) (b) An applicant for a retail food establishment license to be issued
2 by an agent city or county shall pay the fee under sub. (3s) if the application is for
3 a micro market.

4 **SECTION 18.** 97.41 (4) (a) of the statutes is amended to read:

5 97.41 (4) (a) Except as provided in par. (b) or (c), a local health department
6 granted agent status under this section shall establish and collect the license fee for
7 retail food establishments, as defined in s. 97.30 (1) (c). The local health department
8 may establish separate fees for pre-licensing inspections of new establishments, for
9 pre-licensing inspections of existing establishments for which a person intends to be
10 the new operator or for the issuance of duplicate licenses. No fee may exceed the local
11 health department's reasonable costs of issuing licenses to, making investigations
12 and inspections of, and providing education, training and technical assistance to the
13 establishments, plus the state fee established under sub. (5). A local health
14 department which is granted agent status under this section or under s. 97.615 may
15 issue a single license and establish and collect a single fee which authorizes the
16 operation on the same premises of more than one type of establishment with respect
17 to which it is granted agent status under this section or under s. 97.615 (2).

18 **SECTION 19.** 97.41 (4) (c) of the statutes is created to read:

19 97.41 (4) (c) A local health department granted agent status under this section
20 shall collect the license fees under s. 97.30 (3s) for retail food establishments, as
21 defined in s. 97.30 (1) (c), that are micro markets.

22 **SECTION 20.** 97.41 (5) of the statutes is amended to read:

23 97.41 (5) The department shall establish state fees for its costs related to
24 setting standards for retail food establishments, as defined in s. 97.30 (1) (c), setting
25 standards for agents under this section and monitoring and evaluating the activities

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1 of, and providing education and training to, agent local health departments. Agent
2 local health departments shall include the state fees in the license fees established
3 under sub. (4) (a), collect the state fees, and reimburse the department for the state
4 fees collected. The state fee may not exceed 20 percent of the license fee charged
5 under s. 97.30 (3), or for a retail food establishment that is a micro market, 20 percent
6 of the license fee charged under s. 97.30 (3s), for a license issued by the department.

7 **SECTION 21. Nonstatutory provisions.**

8 (1) EMERGENCY RULES. Using the procedure under section 227.24 of the
9 statutes, the department of agriculture, trade and consumer protection may
10 promulgate rules governing the operation of micro markets under section 97.30 (5)
11 of the statutes for the period before the effective date of the permanent rules
12 promulgated under section 97.30 (5) of the statutes but not to exceed the period
13 authorized under section 227.24 (1) (c) of the statutes, subject to extension under
14 section 227.24 (2) of the statutes. Notwithstanding section 227.24 (1) (a), (2) (b), and
15 (3) of the statutes, the department is not required to provide evidence that
16 promulgating a rule under this subsection as an emergency rule is necessary for the
17 preservation of the public peace, health, safety, or welfare and is not required to
18 provide a finding of emergency for a rule promulgated under this subsection.

19 (END)