

**ORDER
OF THE WISCONSIN DEPARTMENT OF AGRICULTURE,
TRADE AND CONSUMER PROTECTION
ADOPTING RULES**

The Wisconsin department of agriculture, trade and consumer protection hereby adopts the following rule *to repeal and recreate* ATP 74, *relating to* agent status for local health departments to license, investigate, and inspect retail food, vending, lodging, and recreational establishments and ensure public health.

**Analysis Prepared by the Department
of Agriculture, Trade and Consumer Protection**

This rule repeals and recreates Wis. Admin. Code Ch. ATP 74 (Retail Food Establishments; Local Government Regulation) as “Local Agents and Regulation.”

Statutes Interpreted

Statutes Interpreted: Wis. Stat. § 97.41, “Retail food: agent status for local health departments,” Wis. Stat. § 97.615, “Agent status for local health departments,” and Wis. Stat. § 97.625, “Powers of the department and local health departments.”

Statutory Authority

Statutory Authority: Wis. Stat. §§ 93.07 (1), 97.41 (2) and (5), and 97.615 (2) (b) and (e).

Explanation of Statutory Authority

The Department has specific authority, under Wis. Stat. §§ 97.41 (2) and (5) and 97.615 (2) (b) and (e), to promulgate rules to establish standards and fees for local health departments granted agent status to license, investigate, and inspect the operations of retail food, lodging, and recreational establishments within a designated jurisdiction. The Department of Agriculture, Trade and Consumer Protection (“Department”) has broad general authority, under Wis. Stat. § 93.07 (1), to adopt rules to implement programs under its jurisdiction.

Related Statutes and Rules

Wisconsin's retail food establishments, vending, lodging, and recreational establishments (including pools and water attractions, recreational and educational camps, and campgrounds), as governed by Wis. Stat. § Ch. 97, Section 97.30, "Retail food establishments," contains requirements related to retail food establishments (including restaurants) for licensing, fees, and inspection. Subchapter III, Wis. Stat. § Ch. 97, "LODGING AND VENDING MACHINES," contains requirements related to these establishments for licensing, fees, and inspection. Finally, Subchapter IV, Wis. Stat. § Ch. 97, "RECREATIONAL SANITATION," contains recreational establishment requirements for licensing, fees, and inspection.

Plain Language Analysis

On July 1, 2016, Wis. Admin. Code Ch. DHS 192 and the section of Wis. Admin. Code Ch. ATPC 75 related to agent programs were combined to create a new Wis. Admin. Code Ch. ATPC 74, dealing with the relationship of the Department's new Division of Food and Recreational Safety ("DFRS") and its local health department agent programs. Under the authority of an approved DHS scope statement, the new DFRS has now revised Wis. Admin. Code Ch. ATPC 74.

The new rule standardizes language from Wis. Admin. Code Ch. ATPC 75 and Wis. Admin. Code Ch. DHS 192. It also standardizes, expands, and clarifies definitions of agent program terms. In doing so, it clarifies Department expectations for persons hired by an agent program to hold, or be eligible to work toward holding, the Registered Sanitarian ("RS") certification. The RS certification is the preferable credential to be held by agent-program sanitarians doing food inspections and the revised rule clarifies the Department's expectations regarding inspections done by those sanitarians who have not yet earned the RS certification, as well as the staffing procedures to be followed by an agent program, if certified RS staff leave the program.

The revised Wis. Admin. Code Ch. ATPC 74 also clarifies the Department's expectations for agent program inspection systems and databases, and spells out the terms to be covered by forthcoming Department-agent contracts. It adds a mandatory expiration date, after which the contract may be renewed. The rule clarifies the Department's expectations for an agent program seeking to enter into a contractual relationship and the procedures to enter into that agreement, and it clarifies the procedures for either or both entities to end the contractual relationship. The rule also updates and clarifies the roles that both the Department and the agent program shall play under the contractual relationship and the types of support, levels of training, and information that are to be shared by each of the partners in the contractual relationship.

This new rule clarifies the responsibilities of an agent program to enforce the Wisconsin Food Code, to inform the Department of its enforcement activities, and do such sampling as is required by the Department. It also clarifies the financial responsibilities of the agent program for that sampling. In addition, the new rule clarifies the responsibilities of the Department to provide general and specialized training, as well as laboratory support for the agent programs.

