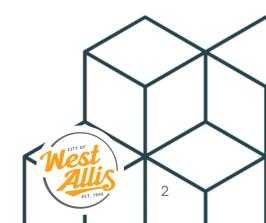


License Renewal Process

Kail Decker, City Attorney March 18, 2025

Existing Licenses

- An existing license is property
 - That interest is protected by the U.S. and Wisconsin constitutions
- Each retail alcohol license expires annually on June 30
 - Licensees should apply for renewal by April 15
 - The council must act on those applications by June 15
- Existing licenses <u>must be renewed</u> unless:
 - The licensee violates a law related to the license, or
 - The licensee no longer qualifies for the license.



Existing Licenses

- All licensees will be presented to the council in batches for renewal, except instances in which staff recommend nonrenewal
 - If you believe there is a reason not to renew a license that is scheduled for renewal, please ask that it be removed from the list and then contact the city attorney's office
- State law requires a notice to licensees if the council intends on not renewing their license and an opportunity to have a hearing on renewal

Denying a renewal license application

- Non-renewal regulated by Wis. Stat. § 125.12
- Within the notice of intent to not renew, the City must allege one or more of the following:
 - Violated municipal regulation or state law
 - Keeps or maintains a disorderly establishment
 - Sold or given away alcohol to "known habitual drunkards"
 - Licensee does not possess qualifications to hold a license
 - Licensee convicted of possession with intent or delivery of controlled substance



Examples on Agenda

- For tonight, staff recommends not renewing four licensees
 - Item #31
- These are allegations only
- If the affected licensees wish to have a hearing, these allegations will need to be proven with testimony and evidence

- Three licenses are scheduled for nonrenewal based on debt owed to a wholesaler
- The City is prohibited from issuing retail licenses to "any person having an indebtedness" over 15 days for beer or 30 days for liquor.
 - Wis. Stat. §§ 125.33(7)(b) and 125.69(4)(b)
- Wholesalers notify the City throughout the year when retail licensees have a delinquent debt
 - The clerk places a hold on the license
 - The hold is lifted if the wholesaler says the debt is paid

- By notifying the licensees of the intent to not renew due to outstanding debt, the licensees have an opportunity to pay or dispute the debt
- The licensee may request a hearing at which time the City would have to prove the allegation



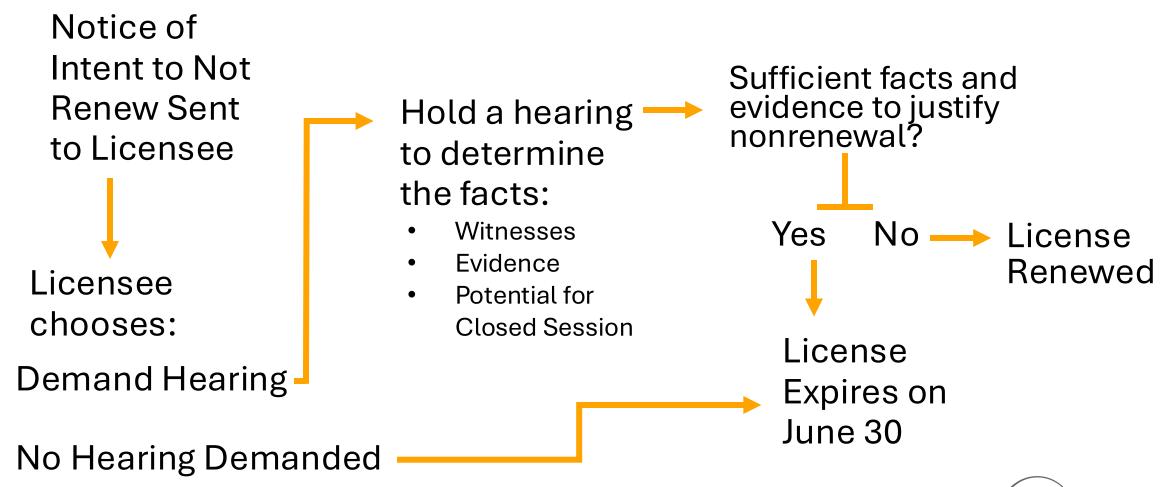
- One license is scheduled for nonrenewal based upon failure to submit proof of a seller's permit
- A qualification for an alcohol license is submitting proof of a state seller's permit
 - Wis. Stat. § 125.04(5)(a)4.
- The state department of revenue notifies the City after a licensee's seller's permit is revoked
 - The clerk places a hold on the license
 - The hold is lifted if the state says the seller's permit was reinstated

- The licensee appeared before the council or a committee on September 3, September 17, October 1, and January 14
- In each instance, he was notified of the state's allegation that his seller's permit was revoked and that his license would not be renewed if those allegations were true
 - The licensee has disputed the state's allegations
- The licensee may request a hearing at which time the City would have to prove the allegation

Delayed Impact on Licensees

- Why not seek revocation of those licenses immediately?
- In both cases, the law is worded in a way that the City can only act during the renewal process.
 - No "license may be issued" to an indebted licensee
 - Does not allow revocation or suspension
 - The only date on which an existing license is re-issued is July 1
 - Licensees must only submit proof of a seller's permit
 - Licensee qualifies for the year after submitting proof
 - No requirement to submit proof during the license year; only at renewal

Hearing process for Public Safety Committee





Non-Renewal vs. Suspension/Revocation

- Non-renewal is usually reserved for instances in which a licensee no longer qualifies for a license
 - Presented to council in a batch with short summary
 - Suspension is not an option
- If staff recommends a license for nonrenewal based upon arrest or conviction record, that will be identified in a separate file
- It is more likely that the council will receive a verified complaint if discipline is sought based on arrest/conviction record
 - Options include suspension for 10-90 days or revocation

Questions?

