

**Item**

Ordinance No. 2023, an Ordinance Amending Chapter 5.16 of Douglas Municipal Code Concerning the Process for Regulation and Issuance of Alcoholic Liquor or Malt Beverages as it Relates to Sales Tax Delinquency or Compliance Violations and to Furthermore Amend the Chapter in Order to Comply with Actions Taken During the 2023 Legislative Session.

**Responsible Staff Contact**

Chaz Kokesh, City Clerk

**Recommendation**

To approve the ordinance on its first reading.

**Executive Summary**

This ordinance is written to incorporate important and relevant elements of the recent legislation that was adopted by the State of Wyoming regarding Bar and Grill Liquor Licenses. The State Statutes address the manner in which these licenses are granted and the ordinance reflects the same, any modifications to State Statutes would automatically be reflected in the Douglas Municipal Code in so far as it doesn't alter processes defined in the code.

Additionally, this ordinance incorporates the council's preference to have leniency in the hearing process for those licensees with first time violations or who have resolved sales tax delinquencies upon notification of the same. The council also expressed a desire to require compliance violations to require TIPS training for the server failing the compliance check.

**Background**

The State of Wyoming passed legislation this year that adjusted the number of Bar & Grill Liquor Licenses allowed using the population formula in increasing quantities through July 1, 2028. The City of Douglas was previously allowed two (2), and now per the update, is allowed to have four (4) bar & grill licenses, with 3 of those currently available. Language was included in the legislation that allowed the use of entertainment revenue in the 60/40 split required for those types of licenses. It excluded adult entertainment and gambling as revenue streams that would qualify. It is up to the local licensing authorities to define "adult entertainment" and so you will see language to that effect in the ordinance.

At their February 6, 2023, work session, the city council discussed revising procedures for sales tax delinquency violations and compliance violations. Currently, the code requires that all licensees with violations automatically appear before the city council for a show cause hearing. Direction was given to allow the council to review the requirements for a show cause hearing and to determine if one would be required, particularly in instances of multiple violations. Additionally, direction was given to modify the code to require TIPS training for servers who fail compliance checks. Those modifications have been incorporated into Ordinance No. 1023.



CITY OF **DOUGLAS** WYOMING  
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# Agenda Item Report City Council – August 28, 2023

## Alignment to Strategic Doing and/or Other Plans

**Outcome:** n/a

**Strategy:** n/a

**KPI:** n/a

**2014 Master Plan:** n/a

**2015 Downtown Master Plan:** n/a

## Budget/Fiscal Impact

Fund/Department n/a

Project/Line Item(s) n/a

Budgeted Amount \$ n/a

Anticipated Amount \$ n/a

## Action Requested/Recommended Motion

I move to approve Ordinance No. 2023 as presented on its second reading.

## Reviewed/Approved

Community Development

Law Enforcement

City Administrator

Public Works

City Clerk

Legal

Finance