Wis. Admin. Code Ch. ATPC 74 further clarifies statutory requirements, including reimbursements owed to the Department, the payments for services the agent program may be required to make to the Department, and the types of financial records that the agent program

shall make available to the Department upon request. In particular, it spells out the responsibility of the agent program to demonstrate that the fees charged by the local program are reasonable and used only for maintaining the local program.

Summary of, and Comparison with Existing or Proposed Federal Statutes and Regulations

The Federal Food and Drug Administration (“FDA”) does not have jurisdiction over retail food establishments. The Department uses the FDA’s model Food Code as the basis for its Wisconsin Food Code (ATCP 75 Appendix) that spells out retail food establishment requirements. The Department expects its agent local health department programs to enforce the same standards in the Wisconsin Food Code.

Comparison with Rules in Adjacent States

This rule clarifies the unique relationship between the department and any local health department in Wisconsin that requests to act as an agent of the Department. Local jurisdictions in each state provide state-specific and unique levels of service, so comparison of rules adopted in surrounding states with Wisconsin’s rules, related to local health department agents, is of limited benefit.

Minnesota currently has only seven local health department agent programs that perform retail food establishment inspections under the oversight of the Minnesota Department of Agriculture (“MDA”). All other food-related inspections are completed under the oversight of the Minnesota Department of Health (“MDH”). The agent programs have their own fee structure and issue their own licenses. The MDA has taken parts of the 2005 FDA model Food Code and incorporated them into their administrative rules. They require a Registered Environmental Health Sanitarian (“REHS”) certification for inspection staff or a degree-equivalent in order to perform food inspections. They also require new hires without the REHS to earn that credential within two years and to operate under the supervision of a credentialed inspector until they earn the credential. The MDH has similar requirements.

Iowa also has agent-program food inspectors regulating retail food establishments. The agent programs perform only retail food inspections, follow Iowa’s state rules, and must use Iowa’s inspection program. They must also use Iowa’s fee structure for licenses. An RS or REHS certification or supervision by a certified person for food inspections is not required, but Iowa is working toward meeting Standard 2 (Trained Regulatory Staff) in the FDA’s National Voluntary Program Standards. Iowa’s policies and program expectations may change as the Iowa program meets FDA’s retail food inspection regulatory standards.

Michigan allows local jurisdictions to perform only restaurant inspection. All other retail food establishment inspection is done by the state. Michigan does not require restaurant inspectors to hold an RS or an REHS credential, but does have state accreditation standards that are roughly similar, and requires twenty Continuing Education Units (“CEUs”) of on-going education per year as well as the successful completion of an audit. The agent programs are allowed to issue licenses and set fees.

Illinois does not perform any retail food inspection on a state level. Local programs perform all the retail and restaurant inspection. They do not issue licenses locally, but are funded by a state grant, the Local Health Program Grant. The state requires a Licensed Health Professional certification, which is Illinois' version of Wisconsin's RS or the national REHS. This certification requires five CEUs per year. The state evaluates the local programs at the same frequency Wisconsin does, and continuation of local programs depends on passing an evaluation.

Summary of Factual Data and Analytical Methodologies

This rule was developed using Wis. Admin. Code Ch. DHS 192 and Wis. Admin. Code Ch. ATPC 75 and the Department's new contract with agent programs. Inquiries were also made to surrounding states in an effort to ascertain their requirements and practices for similar programs.

Analysis and supporting documents used to determine effect on small business or in preparation of an economic impact analysis

This rule relates to the administration of the local health department agent program and has no direct impact on small businesses. However, the rule was posted for comment on the potential economic impact, and the Department received comments from organizations that represent businesses, some of which may be small businesses, who are inspected by local health department agents.

Effect on Small Business

The rule is primarily directed at local governmental units that enter into a contractual relationship with the State to do retail food, lodging, and recreational safety inspections. Since the rule clarifies contractual language, merges the language and expectations of two programs, and clarifies expectations for credentialing of staff, it should have a positive impact by allowing local governmental units to do better planning.

This rule change is anticipated to have no impact on small business. All economic impact comments were taken into account, but fiscal issues raised by business (such as capping license fees charged by agent programs) were beyond the scope of this rule.

