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**REAL ESTATE APPRAISERS BOARD**  
**Room 121C, 1400 East Washington Avenue, Madison**  
**Contact: Tom Ryan (608) 266-2112**  
**February 12, 2014**

*The following agenda describes the issues that the Board plans to consider at the meeting. At the time of the meeting, items may be removed from the agenda. Please consult the meeting minutes for a record of the actions of the Board.*

**AGENDA**

**9:00 A.M.**

**OPEN SESSION – CALL TO ORDER – ROLL CALL**

- A) Adoption of Agenda**
- B) Welcome New Members**
- C) Approval of Minutes of November 13, 2013 and January 21, 2014 (5-10)**
- D) Appointments/Reappointments**
  - 1) Larry Nicholson **(11-12)**
- E) Administrative Updates**
  - 1) Staff Updates
  - 2) Study on the Potential Consolidation of the Department of Agriculture, Trade and Consumer Protection with the Department of Safety and Professional Services (Proposing a New Department of Agriculture, Regulation and Trade, or “DART”) Report – Discussion of Findings and Recommendations **(13-142)**
  - 3) Board Member Training – February 28, 2014
  - 4) Election of Officers
    - a) Chair
    - b) Vice Chair
    - c) Secretary

- 5) Appointment of Liaisons, Alternates, Delegates, and Committee Chairs
  - a) Monitoring Liaison and Alternate
  - b) Continuing Education Liaison
  - c) Credentialing Liaison and Alternate
  - d) DLSC Liaison and Alternate
  - e) Education and Exams Liaison and Alternate
  - f) Legislative Liaison
  - g) Travel Liaison and Alternate
  - h) Website Liaison and Alternate
  - i) Rules Liaison
  - j) Professional Assistance Procedure Liaison **(143-148)**
  - k) ASC and AQB Liaison
  - l) Other Liaison(s)
  - m) REA Application Advisory Committee Chair
  - n) Screening Panel (3 Members)
- 6) Delegated Authority Motions **(149-150)**

**F) Disciplinary Matters**

- 1) Voluntary Disciplinary Action Matrix from The Appraisal Foundation **(151-176)**

**G) Association of Appraisal Regulatory Officials (AARO) Matters**

- 1) AARO Membership Update
- 2) AARO Conference Travel
- 3) Spring AARO Conference – April 11-13, 2014 – San Francisco, CA – Board Consideration **(177-178)**

**H) Legislative/Administrative Rule Matters:**

- 1) Current and Future Rule Making and Legislative Initiatives
- 2) Administrative Rules Report
- 3) Status of Statute and Administrative Rules Matters
- 4) Mandatory Appraiser Licensing Legislation
- 5) Appraisal Management Companies (AMC) Legislation
- 6) Background Check Legislation **(179-212)**

**I) 2013 Appraisal Subcommittee (ASC) Audit (213-220)**

**J) AQB Compliance Review Project – Discussion**

- K) Items Added After Preparation of Agenda:
- 1) Introductions, Announcements and Recognition
  - 2) Administrative Updates
  - 3) Education and Examination Matters
  - 4) Credentialing Matters
  - 5) Practice Matters
  - 6) Legislation/Administrative Rule Matters
  - 7) Liaison Report(s)
  - 8) Informational Item(s)
  - 9) Disciplinary Matters
  - 10) Presentations of Petition(s) for Summary Suspension
  - 11) Presentation of Proposed Stipulation(s), Final Decision(s) and Order(s)
  - 12) Presentation of Proposed Decisions
  - 13) Presentation of Interim Order(s)
  - 14) Petitions for Re-Hearing
  - 15) Petitions for Assessments
  - 16) Petitions to Vacate Order(s)
  - 17) Petitions for Designation of Hearing Examiner
  - 18) Motions
  - 19) Petitions
  - 20) Appearances from Requests Received or Renewed
  - 21) Speaking Engagement(s), Travel, or Public Relation Request(s)
- L) Public Comments

**CONVENE TO CLOSED SESSION to deliberate on cases following hearing (s. 19.85(1)(a), Stats.); to consider licensure or certification of individuals (s. 19.85(1)(b), Stats.); to consider closing disciplinary investigations with administrative warnings (ss. 19.85 (1)(b), and 440.205, Stats.); to consider individual histories or disciplinary data (s. 19.85 (1)(f), Stats.); and to confer with legal counsel (s. 19.85(1)(g), Stats.).**

