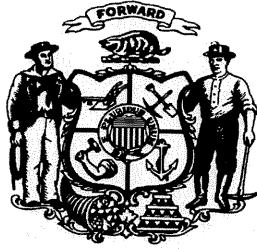


State of Wisconsin



GARY R. GEORGE
SENATOR

TO: Members, Senate Committee on Judiciary, Consumer Affairs and
Campaign Finance Reform

FROM: Dan Rossmiller, Clerk
Senate Committee on Judiciary and Consumer Affairs and
Campaign Finance Reform

RE: Referral of Clearinghouse Rule 00-183 to the
Senate Committee on Judiciary and Consumer Affairs

DATE: April 11, 2001

This memo serves as notification that Clearinghouse Rule 00-183, an order to amend ATCP 97.04 (4) (a) 1. to 5., relating to public warehouse keeper license fees was referred to the Senate Committee on Judiciary, Consumer Affairs and Campaign Finance Reform on April 11, 2001. The committee has thirty days in which to review this rule.

A copy of the rule is attached.

Clearinghouse Rule # 00-183
Docket No. 00-R-11

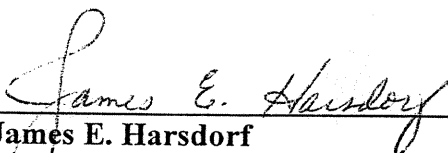
STATE OF WISCONSIN
DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION
NOTICE OF SUBMISSION OF PROPOSED RULES TO PRESIDING OFFICERS
OF EACH HOUSE OF THE LEGISLATURE

NOTICE IS HEREBY GIVEN, pursuant to s. 227.19(2), Stats., that the State of Wisconsin Department of Agriculture, Trade and Consumer Protection is submitting a final draft of proposed Clearinghouse Rule Number 00-183 to the presiding officer of each house of the legislature for standing committee review. The proposed rule amends ch. ATCP 97. related to annual license fees for public warehouse keepers.

Dated this 6th day of April, 2001.

STATE OF WISCONSIN
DEPARTMENT OF AGRICULTURE, TRADE
AND CONSUMER PROTECTION

By


James E. Harsdorf
Secretary



State of Wisconsin
Scott McCallum, Governor

Department of Agriculture, Trade and Consumer Protection
James E. Harsdorf, Secretary

DATE: April 4, 2001

TO: The Honorable Fred Risser
President, Wisconsin State Senate
Room 220 South
State Capitol
PO Box 7882
Madison WI 53707-7882

The Honorable Scott Jensen
Speaker, Wisconsin State Assembly
Room 211 West
State Capitol
PO Box 8952
Madison WI 53708-8952

FROM: James E. Harsdorf, Secretary *J.E.H.*
Department of Agriculture, Trade and Consumer Protection

SUBJECT: **Public Warehouse Keeper License Fees; Final Draft Rule**
(Clearinghouse Rule # 00-183)

The Department of Agriculture, Trade and Consumer Protection hereby transmits the above rule for legislative committee review, pursuant to s. 227.19(2) and (3), Stats. We are enclosing 3 copies of the final draft rule, together with the following report. The department will publish a notice of this referral in the Wisconsin Administrative Register, pursuant to s. 227.19(2), Stats.

Background

The Department of Agriculture, Trade and Consumer Protection ("DATCP") licenses public storage warehouses under ch. 99, Stats., and ch. ATCP 97, Wis. Adm. Code. DATCP regulates public storage warehouses to protect depositors. The program is funded by license fees. DATCP may modify license fees by rule.

DATCP has adopted public storage warehouse rules under ch. ATCP 97, Wis. Adm. Code. Among other things, the current rules establish annual license fees for public storage warehouses. Warehouse keepers pay annual license fees based on warehouse size.