DATCP Contact

Questions related to this rule may be directed to:

Peter Haase, Director
Bureau of Food and Recreational Businesses
Division of Food and Recreational Safety
Department of Agriculture, Trade and Consumer Protection
P.O. Box 8911
Madison, WI 53708-8911
Telephone: (608) 224-4711
E-Mail: Peter.Haase@Wisconsin.gov

SECTION 1. ATCP 74 is repealed and recreated to read:

Chapter ATCP 74

LOCAL AGENTS AND REGULATION

ATCP 74.01	Definitions.
ATCP 74.02	Scope.
ATCP 74.04	Agent status.
ATCP 74.06	Terms of the contract.
ATCP 74.08	Staffing.
ATCP 74.10	Inspections.
ATCP 74.12	Complaint investigations.
ATCP 74.14	Evaluation and training.
ATCP 74.16	Enforcement and sampling.
ATCP 74.18	Reimbursements and other payments for services.
ATCP 74.20	Reports and records.
ATCP 74.22	Licensing and standards.
ATCP 74.24	License denial, suspension or revocation.
ATCP 74.26	Contract termination, revocation, refusal to renew, or suspension.

Note: Chapter ATCP 74 was created from applicable portions of ch. ATCP 75 and ch. DHS 192 to facilitate the oversight of agent programs, formerly under the Department of Health Services, by the Department of Agriculture, Trade and Consumer Protection.

ATCP 74.01 Definitions. As used in this chapter:

(1) “Agent” means a local health department as defined in s. 250.01 (4), Stats., that has entered into a contract with the department and is authorized under the terms of that contract to administer a retail food establishment, lodging and recreational safety regulatory program, pursuant to s. 97.41 and 97.615 (2), Stats., in the health department’s area of jurisdiction.

(2) “Agent program” means the retail food establishment, lodging, and recreational safety regulatory program operated by an agent.

(3) “Contract” means a signed, written agreement between a local health department and the department setting forth the obligations of each party in the operation of an agent program.

(4) “Department” means the Wisconsin department of agriculture, trade, and consumer protection.

(5) “Establishment” means a retail food establishment, hotel or motel, tourist rooming house, bed and breakfast establishment, vending machine, vending machine commissary, camping resort or other campground, recreational camp, educational camp, public pool, or water attraction licensed pursuant to ch. 97, Stats.

(6) “Fiscal year” means July 1 of one year through June 30 of the next year.

(7) “Food” has the meaning given in s. 97.01 (6), Stats.

(8) “Inspection fee” means a fee charged by the agent program, the amount of which is reasonably related to the cost of performing an assessment of an establishment’s compliance with the statutes and rules, under which a license is granted.

(9) “Inspector” means any employee inspecting establishments for the department or the agent under the jurisdiction of an agent program.

(10) “License” means the legal authority granted by the department or its agent to operate an establishment.

(11) “Licensee” means the person or entity licensed to operate an establishment as defined in sub. (5).

(12) “New agent” means an agent that has entered into its first contract with the department or an agent that has applied to re-enter into a contract with the department after termination of a previous contract.

(13) “Registered environmental health specialist/registered sanitarian” or “REHS/RS” means a person who holds a REHS/RS credential awarded by the National Environmental Health Association.

(14) “Registered sanitarian” or “RS” means an individual who is a Wisconsin-registered sanitarian, pursuant to s. 440.98, Stats., and chs. DHS 174 – 177, or is recognized as a registered environmental health specialist/registered sanitarian.

(15) “Restaurant” means a retail food establishment as defined in s. 97.01 (14g), Stats.

(16) “Retail food establishment” has the meaning defined in s. 97.30 (1) (c), Stats.

(17) “Sanitarian” means a person who is qualified to conduct inspections as an agent of the department and meets the requirements under s. ATPC 74.08 (2).

(18) “Standard” means a department or agent employee who is certified as correctly interpreting and enforcing chs. ATPC 72, 73, 75, 75 Appendix, 76, 78, and 79.

(19) “Standardization exercise” means an evaluation conducted by a standard to determine if a sanitarian is correctly interpreting and enforcing chs. ATPC 72, 73, 75, 75 Appendix, 76, 78, and 79.

ATCP 74.02 Scope. (1) This chapter applies to agent program inspection and regulatory oversight of licensees and establishments, as defined in this chapter.

(2) An agent program shall ensure that licensees operating retail food establishments under its jurisdiction comply with ch. ATPC 75 Appendix.

NOTE: Pursuant to s. 227.14 (1s), Stats., the department has published ch. ATPC 75 Appendix in the format of the model food code published by the United States food and drug administration.