**M) Monitoring Matters – Deliberation**

- 1) Daniel R. Heffron – Request to Surrender License **(221-230)**
- 2) June Jackson – Request to Surrender License **(231-242)**
- 3) Derek P. Prock – Monitoring Request to Restore License **(243-250)**

**N) Case Status Report (251-252)**

O) Deliberation of Items Added After Preparation of the Agenda

- 1) Education and Examination Matters
- 2) Credentialing Matters
- 3) Disciplinary Matters
- 4) Monitoring Matters
- 5) Professional Assistance Procedure (PAP) Matters
- 6) Petition(s) for Summary Suspensions
- 7) Petition(s) for Extension of Time
- 8) Proposed Interim Orders
- 9) Petitions for Assessments and Evaluations
- 10) Petitions to Vacate Orders
- 11) Remedial Education Cases
- 12) Proposed Stipulations, Final Decisions and Orders
- 13) Administrative Warnings
- 14) Proposed Decisions
- 15) Matters Relating to Costs
- 16) Complaints
- 17) Case Closings
- 18) Case Status Report
- 19) Motions
- 20) Petitions for Re-Hearing
- 21) Appearances from Requests Received or Renewed

P) Consulting with Legal Counsel

**RECONVENE TO OPEN SESSION IMMEDIATELY FOLLOWING CLOSED SESSION**

Q) Open Session Items Noticed Above not Completed in the Initial Open Session

R) Vote on Items Considered or Deliberated Upon in Closed Session, if Voting is Appropriate

**ADJOURNMENT**

**REAL ESTATE APPRAISERS BOARD  
MINUTES  
NOVEMBER 13, 2013**

**PRESENT:** Marla Britton, Scott Brunner, Carl Clementi, Sharon Fiedler, Lawrence Nicholson, Henry Simon

**ABSENT:** Jose Perez

**STAFF:** Tom Ryan, Executive Director; Karen Rude-Evans, Bureau Assistant

**CALL TO ORDER**

Marla Britton, Chair, called the meeting to order at 9:33 a.m. A quorum of six (6) members was confirmed.

**ADOPTION OF AGENDA**

**Amendments:**

- Item F (open session) – Report from Association of Appraisal Regulatory Officials (AARO) - insert additional information after page 12
- Item L (open session) – Legislative/Administrative Rule Matters
  - Item 1a – Proposed Amendments to SPS 80-87
- Item S (closed session) – Deliberation of Monitoring Cases
  - Item S1 – Terrence R. Christ – insert Petition for Modification of Order after page 94

**MOTION:** Henry Simon moved, seconded by Lawrence Nicholson, to adopt the agenda as amended. Motion carried unanimously.

**APPROVAL OF MINUTES OF AUGUST 21, 2013**

**MOTION:** Scott Brunner moved, seconded by Carl Clementi, to approve the minutes of August 21, 2013 as written. Motion carried unanimously.

**REPORT FROM ASSOCIATION OF APPRAISAL REGULATORY OFFICIALS  
(AARO) MEETING**

**MOTION:** Henry Simon moved, seconded by Sharon Fiedler, to request the Department consider the Board for membership in the Association of Appraisal Regulatory Officials (AARO). Motion carried unanimously.

**CONSIDERATION OF APPOINTMENT OF ASC AND AQB LIAISON**

**MOTION:** Lawrence Nicholson moved, seconded by Henry Simon, to appoint Carl Clementi as the Board's ASC and AQB Liaison. Motion carried unanimously.

**CONVENE TO CLOSED SESSION**

**CONVENE TO CLOSED SESSION to deliberate on cases following hearing (s. 19.85(1)(a), Stats.); to consider licensure or certification of individuals (s. 19.85(1)(b), Stats.); to consider closing disciplinary investigations with administrative warnings (ss. 19.85 (1)(b), and 440.205, Stats.); to consider individual histories or disciplinary data (s. 19.85 (1)(f), Stats.); and to confer with legal counsel (s. 19.85(1)(g), Stats.).**

**MOTION:** Carl Clementi moved seconded by Henry Simon, to convene to closed session to deliberate on cases following hearing (s. 19.85(1)(a), Stats.); to consider licensure or certification of individuals (s. 19.85(1)(b), Stats.); to consider closing disciplinary investigations with administrative warnings (ss. 19.85 (1)(b), and 440.205, Stats.); to consider individual histories or disciplinary data (s. 19.85 (1)(f), Stats.); and to confer with legal counsel (s. 19.85(1)(g), Stats.). Marla Britton read the language of the motion. The vote of each member was ascertained by voice vote. Roll Call Vote: Marla Britton-yes; Scott Brunner-yes; Carl Clementi-yes; Sharon Fiedler-yes; Lawrence Nicholson-yes; and Henry Simon-yes. Motion carried unanimously.

