

**LEGISTAR #38619 - BODY**

DRAFTER'S ANALYSIS: Recently, the State of Wisconsin Joint Finance Committee passed a motion that places a moratorium on fee increases by local agents for two years starting July 1, 2015. If this provision is not changed during the budget process, then Public Health Madison and Dane County (PHMDC) will not be able to raise fees for the food establishments that they regulate. Food establishments pay an annual fee for the licensing year that runs from July 1st to June 30th. The sliding scale fee is based on the establishment's anticipated annual gross food and drink sales. The collected fees cover the costs of issuing permits, making inspections, and providing education, training and technical assistance to the food establishments.

PHMDC was anticipating raising licensing fees in 2016 for the 2017 licensing year. The state moratorium will not allow the department to raise these fees unless the fee increases are in effect prior to July 1, 2015.

The licensed establishment program is completely funded via program revenue. Without a fee increase, this program may have to use GPR to cover costs for the program. PHMDC wishes to keep this program funded by program revenue. A modest fee increase will allow the program to continue being self-funded and offset increased costs in administering the program.

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The Common Council of the City of Madison do hereby ordain as follows:

Subdivision (g) of Subsection (8) entitled "Food and Drink Permit" of Section 7.07 entitled "Regulations Regarding Foods Handled by Public Places" of the Madison General Ordinances is amended to read as follows:

- "(g) The annual fee for the food and drink permit shall be based upon the anticipated gross annual food and drink sales for the licensing year as set forth in the tables below. The licensing year shall be from July 1 through the following June 30. The permit fee herein established shall be for one year or a fractional part thereof. Renewal licenses shall be obtained on or before June 30 of each year or be subject to a late filing fee of fifteen percent (15%) of the license fee. Payment of the late filing fee shall not relieve any person from any other penalties prescribed in this chapter for failure to possess or obtain a license. For the licensing years commencing July 1, ~~2012~~2015, and subsequent thereto:

<u>Anticipated Gross Annual Food and Drink Sales</u>	<u>Annual Permit Fee</u>
\$0 - \$10,000	<u>\$486190</u>
\$10,001 - \$100,000	<u>\$413421</u>
\$100,001 - \$250,000	<u>\$530541</u>
\$250,001 - \$1,000,000	<u>\$742757</u>
\$1,000,001 - \$5,000,000	<u>\$917935</u>
Greater than \$5,000,000	<u>\$1,0481038</u>