(3) An agent program shall enforce applicable provisions in ch. ATPC 70, at retail food establishments conducting food processing operations but exempt from the requirement to hold a food processing plant license, pursuant to s. ATPC 70.03 (7) (a), Wis. Adm. Code.

ATPC 74.04 Agent status. (1) AGENT PROPOSED PROGRAM PLAN. To become a new agent, a local health department shall submit a written proposed program plan to the department, in a form specified by the department, describing the proposed agent program. The proposed program plan shall describe all of the following:

- (a) Employee positions that will issue licenses or conduct investigations and inspections.
- (b) Staffing and budget plans for issuing licenses, making investigations and inspections, providing technical assistance, and enforcing applicable state statutes and rules and local ordinances.
- (c) A list of the licenses that may be issued by the agent. A local ordinance may combine and expand license categories, so long as those categories include all of the types of establishments that shall be licensed under the agent contract.
- (d) A list of the fees to be charged by the agent to licensees. A local ordinance may establish local license fees that differ from fees charged under chs. ATPC 72, 73, 75, 75 Appendix, 76, 78, and 79 for licenses issued by the department. All license fees shall be based on the agent's reasonable program costs, pursuant to s. 97.41 (4), Stats.
- (e) A description of the inspection and enforcement program to be implemented by the agent including a copy of applicable village, city, or county ordinances or regulations.
- (f) Procedures to ensure cooperation between the agent and appropriate federal, state, local, and tribal agencies in the event of a natural disaster or other emergency.
- (g) Procedures for investigating complaints concerning licensees under the contract and unlicensed activity that may require licensing and inspection.
- (h) Procedures for notifying the department when the agent receives information or a complaint concerning an establishment that may need to be licensed or inspected within the agent's geographical area but under the department's jurisdiction.
- (i) Procedures for investigating reports of suspected foodborne illness, including cooperation with the department.
- (j) Procedures to ensure the time period, within which the agent will make a determination on an application for a license, does not exceed 30 days following receipt of a complete application.
- (k) Any other information that the department may reasonably require for its review of the agent's program plan.

(2) **LOCAL HEALTH DEPARTMENT OUTREACH TO AFFECTED LICENSE HOLDERS.** The local health department shall provide opportunities for affected licensees to review the proposed program plan and provide comments and feedback to the local health agency and the department.

(3) DEPARTMENT ACTION ON PROPOSED PLAN. The department shall review the proposed program plan and accept or deny the application, pursuant to sub. (1), within 60 days after the department receives it.

ATCP 74.06 Terms of the contract. (1) If the department accepts the proposed program plan from the local health department, the department shall prepare a contract to be signed by both parties, whereby the agent agrees to comply with this chapter and chs. ATCP 72, 73, 75, 75 Appendix, 76, 78, and 79 and has met all the conditions in the accepted program plan, including enactment of local ordinances that adopt the department's rules, by reference, or are at least as stringent and do not conflict with the department's rules.

(2) The contract shall be in effect for three fiscal years unless otherwise specified, and shall remain in effect during the three fiscal years unless specifically terminated, revoked, or suspended, as provided in the contract. The department shall issue contracts for future contract periods to the agent by January 1 of the last fiscal year of the current contract. The agent shall commit to continue as the department's agent for the future contract period, by signing and returning the contract by March 1 of the last fiscal year of the current contract.

(3) Either party may terminate the contract by providing written notice of termination to the other party at least 90 days before the termination is to take effect.

(4) When the contract is signed by both parties, the local health department shall assume authority and the responsibility to enforce the provisions of ss. 97.30, 97.617, and 97.67, Stats., and chs. ATCP 72, 73, 74, 75, 75 Appendix, 76, 78, and 79. The agent program shall issue licenses and perform all inspections necessary to enforce these statutes and rules.

(5) Upon execution of the contract, the department shall discontinue all licensing and enforcement activities in the agent's jurisdiction, for the period of time the contract is in effect, pursuant to ss. 97.30 and 97.65, Stats.

(6) Notwithstanding subs. (4) and (5), the department may act, pursuant to ss. 97.41 (8) and 97.615 (2) (h), Stats., to take appropriate inspection or enforcement action or both if the department has determined that the agent program has not acted expeditiously or appropriately to take such action.

(7) Whenever feasible, the department shall provide notice to an agent program at least one fiscal year before making any changes to department policies and procedures not specified in the contract that would adversely affect the budget of an agent program.