The Board convened into closed session at 12:53 p.m.

### RECONVENE TO OPEN SESSION

**MOTION:** Henry Simon moved, seconded by Sharon Fiedler, to reconvene into open session. Motion carried unanimously.

Open session reconvened at 1:37 p.m.

### REAFFIRM ALL VOTES MADE IN CLOSED SESSION

**MOTION:** Sharon Fiedler moved, seconded by Scott Brunner, to reaffirm all votes made in closed session. Motion carried unanimously.

### PROPOSED STIPULATIONS, FINAL DECISIONS AND ORDERS

**MOTION:** Sharon Fiedler moved, seconded Henry Simon, to adopt the Findings of Fact, Conclusions of Law, Final Decision and Order in the disciplinary proceedings against **Mark S. Snoda (09 APP 102)**. Motion carried by two thirds of the voting membership. Lawrence Nicholson was recused during deliberation and abstained from voting.

**MOTION:** Scott Brunner moved, seconded by Lawrence Nicholson, to adopt the Findings of Fact, Conclusions of Law, Final Decision and Order in the disciplinary proceedings against **Lynn M. Bell (12 APP 009 and 13 APP 030)**. Motion carried unanimously.

### PROPOSED STIPULATION AND ORDER MODIFYING ORDER

**MOTION:** Lawrence Nicholson moved, seconded by Scott Brunner, to adopt the Stipulation and Order modifying Order in the matter concerning **John M. Bosanec**. Motion carried unanimously.

### MONITORING

**MOTION:** Carl Clementi moved, seconded by Henry Simon, to grant an extension of time to complete the examinations to December 16, 2013 in the matter concerning **Terrence R. Christ**. Motion carried unanimously.

**MOTION:** Marla Britton moved, seconded by Henry Simon, to approve the courses and the testing component by McKissock in the matter concerning **John L. Krueger**. Motion carried unanimously.

**ADJOURNMENT**

**MOTION:** Carl Clementi moved, seconded by Henry Simon, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 1:41 p.m.

**REAL ESTATE APPRAISERS BOARD  
WEB/VIRTUAL MEETING MINUTES  
January 21, 2014**

**PRESENT:** Scott Brunner, Carl Clementi, Sharon Fiedler, and Lawrence Nicholson

**EXCUSED:** Marla Britton

**ABSENT:** Jose Perez, Henry Simon

**STAFF:** Tom Ryan, Executive Director; Shancethea Leatherwood, Rules Coordinator; Daniel Agne, Bureau Assistant; and other Department staff

**CALL TO ORDER**

Sharon Fiedler, Vice Chair, called the meeting to order at 3:32 P.M. A quorum of four (4) members was confirmed.

**ADOPTION OF AGENDA**

**MOTION:** Lawrence Nicholson moved, seconded by Carl Clementi, to adopt the agenda as published. Motion carried unanimously.

**ADJOURNMENT**

**MOTION:** Lawrence Nicholson moved, seconded by Carl Clementi, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 4:08 P.M.

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**SCOTT WALKER**  
**OFFICE OF THE GOVERNOR**  
**STATE OF WISCONSIN**

P.O. Box 7863  
MADISON, WI 53707

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**GOVERNOR'S APPOINTMENT**

**NAME:** Mr. Lawrence Nicholson

**MAILING ADDRESS:** [REDACTED]

**E-MAIL ADDRESS:** [REDACTED]

**RESIDES IN:** [REDACTED]

**TELEPHONE:** [REDACTED]

**OCCUPATION:** [REDACTED]

**APPOINTED TO:** Real Estate Appraisers Board  
Certified General Appraiser

**TERM:** A term to expire May 1, 2018

**SUCCEEDS:** Himself

**SENATE CONFIRMATION:** Required

**DATE OF APPOINTMENT:** May 1, 2014

**DATE OF NOMINATION:** February 3, 2014

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**State of Wisconsin  
Department of Safety & Professional Services**

