



Legislation Details (With Text)

**File #:** 031222      **Version:** 1  
**Type:** Ordinance      **Status:** Passed  
**File created:** 12/19/2003      **In control:** LICENSES COMMITTEE  
**On agenda:**      **Final action:** 1/21/2004

**Effective date:**  
**Title:** A substitute ordinance relating to certain reporting requirements for corporate alcohol beverage license holders.

**Sponsors:** THE CHAIR

**Indexes:** ALCOHOL - REGULATION AND LICENSING

**Attachments:** 1. Fiscal Note.pdf, 2. City Attorney's Opinion.PDF

Date	Ver.	Action By	Action	Result	Tally
12/23/2003	1	CITY CLERK	DRAFT SUBMITTED		
1/6/2004	1	LICENSES COMMITTEE	RECOMMENDED FOR PASSAGE	Pass	5:0
1/21/2004	1	COMMON COUNCIL	PASSED	Pass	14:0
9/24/2013	0	COMMON COUNCIL	HEARING NOTICES SENT		
10/15/2013	1	COMMON COUNCIL	SIGNED		
1/30/2014	1	PUBLIC SAFETY COMMITTEE	PUBLISHED		
3/4/2014	0	COMMON COUNCIL	ASSIGNED TO		

031222  
SUBSTITUTE 1  
THE CHAIR

A substitute ordinance relating to certain reporting requirements for corporate alcohol beverage license holders.

90-7-2 am  
90-7-3am  
90-11-7-c-1-e rn  
90-11-7-c-1-e cr  
90-12-1-g rn  
90-12-1-g cr

This ordinance makes the following changes to the provisions of the code regulating licenses issued to premises serving alcohol beverages:

1. It requires corporate agents, rather than officers, to notify the city clerk of any changes to the stock- or proxy-holders in a corporate license holder. These changes shall be reported within 10 calendar days rather than the current 48 hours.
2. The city attorney's office has opined that the current provision in the code requiring corporate license-holders who change officers or directors to file a new license application is not legal and enforceable. This ordinance replaces this requirement with one that the corporate agent inform the

city clerk of any change in officers or directors within 10 calendar days of the change. This information shall be forwarded to the police chief who shall cause an investigation to be made and forward his or her findings to the city clerk.

3. The violation of the provisions of s. 125.12(2)(ag), Wis. Stats., by the agent, officers directors, members or significant shareholders of a corporate licensee is made grounds for the non-renewal, suspension or revocation of an alcohol beverage license. These provisions include:

- a. Violating any provision of ch. 125, Wis. Stats., or any municipal regulation enacted pursuant to s. 125.10, Wis. Stats.
- b. Keeping or maintaining a disorderly, riotous, indecent or improper house.
- c. Lacking the necessary qualifications as set forth in ch. 125, Wis. Stats., to hold an alcohol beverage license.
- d. A conviction for manufacturing, distributing or possessing with intent to deliver a controlled substance or knowingly permitting a person who is on a licensed premises to engage in these activities.

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 90-7-2 and 3 of the code is amended to read:

### **90-7. Restrictions on Corporations.**

**2. CORPORATE STOCK.** Each corporate applicant shall file with its application for a license a statement by its officers showing names and addresses of all persons who individually hold 10% or more of the corporation's total or voting stock, or proxies for that amount of stock, together with the amount of stock or proxies held by each ~~[[such]]~~ person. It shall be the duty of the corporation ~~[[officers]]~~ >>agent<< to file with the city clerk a statement of the transfer of any ~~[[such]]~~ stock or proxies, where the effect of ~~[[such]]~~ >>the<< transfer would constitute a change in the stockholders list then on file. ~~[[Such notice]]~~ >>Notice<< to the city clerk shall be given not later than ~~[[48 hours]]~~ >>10 calendar days<< after ~~[[such]]~~ >>any<< transfer. >>If this transfer results in any person holding 20% or more of the corporation's total or voting stock, or proxies for that amount of stock, and that person has not been fingerprinted pursuant to another provision of this chapter, that person shall be fingerprinted. All of the information provided pursuant to this subsection shall be forwarded to the chief of police who shall cause an investigation to be made and who shall report his or her findings to the city clerk << The provisions of this subsection do not apply to ~~[[department stores which have held a Class "A" intoxicating liquor or fermented malt retailer's license since July 1, 1963, to]]~~ hotels, duly organized fraternal organizations, concessionaires in public auditoriums, municipal festival organizations ~~[[, music halls]]~~ and to the Wisconsin center district established pursuant to ch 229, Wis. Stats.

**3. CHANGE OF OFFICERS.** Whenever a corporation >>or licensed limited partnership<< licensed to sell intoxicating liquor or fermented malt beverages changes any of its corporate officers ~~[[or]]~~ >> << directors >>or members<<, ~~[[the corporation shall file a new application and pay the required fee as if it were making an original application]]~~ >>it shall be the duty of the corporation agent to file with the city clerk a statement of the change on a form provided therefor. Notice to the city clerk shall be given not later than 10 calendar days after any change is made. Any new officers, directors or members shall be fingerprinted unless their fingerprints are already on file pursuant to another provision of this chapter. The information provided shall be forwarded to the chief of police who shall cause an investigation to be made and who shall report his or her findings to the city clerk.<< This subsection shall not apply to hotels >> concessionaries in public auditoriums, municipal festival organizations, the Wisconsin center district established pursuant to ch. 229, Wis. Stats., << or duly organized fraternal organizations nor when a change in the corporate setup is necessitated ~~[[because of]]~~ >>by<< the death of ~~[[such]]~~ officers or directors.

Part 2. Section 90-11-7-c-1-e of the code is renumbered 90-11-7-c-1-f.

Part 3. Section 90-11-7-c-1-e of the code is created to read:

**90-11. Renewal of License.**

**7. PROCEDURE FOR NON-RENEWAL.**

c. Recommendation.

c-1-e. If the licensee is a corporation or licensed limited partnership, the conviction of the corporate agent, officers, directors, members or any shareholder holding 20% or more of the corporation's total or voting stock, or proxies for that amount of stock, of any of the offenses enumerated in s. 125.12(2)(ag), Wis. Stats., as amended.

Part 4. Section 90-12-1-g of the code is renumbered 90-12-1-h.

Part 5. Section 90-12-1-g of the code is created to read:

**90-12. Revocation or Suspension of Licenses.**

**1. CAUSES.**

g. If the licensee is a corporation or licensed limited partnership, the conviction of the corporate agent, officers, directors, members or any shareholder holding 20% or more of the corporation's total or voting stock, or proxies for that amount of stock, of any of the offenses enumerated in s. 125.12(2)(ag), Wis. Stats., as amended.

APPROVED AS TO FORM

\_\_\_\_\_  
Legislative Reference Bureau

Date: \_\_\_\_\_

IT IS OUR OPINION THAT THE ORDINANCE  
IS LEGAL AND ENFORCEABLE

\_\_\_\_\_  
Office of the City Attorney

Date: \_\_\_\_\_

License Division

LRB03560-1

jro

12/23/2003