ATCP 74.08 Staffing. (1) The agent program shall have sufficient employees to implement the program according to the terms of the agent program's contract with the department.

(2) Sanitarians employed by agent programs shall meet one of the following requirements:

(a) Is RS-eligible, which means having met one of the following criteria:

1. Holding a baccalaureate or higher degree in environmental health from an accredited college or university and completing at least 30 semester or 45-quarter hour academic credits in environmental, physical, biological, chemical, or environmental health courses.

2. Holding a baccalaureate or higher degree in physical or biological sciences from an accredited college or university and completing at least 30 semester or 45 quarter hour academic credits in environmental, physical, biological, chemical, or environmental health courses.

3. Holding a baccalaureate or higher degree from an accredited college or university.

4. Holding an associate degree from an accredited college, community college or technical institute in environmental, physical, biological or chemical sciences.

(b) Is an RS in training.

(c) Holds a valid Wisconsin registered sanitarian or REHS/RS credential.

(3) The agent program shall employ at least one registered sanitarian to conduct inspections and supervise any inspectors or sanitarians who are not registered sanitarians. The agent shall only hire sanitarians who are registered sanitarians or will become registered sanitarians within 5 years after the date of hire. Inspectors or sanitarians who were employed by the agent program prior to July 1, 2018, and are not eligible to become registered sanitarians within 5 years, shall perform inspections under the supervision of a registered sanitarian and shall be deemed competent to perform inspections by passing standardization exercises.

(4) If an agent loses its only registered sanitarian, the agent shall hire a registered sanitarian replacement within 120 days or, upon the agent's written request, the department may allow the agent additional time to hire a qualified replacement. A replacement who is not a registered sanitarian may be hired, if approved by the department, if the agent has a signed agreement with another agent for a registered sanitarian to provide supervisory oversight and the replacement hire shall become a registered sanitarian within six months of being hired. A copy of the supervisory oversight contract shall be provided to the department and shall include the amount of time allotted for oversight activities and what specific duties the supervising registered sanitarian will provide.

(5) The agent shall designate a sanitarian or registered sanitarian, as required by the department, to undergo the standardization exercise evaluating enforcement of ATCP 75 and its Appendix. After successfully completing the exercises, the staff person shall be designated as the agent standard.

(6) The agent standard shall perform department-required exercises with the department to maintain his or her status as the agent standard.

(7) The agent standard shall perform standardization and maintenance exercises with other sanitarians in their jurisdiction, using procedures specified by the department.

(8) The agent is required to send at least one sanitarian or registered sanitarian to attend training provided by the department.

(9) An employee of the agent shall participate on department rulemaking and policy advisory committees when requested.

(10) The agent may not permit an employee to conduct an inspection in a situation in which the employee, a member of his or her family, or an organization with which the employee is associated or has a financial interest or where the employee's relationship with any person at the

inspected facility could cause the employee not to be able to conduct an objective, unbiased inspection.

(11) The agent program is solely responsible for all employment-related issues involving the persons it employs in the program and for the actions or omissions of the agent program's employees, except as otherwise provided by law.

(12) Upon the agent's request, the department shall provide technical assistance and training to staff.

(13) The agent shall report to the department in writing any change in the assignment of a supervisor of sanitarians and any change in the organization of the staff including authority line changes within 10 days after the date on which it takes place. For those agents employing one or two sanitarians, the agent shall also report any change in assignment of inspection staff who are providing services under the contract.

ATCP 74.10 Inspections. (1) Agent program sanitarians shall inspect all establishments covered in the contract for compliance with s. 97.30, Stats., subchs. III and IV of ch. 97, Stats., and chs. ATCP 72, 73, 75 and Appendix, 76, 78 and 79, Wis. Adm. Code.

(2) The agent program shall follow standard inspection methods and procedures prescribed by the department.

(3) Each fiscal year the agent shall conduct one routine inspection of each licensed establishment under its jurisdiction, except for vending machines and temporary retail food establishments. The agent may propose a different inspection frequency to the department which may only be implemented if approved by the department in writing.

(4) The agent program shall collect food and water samples as necessary or as requested by the department.

(5) The agent program shall perform a pre-licensing inspection of a license applicant's establishment for compliance with all applicable ordinances, rules, and statutes. The pre-licensing inspection shall be conducted before the applicant is issued a license and conducts business.