**AGENDA REQUEST FORM**

|  |   |   |  |
|--|---|---|--|
| 1) Name and Title of Person Submitting the Request:<br><br><b>Daniel Agne, Bureau Assistant<br/>on behalf of Tom Ryan, Executive Director</b>  |   | 2) Date When Request Submitted:<br><br><b>1/8/14</b>  |  |
|  |   | Items will be considered late if submitted after 4:30 p.m. on the deadline date:<br><ul style="list-style-type: none"> <li>▪ 8 business days before the meeting for paperless boards</li> <li>▪ 14 business days before the meeting for all others</li> </ul> |  |
| 3) Name of Board, Committee, Council, Sections:<br><br><b>Medical Examining Board</b>  |   |   |  |
| 4) Meeting Date:<br><br><b>1/15/14</b>   | 5) Attachments:<br><input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No   | 6) How should the item be titled on the agenda page?<br><br><b>Study on the Potential Consolidation of the Department of<br/>Agriculture, Trade and Consumer Protection with the DSPS<br/>(DART) Report - Discussion of Findings and Recommendations</b>      |  |
| 7) Place Item in:<br><input checked="" type="checkbox"/> Open Session<br><input type="checkbox"/> Closed Session<br><input type="checkbox"/> Both  | 8) Is an appearance before the Board being scheduled?<br><br><input type="checkbox"/> Yes ( <a href="#">Fill out Board Appearance Request</a> )<br><input checked="" type="checkbox"/> No | 9) Name of Case Advisor(s), if required:  |  |
| 10) Describe the issue and action that should be addressed:<br><br><b>Review and discussion of Dept of Administration's study on potentially consolidating DATCP and DSPS into the "Department of Agriculture, Regulation and Trade." Also, review related email from Tom Engels.</b>  |   |   |  |
| 11) <b>Authorization</b>   |   |   |  |
| <b>Daniel Agne</b><br>Signature of person making this request  |   | <br>Date  |  |
| Supervisor (if required)   |   | <br>Date  |  |
| Executive Director signature (indicates approval to add post agenda deadline item to agenda)    Date   |   |   |  |
| Directions for including supporting documents:<br>1. This form should be attached to any documents submitted to the agenda.<br>2. Post Agenda Deadline items must be authorized by a Supervisor and the Policy Development Executive Director.<br>3. If necessary, Provide original documents needing Board Chairperson signature to the Bureau Assistant prior to the start of a meeting. |   |   |  |

**From:** [Engels, Tom - DSPS](#)  
**Subject:** DART Study Report  
**Date:** Monday, December 30, 2013 2:30:10 PM

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**To:** DSPS Staff  
**From:** Tom Engels, DSPS Assistant Deputy Secretary

The Department of Administration has prepared a report on the potential consolidation of the Department of Agriculture, Trade and Consumer Protection with the Department of Safety and Professional Services, in response to requirements of 2013 Wisconsin Act 20, Section 9101(3s). The 2013-15 biennial budget required the Department of Administration to conduct a study to determine the appropriateness of combining the functions currently performed by the Department of Agriculture, Trade and Consumer Protection with services provided by the Department of Safety and Professional Services.

Here is a link to the full report your reference

[http://legis.wisconsin.gov/lfb/jfc/reports/Documents/2013\\_12\\_26\\_DART%20Study.pdf](http://legis.wisconsin.gov/lfb/jfc/reports/Documents/2013_12_26_DART%20Study.pdf)

Below are the report's conclusions and recommendations, the first of which recommends against a consolidation of the two departments. I have underlined a sentence in the first bullet point which reflects the tremendous job done by staff here at DSPS.

Should you have any questions regarding the report, please do not hesitate to contact me.

#### **Conclusions and Recommendations**

- **Do Not Consolidate Agencies:** Due to limited overlap between agency customers, customer sentiment against a merger, potential administrative difficulties presented by the potential merger and limited potential for savings, the agencies should not be merged. A merger could risk losing the generally high performance ratings of both agencies, most notably the 65.8 percent of respondents that rated their interactions with the Department of Safety and Professional Services as "Good" or "Very Good".
- **Move the Veterinary Examining Board to the Department of Agriculture, Trade and Consumer Protection:** Due to the historical relationship between the Veterinary Board and the department, as well as the close relationship with the veterinary profession, the Veterinary Examining Board should be transferred.
- **Improve Board Staffing and Examine Board Powers:** In response to feedback from impacted stakeholder groups, the study recommends improvements to board staffing, training and document management. The Department of Safety and Professional Services began making changes to improve these areas in 2012, which may have not yet been reflected in stakeholder sentiment. Additionally, the study recommends that the powers and duties of existing examining and advisory boards should be examined, to standardize board practices, meeting schedules, actions on potential licenses and other issues. The study also recommends an examination of the overall practice of state licensure of professions.

