

Report From Agency
DEPARTMENT OF REVENUE
CLEARINGHOUSE RULE NUMBER 12-013
REPORT TO THE GOVERNOR'S OFFICE OF REGULATORY COMPLIANCE

Basis and Purpose of the Proposed Rule

The proposed rule is necessary to establish the requirements for issuance and renewal of fermented malt beverage wholesalers' permits, describe the minimum requirements for fermented malt beverage wholesaler warehouse facilities, detail the process for applying for wholesalers' permits, provide guidance regarding eligibility for out-of-state shippers' permits, and detail the requirements for obtaining a brewer's permit and clarifies the permits required in contract brewing arrangements.

Public Hearing and Comments

A public hearing was held on February 27, 2012. No one appeared at the hearing.

No public comments to the proposed rule were received.

Response to Legislative Council Report

All Legislative Council staff recommendations in the attached report have been incorporated in the proposed rule order.

The Legislative Council requested an explanation as to why the proposed rule applies brewer's permit requirements to recipe-brewers. Section 125.02 (2), Wis. Stats., provides statutory authority to include recipe-brewers under brewer's permit requirements. Prior to the change, various combined recipe-brewer/wholesalers operated with wholesale licenses. There was inquiry as to whether such operators who no longer qualified for wholesale permits could qualify for a brewer's permit. Section 125.02 (2), Wis. Stats., definition of "brewer" includes those persons who employ an agent to brew fermented malt beverages.

Regulatory Flexibility Analysis

1. The agency's reason for including or failing to include in the proposed rule any of the methods specified under s. 227.114 (2) for reducing its impact on small businesses.

None of the methods have been included in the proposed rule. The department has determined that the proposed rule does not affect small businesses and has received no concerns or comments from small businesses regarding the impact of the proposed rule.

2. A summary of issues raised by small businesses during the hearings on the proposed rule, any changes in the proposed rule as a result of alternatives suggested by small businesses and the reasons for rejecting any alternatives suggested by small businesses.

No issues were raised or suggested changes to the proposed rule order made by small businesses.

3. The nature of any reports and the estimated cost of their preparation by small businesses that must comply with the rule.

Not applicable.

4. The nature and estimated cost of other measures and investments that will be required of small businesses in complying with the rule.

Not applicable.

5. The additional cost, if any, to the agency of administering or enforcing a rule which includes any of the methods specified under s. 227.114 (2).

Not applicable.

6. The impact on public health, safety and welfare, if any, caused by including in the rule any of the methods specified under s. 227.114 (2).

Not applicable.