(6) The department may conduct inspections at an establishment in an agent program's jurisdiction for all of the following purposes:

- (a) Training or standardization of department staff or agent program staff.
- (b) In response to an emergency.
- (c) For monitoring and evaluating the agent program's licensing, inspection, and enforcement program.
- (d) At the request of the agent program.

(7) Whenever feasible, the department shall notify the agent program of the department's intent to inspect an establishment in the agent program's jurisdiction.

ATCP 74.12 Complaint Investigations. (1) An agent program shall investigate every complaint that it receives against any licensee under its jurisdiction. The agent shall prioritize and investigate complaints according to the procedures in this section and procedures adopted by

the agent program under the contract with the department. The complaints shall be addressed in decreasing order of priority as follows:

(a) An allegation indicating a serious or imminent public health hazard is associated with a licensee or establishment under the agent program's jurisdiction.

(b) An allegation indicating a potential public health problem, that is neither a serious or imminent public health hazard, is associated with a licensee or establishment under the agent program's jurisdiction.

(c) An allegation of a violation, not indicating a public health hazard, associated with a licensee or establishment under the agent program's jurisdiction.

(2) Agent programs shall notify and consult with the department and other affected agencies having jurisdiction, as necessary, about complaints or foodborne or waterborne illnesses that may be of significant concern to those agencies. An agent program shall coordinate complaint investigations, as necessary, with other agencies having jurisdiction.

ATCP 74.14 Evaluation and training. (1) At least once each year, the agent program shall submit a self-assessment in a format determined by the department. The department shall evaluate the agent program based on the following required information in the self-assessment:

(a) The agent program's compliance with the contract terms.

(b) The agent program's progress in meeting program standards adopted by the department.

(c) The agent program's records and reports required pursuant to s. ATCP 74.20.

(2) At least once every three years, the department shall conduct an on-site evaluation of the agent's program.

(3) The department shall provide the agent program with the department's written findings based on the review of the self-assessment or an on-site evaluation. The department may, as deemed necessary, increase the evaluation frequency.

(4) The agent shall submit to the department any required corrective action plan detailing how the agent will meet contract requirements.

(5) The department shall review the corrective action plan and may make additional comments or approve the corrective action plan if deemed acceptable.

(6) If the agent fails to meet the conditions specified in the corrective action plan, the department shall:

(a) Notify the agent, in writing, of the deficiencies in meeting the corrective action plan and place the contract in a conditional status with a deadline for the agent to meet the corrective action plan conditions.

(b) Remove conditional status of the contract if deficiencies are corrected within the conditional time period.

(c) Notify the agent of its intent to terminate the contract and revoke agent status, as provided pursuant to ATCP 74.26, if deficiencies remain uncorrected after a conditional deadline has passed.

(7) Notwithstanding these provisions, the department may exercise its right to immediately suspend a contract, pursuant to s. ATCP 74.26 (3), to protect public health or safety.

ATCP 74.16 Enforcement and sampling. (1) The agent program shall take necessary actions to enforce the provisions of s. 97.30, Stats., and subchs. III and IV of ch. 97, Stats., and related administrative rules in chs. ATCP 70, 72, 73, 75, 75 Appendix, 76, 78, and 79, Wis. Adm. Code, and any local ordinances or regulations, adopted pursuant to ss. 97.41 (7) and 97.615 (2) (g), Stats., for establishments over which the agent program has been delegated authority under the contract between the department and the agent program.

(2) Enforcement actions may include license revocation; license suspension; fines or civil forfeitures; orders to close; temporary or final hold orders on equipment, food, processes, or establishments; and the placement of conditions on licenses.

(3) The agent program shall maintain a written enforcement policy that is distributed to its inspection staff and shall make it available to the department during evaluations, whenever it is substantively changed, or upon request.

(4) The agent program shall notify the department, in writing within 10 days, after taking any enforcement action against an establishment involving license suspension, license revocation, or court or administrative actions.

(5) The agent program shall be responsible for costs incurred in enforcement actions taken in the agent program's jurisdiction.

(6) The agent program shall take samples requested by the department.

(7) The agent program may conduct any requested sample analyses in a laboratory certified by the department, pursuant to ch. ATCP 77 for those analyses. All costs associated with collecting and testing these samples shall be assumed by the agent program.

(8) The agent program shall share laboratory results with the department.

(9) Agent programs that do not have the laboratory capability to perform required analyses, or choose not to perform those analyses, shall submit samples to the department's bureau of laboratory services for analysis. The agent program shall assume the cost of collecting samples and shipping them to the department's laboratory. The department shall assume the cost of the laboratory analysis of those samples.