- **Licensing Fees Charged by the Department of Safety and Professional Services should be Reexamined:** Most fees charged by the department are set administratively via a fee study, reviewed by the Joint Committee on Finance. These fees should be reexamined through the existing fee study process, with current budget assumptions.
- **Continue Agency Improvements on Document Management, Electronic Licensure and Electronic Communications:** The two departments have projects underway to improve document management, electronic licensing and customer communications. These projects should be continued, in close consultation with each other, other state agencies and the private sector.
- **The Department of Safety and Professional Services is a vital Point of Contact between the state and the public:** Over 380,000 individuals are licensed by the department in order to work in their chosen professions. Additionally, the department reviews the plans of most commercial buildings constructed in the state. This makes the agency one of the primary points of contact for state citizens. Efforts should be made to improve the customer service experience with the agency through additional LEAN Government/Six Sigma initiatives.

Tom Engels | Assistant Deputy Secretary | Wisconsin Dept. of Safety and Professional Services | 608.266.8608



**WISCONSIN DEPARTMENT OF  
ADMINISTRATION**

**SCOTT WALKER**  
GOVERNOR

**MIKE HUEBSCH**  
SECRETARY

Office of the Secretary  
Post Office Box 7864  
Madison, WI 53707-7864  
Voice (608) 266-1741  
Fax (608) 267-3842  
TTY (608) 267-9629

December 26, 2013

Senator Alberta Darling Co-Chair  
Joint Committee on Finance  
Room 317 East, State Capitol  
Madison, WI 53707

Representative John Nygren, Co-Chair  
Joint Committee on Finance  
Room 309 East, State Capitol  
Madison, WI 53708

Dear Senator Darling and Representative Nygren:

Enclosed please find a study on the consolidation of the Department of Safety and Professional Services and the Department of Agriculture, Trade and Consumer Protection, which was prepared in response to section 9101(3s) of 2013 Wisconsin Act 20.

The study consists of two documents. The first is the narrative of the study with appendices. The second document details the methodology and results of the survey used for stakeholder outreach. As the study does not recommend a merger of the two agencies, no draft legislation has been prepared and recommendations for the structure or makeup of a potential Department of Agriculture, Regulation and Trade are not included.

Please contact Andrew Hitt, Assistant Deputy Secretary, at 608-261-2299 or [Andrew.Hitt@wisconsin.gov](mailto:Andrew.Hitt@wisconsin.gov) if you have any questions about this matter.

Sincerely,

Mike Huebsch  
Secretary

cc: Members of Joint Committee on Finance

2014

Tyler Byrnes  
Nancy Mistele  
Joe Knilans

**SURVEY METHODOLOGY AND RESULTS -  
STUDY ON CONSOLIDATION OF THE  
DEPARTMENT OF AGRICULTURE, TRADE AND  
CONSUMER PROTECTION WITH THE  
DEPARTMENT OF SAFETY AND PROFESSIONAL  
SERVICES**

## **Table of Contents**

|   |           |
|---|-----------|
| <b>Survey Construction, Distribution and Email Contents .....</b> | <b>2</b>  |
| <b>Survey Results and Survey Questions .....</b>                  | <b>5</b>  |
| <b>Stakeholder Groups Contacted .....</b>                         | <b>34</b> |

## Survey Construction

The Legislature requested a study of a potential merger of the Department of Agriculture, Trade and Consumer Protection with the Department of Safety and Professional services but did not specify a method for gathering input.

A decision was made to electronically survey a broad range of stakeholders including individual license and permit holders, stakeholder group representatives and other business organizations in order to reach a broad and diverse audience, gather opinion and comments in a reasonable period of time and use existing technology to tally and analyze results quickly and efficiently.

The survey tool was designed to drive maximum response, gather data and public opinion on the concept of a merger while allowing state license holders and stakeholders to offer comments about existing services with the agencies and their views on potential changes to the service levels should a merger occur.

With overall guidance from the Legislature, questions were constructed with input from Department of Administration staff and policy analysts, reviewed by DSPS and DATCP personnel and finally vetted by others with experience in developing survey tools. The vetting process ensured consistent style and formatting of questions and potential answers in a manner that did not lead respondents to particular answers or conclusions.

Specific questions were crafted to obtain relevant information from customers that would provide justification for a potential merger, or arguments against the merger, depending on respondent answers to the questions. For instance, asking how much interaction customers have with each of the agencies in question would determine whether there was overlap between the two sets of agency responsibilities.

