




**WISCONSIN LEGISLATIVE COUNCIL
STAFF MEMORANDUM**

TO: SENATOR MARK MEYER

FROM: Don Dyke, Senior Staff Attorney 

RE: 2001 Assembly Bill 135, Relating to the Requirement to Obtain a Public Warehouse Keeper's License

DATE: April 17, 2001

This memorandum summarizes the provisions of the above-captioned bill, which has been referred to the Senate Committee on Universities, Housing and Government Operations. Assembly Bill 135 was passed by the Assembly on a voice vote on March 22, 2001.

Under current law, a person who operates a public warehouse is generally required to obtain a public warehouse keeper's license from the Department of Agriculture, Trade and Consumer Protection (DATCP). [s. 99.02, Stats.] "Public warehouse" is generally defined as a warehouse for the storage for hire of the property of others. [s. 99.01 (3), Stats.] Public warehouses are regulated under ch. 99, Stats. The regulations include required security for property stored; suitable facilities; issuance of warehouse or storage receipts; maintenance of records; and a standard of care. [ss. 99.03 to 99.05, Stats.] The annual fee for a warehouse keeper's license varies from \$50 to \$250, depending on the square footage of the warehouse. [ss. 99.015 and 99.02 (3), Stats.]

Currently, specified individuals and entities are exempt from the public warehouse keeper's license requirement. Among the exempt individuals and entities are: (1) cooperative associations storing farm products and merchandise for members; and (2) municipalities. [See, generally, s. 99.02 (2), Stats.]

Assembly Bill 135 exempts from the public warehouse keeper's license requirement an agricultural society, association, or board that conducts a county or district fair and that receives state aid for the fair.

According to testimony on Assembly Bill 135 at the March 14, 2001 public hearing before the Assembly Committee on Urban and Local Affairs, the public warehouse keeper's license requirement, until recently, was not enforced against agricultural societies that run local fairs. Apparently, DATCP began enforcement after receiving complaints from licensed public warehouse keepers. The testimony

also indicated that many of the agricultural societies are relatively small and make little money from running fairs; they engage in storage to supplement income. It was also noted that at a number of local fairgrounds the county handles the storage operation and, in these cases, no license is required because municipal corporations are exempt from the ch. 99 licensing requirements.

The DATCP fiscal estimate indicates that there are currently 79 county and local fairs in the state. Eight agricultural societies are currently licensed as public warehouse keepers. If Assembly Bill 135 were to pass, the revenue from those eight licenses would be lost; the revenue from the eight licenses for fiscal year 2001 is \$1,050. The fiscal estimate indicates that the revenue loss would have minimal effect on the public warehouse licensing program.

If you have any questions or need additional information, please contact me directly at the Legislative Council Staff offices.

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