(10) If the department has notified an agent program of deficiencies by any licensee, in complying with the enforcement provisions of this chapter or any other rules or statutes applicable under the contract, and that agent program does not act expeditiously or take effective action with the licensee, the department may act, pursuant to ss. 97.12, and 97.65, Stats., to enforce compliance with this chapter.

(11) The agent, if requested by the department, shall conduct effectiveness checks after product recalls or other situations in which a license holder is required to remove food from sale or service.

ATCP 74.18 Reimbursement and other payments for services. (1) DEPARTMENT REIMBURSEMENT TO AGENTS. By September 30 of each fiscal year, the department shall reimburse agent programs for inspecting vending machines during the previous fiscal year under terms and conditions specified in the contract. The department shall, upon written request, provide any agent with information on how to request reimbursement.

(a) Fee reimbursements for the inspection of vending machines that have moved from one agent program's jurisdiction to another shall be credited to the agent program making the first inspection during the fiscal year.

(b) The reimbursement rate may not exceed 20% of the state license fees the department sets by administrative rule for the types of establishments that the agent issues licenses. The calculation of the state fees is based on state license fees only, not pre-inspection and reinspection fees. The current reimbursement rate is set within these limits by the contract.

(2) AGENT REIMBURSEMENT TO THE DEPARTMENT. By September 30 of each fiscal year, agent programs shall reimburse the department for each license issued by the agent program during the preceding fiscal year as a fee for agent training, support, and oversight costs under terms and conditions specified in the contract. The reimbursement rate may not exceed 20% of the state license fees the department sets by administrative rule for the types of establishments that the agent issues licenses. The department shall provide at least one fiscal year notice before an increase in reimbursement occurs.

(a) Retail food and recreational establishment license fee reimbursement shall be:

1. A fee equal to 10% of the applicable state license fee, regardless of the license fee actually charged by the local agent, if the local agent prepares and submits to the department, by September 30 of that year, an annual self-assessment as required by ss. 97.41 and 97.615, Stats.

2. A fee equal to 20% of the applicable state license, regardless of the license fee actually charged by the local agent, if the local agent fails to submit the annual self-assessment in par. (a) to the department by September 30 of that year. A fee payment under this paragraph does not exempt the agent from the duty to prepare and submit an annual self-assessment.

(3) ADDITIONAL DEPARTMENT COSTS. If an agent program has contracted with the department, pursuant to s. 97.41, Stats., and s. ATP 74.06, for the department to collect fees and issue licenses, the agent program shall pay the department for the actual cost of providing these services.

ATCP 74.20 Reports and records. (1) An agent program shall retain complete and accurate records including, but not limited to, copies of all reports and inspections, follow-up inspections, sampling, and all orders, for a minimum of 3 years after completion, and longer if required by applicable statutes, rules, or local ordinances. The records shall include accurate records of all licenses and license holders, license fee revenues, inspection charges, complaints, complaint investigations, and all program costs.

(2) The agent program shall accurately and completely document the cost of the agent's program that is administered under the contract with the department. The cost may include direct costs for licensing, inspection, complaint handling and investigation, enforcement, information management, reporting, and any other activities carried out within the limits of the contract with the department. The costs may also include documented indirect costs normally associated with the program. These costs may include staff, equipment, facilities, contract service, and other documented costs allocated to the program.

(3) The agent program shall provide upon the department's written request all information necessary to monitor the agent program's detailed costs and revenues as specified in s. ATP 74.20 (2), agent program performance and activities, and the status of regulated facilities.

(4) The agent program shall submit to the department by the 10th of each month the following specific information:

(a) All new licensees under the contract within the preceding month.

(b) All changes in the license status of existing establishments during the previous month.

(5) By September 1 of each fiscal year, the agent program shall provide the department with a complete list of the names and addresses of persons licensed by the agent program during the previous fiscal year.

(6) The agent shall maintain records to demonstrate that license and other program-related fees collected by an agent program do not exceed the reasonable costs incurred by the agent program for enforcing and administering the provisions of the contract.

ATCP 74.22 Licensing and standards. (1) The agent program shall issue licenses in its jurisdiction, in accordance with s. 97.30, Stats., and subchs. III and IV of ch. 97, Stats., and shall ensure that no person in its jurisdiction, subject to regulation under those statutes, operates an establishment without a valid license except:

(a) Mobile retail food establishments, operating in more than one jurisdiction, shall be licensed by the department, pursuant to s. 97.30 (2) (a), Stats.