The Honorable Fred Risser
The Honorable Scott Jensen
April 4, 2001
Page 2

DATCP's regulatory program is funded entirely by license fees. Current fees are not adequate to cover program costs. License fees have not increased since 1994. A fee increase is needed to fund the program at current staffing levels. Without a fee increase, the program will incur a deficit by FY 2003-2004

This rule increases license fees as follows:

Warehouse	Size (Sq. Ft.)	Current Fee	Proposed Fee
Class 1	1 - 9,999	\$75	\$90
Class 2	10,000 - 49,999	\$150	\$185
Class 3	50,000 - 99,999	4240	\$300
Class 4	100,000 - 149,999	\$320	\$400
Class 5	150,000 - Over	\$400	\$500

Public Hearing

DATCP held a public hearing in Madison on January 18, 2000, but received no oral or written comments on the proposed fee increase.

Response to Rules Clearinghouse Comments

The Legislative Council Rules Clearinghouse made minor comments on the hearing draft rule. DATCP addressed the Clearinghouse comments in the final draft rule.

Fiscal Estimate

This rule will provide additional revenues to maintain the public storage warehouse program at current staffing levels. A fiscal estimate is attached.

Small Business Analysis

This rule implements a public warehouse license fee increase. Some public warehouses are small businesses. The department has received no adverse comments on the proposed fee increase, which is the first increase since 1994. The fee increase is necessary to maintain the public storage warehouse program. A small business analysis ("final regulatory flexibility analysis") is attached.

**PROPOSED ORDER OF THE STATE OF WISCONSIN
DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION
AMENDING RULES**

- 1 The state of Wisconsin department of agriculture, trade and consumer protection
2 proposes the following order to amend ATCP 97.04(4)(a)1. to 5. relating to public
3 warehouse keeper license fees.
-

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

Statutory authority: ss. 99.02(3)(a) and 99.08, Stats.

Statutes interpreted: Ch. 99, Stats.

This rule increases annual license fees for public storage warehouses licensed under ch. 99, Stats. These are warehouses that store property (food, wearing apparel, cars, boats, furniture, household goods, etc.) for others for hire.

The department of agriculture, trade and consumer protection (DATCP) licenses public storage warehouses under ch. 99, Stats. DATCP regulates public storage warehouses to protect depositors. The following warehouses are exempt from licensing under ch. 99, Stats.:

- A warehouse used only for the warehouse keeper's own property.
- A grain warehouse licensed under ch. 127, Stats.
- A frozen food locker plant.
- A cooperative warehouse used to store farm products and merchandise only for cooperative members.
- A municipal warehouse.
- A dairy plant warehouse used to store the dairy plant's own products.
- A vegetable processor's warehouse used to store the processor's own products.
- A warehouse operated by a common carrier, if the common carrier transfers and stores property for periods of not more than 30 days.
- A warehouse licensed under the United States warehouse act.
- A "mini-warehouse" or other storage space rented to a person who has free access to the storage space and is responsible for the property stored there.

DATCP has adopted public storage warehouse rules under ch. ATCP 97, Wis. Adm. Code. Among other things, the current rules establish annual license fees for public storage warehouses. Warehouse keepers pay annual license fees based on warehouse size.

DATCP's regulatory program is funded entirely by license fees. Current fees are not adequate to cover program costs. This rule increases license fees as follows:

<u>Warehouse</u>	<u>Size (Sq. Ft.)</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
Class 1	1 - 9,999	\$75	\$90
Class 2	10,000 - 49,999	\$150	\$185
Class 3	50,000 - 99,999	\$240	\$300
Class 4	100,000 -149,999	\$320	\$400
Class 5	150,000 - Over	\$400	\$500

SECTION 1. ATCP 97.04(4)(a)1. to 5. are amended to read:

ATCP 97.04(4)(a)1. For a Class 1 public warehouse, \$ ~~75~~ 90.

2. For a Class 2 public warehouse, \$~~150~~ 185.

3. For a Class 3 public warehouse, \$~~240~~ 300.

4. For a Class 4 public warehouse, \$~~320~~ 400.

5. For a Class 5 public warehouse, \$~~400~~ 500.

EFFECTIVE DATE. The rules contained in this order shall take effect on the first day of the month following publication in the Wisconsin administrative register, as provided under s. 227.22(2) (intro.), Stats.

Dated this _____ day of _____, 2001.