The survey asked up to 24 questions and respondents were able to quickly answer questions or add greater explanation where necessary. If the respondents rated agency performance as poor or very poor, they were provided space to provide additional comments on the survey. The survey included questions related to their experience with services provided by agencies as well as questions directly related to their opinions of a potential merger. At the end of the survey respondents were able to provide general open-ended responses.

Once the questions were constructed, they were placed into an online survey tool developed by staff with the Department of Administration Division of Enterprise Technology. Respondents were asked to rate various aspects of agency performance for agencies with which they interact.

## **SURVEY DISTRIBUTION**

An electronic survey was used to contact the largest number of stakeholders in the most efficient manner. This survey was sent to impacted board members, stakeholder groups and individual license holders and was publicized via media outlets to attract a broad spectrum of public comment. More than 430,000 people were directly contacted with the survey.

The contact lists were generated by using an email list of DSPS license holders, email lists generated from the Office of Business Development interactions with Chambers of Commerce and Economic Development Groups as well as business contacts throughout the state. The survey was also electronically distributed through over 350 DATCP and DSPS identified stakeholder groups with directions to forward the survey to group members.

Links to the on-line survey were sent to email addresses for all the license holders on file with DSPS, which totaled 428,954 emails. In addition to agency contacts, the survey was also distributed to members of the DATCP and DSPS attached boards, members of the Legislature, and via the Department of Administration Office of Business Development at various events and through Chambers of Commerce.

The following is the text of the outreach email sent to potential survey respondents.

## **Outreach Email sent to Survey Respondents**

Good morning,

We are contacting you today as we would appreciate your feedback (including feedback from your organizations board and members) about possibly merging the Department of Safety and Professional Services (DSPS) and the Department of Agriculture, Trade and Consumer Protection (DATCP). Your input about how this consolidation may impact you is very valuable to us.

The 2013-15 state budget calls for a study about consolidating these two agencies. DSPS manages the licensing and regulation of professions in health, business and construction trades. They also oversee state building safety codes and provide services related to plan review, permit issuance, building and component inspection, and safety codes. DATCP is responsible for the promotion and regulation of Wisconsin's agriculture industry, including Agriculture Resource Management and Animal Health, as well as the oversight of food safety and consumer protection.

We ask that you complete the survey and forward this email to your members for their response so we can better understand how a potential consolidation may affect you. Your answers and contact information will be kept confidential and will not be used outside of the scope of this survey. All survey results will be tallied for any reporting purposes.

**TAKE THE SURVEY – your answers will be kept confidential**

Thank you in advance for your participation and input.  
Office of Business Development

Note: throughout the survey, you will see the term 'license' which refers to any license, credential, certification, registration or permit. Please view the term to mean the document a state agency issues as a requirement to do business, perform an occupation or specific work activity in the State of Wisconsin.

## Survey Results and Survey Questions

The following tables detail the results of the survey that was distributed to nearly 450,000 people. The following tables show the demographic breakdown of the respondents, responses to questions directly related to opinions about a potential merger of the two agencies, and performance related responses. Over three thousand survey respondents indicated that they would like to receive a copy of the final report.

| <b>Table 1: Respondents by Profession</b>   |                    |                         |
|---|--------------------|-------------------------|
| <b>Profession</b>   | <b>Respondents</b> | <b>Percent of Total</b> |
| Health Professions  | 9,838              | 39.4%                   |
| No Response   | 7,451              | 29.9%                   |
| Business Professions  | 5,194              | 20.8%                   |
| Trades Professions  | 1,920              | 7.7%                    |
| Manufactured Housing  | 21                 | 0.1%                    |
| Mixed Martial Arts/Boxing   | 14                 | 0.1%                    |
| <i>Subtotal</i>   | <b>24,438</b>      | <b>98.0%</b>            |
| <b>More than One Response</b>   |                    |                         |
| Business Professions; Trades Professions  | 210                | 0.8%                    |
| Health Professions; Business Professions  | 187                | 0.7%                    |
| Health Professions; Trades Professions  | 61                 | 0.2%                    |
| Health Professions; Business Professions; Trades Professions  | 28                 | 0.1%                    |
| Business Professions; Trades Professions; Manufactured Housing  | 9                  | 0.0%                    |
| Trades Professions; Manufactured Housing  | 9                  | 0.0%                    |
| Business Professions; Manufactured Housing  | 4                  | 0.0%                    |
| Business Professions; Trades Professions; Mixed Martial Arts/Boxing   | 1                  | 0.0%                    |
| Health Professions; Business Professions; Trades Professions; Manufactured Housing; Mixed Martial Arts/Boxing | 1                  | 0.0%                    |
| Health Professions; Mixed Martial Arts/Boxing   | 1                  | 0.0%                    |
| <i>Subtotal</i>   | <b>511</b>         | <b>2.1%</b>             |
| <b>Grand Total</b>  | <b>24,949</b>      | <b>100.0%</b>           |