1. If the mobile retail food establishment has a service base, as defined in ch. ATP 75 Appendix Part 1-201.10 (B), located within an agent's jurisdictional boundary, the agent shall issue the service base license.

2. The agent may charge an inspection fee for any inspection of a department-licensed mobile retail food establishment.

(b) Temporary retail food establishments that operate in more than one jurisdiction shall be licensed by the department pursuant to s. 97.30 (2) (a), Stats.

1. The department shall provide a guidance document for the agent to use to determine which temporary retail food establishment license applies.

2. The agent may charge an inspection fee for any inspection of a department-licensed temporary retail food establishment.

(c) Any establishment that is selling, holding, or distributing food and exempt from the requirement to hold a retail food establishment license, pursuant to s. 97.30 (2) (b), Stats., is under the regulatory authority of the department and may not be licensed, charged a fee, or inspected in any manner related to food, dairy or meat processing, or wholesale or retail food operations by the agent.

(2) An annual license issued by the agent program shall include:

(a) The individual, married couple or legal entity who will hold the license and a complete street address. A website address or post office box number do not meet this requirement.

(b) Doing business as (DBA) name and complete address of the establishment.

(c) License number and expiration date.

(d) Type of establishment, for licensing purposes.

(e) Numbers of units, rooms, or sites and complexity, if applicable.

(3) Each license issued by the agent program shall expire on June 30, except for the following:

(a) New licenses issued during the period beginning on April 1 and ending on June 30 shall expire on June 30 of the next calendar year.

(b) A local health department of a city of the 1st class that has contracted with the department may issue a license for a retail food establishment or a bed and breakfast establishment, pursuant to ss. 97.30 (2) (am) or 97.605 (5) (b), Stats., at any time during the year. That license shall expire one year after the date it was issued.

(4) The agent program shall notify the department when, in the performance of its duties, it encounters an unlicensed establishment that falls under the department's licensing and inspection authority.

(5) The department shall notify an agent program when, in the performance of its duties, it encounters an unlicensed establishment that falls under the agent program's licensing and inspection authority.

(6) The agent program may, pursuant to the provisions of and subject to s. ATP 75.03 (6), issue an interim license.

(7) The agent program may not issue an interim license in response to a renewal application by the holder of an existing license.

ATCP 77.24 License denial, suspension, or revocation. The agent program may deny, suspend, or revoke a license or impose conditions on a license, as provided in s. 93.06 (7) and (8), Stats. Except as otherwise provided by statute, rule, or local ordinance, the suspension or revocation of a license shall comply with the prior notice requirements of s. 227.51, Stats.

ATCP 74.26 Contract termination, revocation, refusal to renew, or suspension.

(1) An agent program may terminate the contract upon 90 days written notice to the department. The notice shall specify the reason or reasons for the termination and the last day, not to exceed the term of the current contract, that the agent program will maintain its agent status.

(2) If the department finds that the agent program has failed to comply with this chapter, with the conditions in ss. 97.30, 97.41, Stats., or subch. III or IV of ch. 97, Stats., or with the terms and conditions of the contract, the department may revoke the agent program's agent status as provided in s. 97.41 (2), Stats., upon 90 days written notice to the agent program, or refuse to renew a contract for the next contract period. The notice shall specify the reason or reasons the agent program has had its agent status revoked or refused to renew, and shall specify the last day in which the local health department may operate an agent program.

(3) If the department determines that it is necessary to suspend an agent program's contract to protect public health or safety, the department may immediately suspend the contract upon written notice to the agent program.

(4) The agent program, following a revocation, refusal to renew, or suspension, may request a hearing if it is requested in writing by the agent program within 10 days of the department's written notice. A final decision, after hearing, on a revocation or refusal to renew shall be issued by the department before the last day of the contract, specified in the department's written notice. If a hearing on a suspension is requested, the department shall hold it within 15 days after the department receives that request, unless the parties agree to an extension. Any suspension shall continue until such time as the department has issued a final decision.

SECTION 2. EFFECTIVE DATE: This rule shall take effect 90 days from the date of publication in the Wisconsin administrative register, as provided under s. 227.22 (2) (b), to assist local agents in complying with the proposed rule.