STATE OF WISCONSIN
DEPARTMENT OF AGRICULTURE,
TRADE AND CONSUMER PROTECTION

By _____
James E. Harsdorf, Secretary

FISCAL ESTIMATE

DOA-2048 N(R10/98)

- ORIGINAL
- UPDATED
- CORRECTED
- SUPPLEMENTAL

2001 Session

LRB No. and Bill/Adm. Rule No.

Ch. ATCP 97

Amendment No. If Applicable

Subject Public Warehouse Keepers; License Fees Final Draft Rule

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum certain appropriation

- Increase Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues

- Increase Costs - May be possible to Absorb Within Agency's Budget Yes No
- Decrease Costs

Local: No Local Government Costs

- 1. Increase Costs
 - Permissive Mandatory
- 2. Decrease Costs
 - Permissive Mandatory

- 3. Increase Revenues
 - Permissive Mandatory
- 4. Decrease Revenues
 - Permissive Mandatory

5. Types of Local Governmental Units Affected:
- Towns Villages Cities
 - Counties Others
 - School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

This rule amends s. 97.04(4)(a) to increase the annual license fees paid by public warehouse keepers. Increases ranging from 20% to 25%, depending on license class, will provide additional revenues of approximately \$16,400 annually beginning with the license year July 1, 2001. The department estimates one time costs of approximately \$500 for printing, mailing and holding hearings on the proposed rule changes.

Long-Range Fiscal Implications

Proposed fee increases will keep the program viable for the foreseeable future.

Agency/Prepared by: (Name & Phone No.)
Dept of Agriculture, Trade & Consumer Protection

Donald J. Furniss 224-4930

Authorized Signature/Telephone No.

Barbara Knapp
Barbara Knapp (608) 224-4746

Date

2-14-01

FISCAL ESTIMATE WORKSHEET

2001 Session

Detailed Estimate of Annual Fiscal Effect	<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> UPDATED	LRB No. and Bill Adm. Rule No.	Amendment No.
DOA-2047 (R10/98)	<input type="checkbox"/> CORRECTED	<input type="checkbox"/> SUPPLEMENTAL	Ch. ATCP 97	

Subject
Public Warehouse Keepers; License Fees Final Draft Rule

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:		Annualized Fiscal Impact on State Funds from:	
A. State Costs by Category		Increased Costs	Decreased Costs
State Operations - Salaries and Fringes			
(FTE Position Changes)	FTE		
State Operations - Other Costs			
Local Assistance			
Aids to Individuals and Organizations			
TOTAL State Costs by Category			
B. State Costs by Source of Funds		Increased Costs	Decreased Costs
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues		Increased Rev.	Decreased Rev.
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
GPR Taxes			
GPR Earned			
FED			
PRO/PRS		\$16,400	
SEG/SEG-S			
TOTAL State Revenues		\$16,400	

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS		
NET CHANGE IN REVENUES	\$16,400	

Dept. of Agriculture, Trade & Consumer Protection	Authorized Signature/Telephone No.	Date
Donald J. Furniss 224-4930	<i>Barbara Knapp</i> Barbara Knapp (608) 224-4746	2-14-01

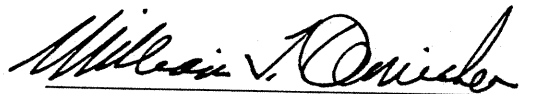
FINAL REGULATORY FLEXIBILITY ANALYSIS

**Chapter ATCP 97, Wis. Adm. Code
Public Warehouse Keepers; License Fees**

The Department of Agriculture, Trade and Consumer Protection regulates public warehouse keepers to protect depositors. The regulatory program is funded entirely by license fees. Current fees are not adequate to sustain the program. License fees were last increased in 1994.

This rule increases annual license fees for public warehouse keepers, many of whom are small businesses. The fee increases range from 20% to 25%, depending upon the square footage of space used for storage of property of others, with a maximum increase of \$100.

Dated this 19th day of February, 2001



William L. Oemichen,
Administrator
Division of Trade & Consumer
Protection