| <b>County</b>               | <b>Respondents</b> | <b>Percentage</b> | <b>County</b> | <b>Respondents</b> | <b>Percentage</b> |
|-----------------------------|--------------------|-------------------|---------------|--------------------|-------------------|
| None Indicated              | 8,340              | 33.4%             | Marathon      | 405                | 1.6%              |
| Adams                       | 54                 | 0.2%              | Marinette     | 105                | 0.4%              |
| Ashland                     | 48                 | 0.2%              | Marquette     | 38                 | 0.2%              |
| Barron                      | 115                | 0.5%              | Menominee     | 2                  | 0.0%              |
| Bayfield                    | 57                 | 0.2%              | Milwaukee     | 2,102              | 8.4%              |
| Brown                       | 687                | 2.8%              | Monroe        | 108                | 0.4%              |
| Buffalo                     | 34                 | 0.1%              | Oconto        | 105                | 0.4%              |
| Burnett                     | 43                 | 0.2%              | Oneida        | 144                | 0.6%              |
| Calumet                     | 133                | 0.5%              | Outagamie     | 443                | 1.8%              |
| Chippewa                    | 209                | 0.8%              | Ozaukee       | 342                | 1.4%              |
| Clark                       | 62                 | 0.2%              | Pepin         | 26                 | 0.1%              |
| Columbia                    | 188                | 0.8%              | Pierce        | 67                 | 0.3%              |
| Crawford                    | 55                 | 0.2%              | Polk          | 93                 | 0.4%              |
| Dane                        | 2,518              | 10.1%             | Portage       | 186                | 0.7%              |
| Dodge                       | 225                | 0.9%              | Price         | 51                 | 0.2%              |
| Door                        | 117                | 0.5%              | Racine        | 422                | 1.7%              |
| Douglas                     | 103                | 0.4%              | Richland      | 64                 | 0.3%              |
| Dunn                        | 119                | 0.5%              | Rock          | 348                | 1.4%              |
| Eau Claire                  | 362                | 1.5%              | Rusk          | 24                 | 0.1%              |
| Florence                    | 10                 | 0.0%              | Saint Croix   | 204                | 0.8%              |
| Fond du Lac                 | 308                | 1.2%              | Sauk          | 190                | 0.8%              |
| Forest                      | 15                 | 0.1%              | Sawyer        | 58                 | 0.2%              |
| Grant                       | 117                | 0.5%              | Shawano       | 83                 | 0.3%              |
| Green                       | 150                | 0.6%              | Sheboygan     | 289                | 1.2%              |
| Green Lake                  | 57                 | 0.2%              | Taylor        | 41                 | 0.2%              |
| Iowa                        | 79                 | 0.3%              | Trempealeau   | 66                 | 0.3%              |
| Iron                        | 23                 | 0.1%              | Vernon        | 73                 | 0.3%              |
| Jackson                     | 46                 | 0.2%              | Vilas         | 86                 | 0.3%              |
| Jefferson                   | 239                | 1.0%              | Walworth      | 246                | 1.0%              |
| Juneau                      | 49                 | 0.2%              | Washburn      | 62                 | 0.2%              |
| Kenosha                     | 284                | 1.1%              | Washington    | 437                | 1.8%              |
| Kewaunee                    | 61                 | 0.2%              | Waukesha      | 1,468              | 5.9%              |
| La Crosse                   | 409                | 1.6%              | Waupaca       | 132                | 0.5%              |
| Lafayette                   | 50                 | 0.2%              | Waushara      | 58                 | 0.2%              |
| Langlade                    | 59                 | 0.2%              | Winnebago     | 436                | 1.7%              |
| Lincoln                     | 66                 | 0.3%              | Wood          | 237                | 0.95%             |
| Manitowoc                   | 217                | 0.9%              |               |                    |                   |
| <b>Counties Represented</b> |                    | <b>72</b>         |               |                    |                   |
| <b>Total Respondents</b>    |                    | <b>24,949</b>     |               |                    |                   |

| <b>Table 3: Respondents by Reason for Agency Contact</b>   |                    |                         |
|--|--------------------|-------------------------|
| <b>Reason for Contact</b>  | <b>Respondents</b> | <b>Percent of Total</b> |
| Obtain or renew an occupational license  | 16,921             | 65.5%                   |
| None of the Above  | 2,880              | 11.1%                   |
| Obtain or renew an occupational license;<br>Register my business   | 1,162              | 4.5%                    |
| Obtain or renew an occupational license; Obtain<br>a permit for a specific activity                          | 611                | 2.4%                    |
| Obtain or renew an occupational license;<br>Register my business; Obtain a permit for a<br>specific activity | 503                | 1.9%                    |
| Other with significant Agency contact  | 462                | 1.8%                    |
| Obtain a permit for a specific activity  | 384                | 1.5%                    |
| Register my business   | 355                | 1.4%                    |
| Obtain or renew an occupational license; Other<br>with significant Agency contact                            | 314                | 1.2%                    |
| I am a member of a Board or Council affiliated<br>with an Agency   | 246                | 1.0%                    |
| I am a Representative of a Trade Association<br>with interests to an Agency                                  | 207                | 0.8%                    |
| Multiple Responses - Other   | 904                | 3.5%                    |
| <b>Grand Total</b>   | <b>24,949</b>      | <b>100.0%</b>           |

| <b>Source of Contact</b>                           | <b>Respondents</b> | <b>Percent of Total</b> |
|--|--------------------|-------------------------|
| License Holders                                    | 23,438             | 93.9%                   |
| Other via Office of Business Development           | 497                | 2.0%                    |
| DSPS Stakeholders                                  | 336                | 1.3%                    |
| Legislature  | 173                | 0.7%                    |
| Boards and Councils                                | 147                | 0.6%                    |
| DOA/Wisconsin Website                              | 128                | 0.5%                    |
| Not Available                                      | 39                 | 0.2%                    |
| Chamber via Office of Business Development         | 33                 | 0.1%                    |
| Bus Development via Office of Business Development | 20                 | 0.1%                    |
| DATCP Lists  | 12                 | 0.0%                    |
| DSPS Lists   | 8                  | 0.0%                    |
| Lt. Governor Lists                                 | 2                  | 0.0%                    |
| Cooperative Network                                | 1                  | 0.0%                    |
| <b>Grand Total</b>                                 | <b>24,949</b>      | <b>100.0%</b>           |

| <b>Table 5: Categorized responses to the question: How many full time people do you employ?</b> |                    | <b>Categorized responses to the question: How many part time people do you employ?</b> |                    |
|---|--------------------|--|--------------------|
| <b>Employees</b>  | <b>Respondents</b> | <b>Employees</b>   | <b>Respondents</b> |
| Zero  | 573                | Zero   | 980                |
| Between 1-10 Employees  | 1,063              | Between 1-10 Employees   | 829                |
| Between 11-50 Employees   | 224                | Between 11-50 Employees  | 91                 |
| Between 51-100 Employees  | 53                 | Between 51-100 Employees   | 10                 |
| Between 101-1000 Employees  | 51                 | Between 100-1000 Employees   | 26                 |
| Over 1001 Employees   | 10                 | Over 1001 Employees  | 2                  |
| <i>Subtotal</i>   | <i>1,974</i>       | <i>Subtotal</i>  | <i>1,938</i>       |
| No response   | 22,975             | No response  | 23,011             |
| <b>Total</b>  | <b>24,949</b>      | <b>Total</b>   | <b>24,949</b>      |

## Survey Responses – Direct Questions about the Potential Merger

The following tables show the responses to questions directly related to a potential merger of the two agencies. These questions were asked of all respondents. Responses to the question "If consolidation results in lower costs to the agency, how would you want the savings used?" did not provide useful data because too many individuals selected the "other" category. Specific responses are available upon request.

| <b>Table 6: Do you believe there should be one agency responsible for all licensing and permitting in Wisconsin?</b> |                    |                   |
|--|--------------------|-------------------|
| <b>Response</b>  | <b>Respondents</b> | <b>Percentage</b> |
| No Response  | 4,247              | 17.0%             |
| Definitely No  | 1,408              | 5.6%              |
| Probably No  | 1,968              | 7.9%              |
| Not Sure   | 2,917              | 11.7%             |
| Probably Yes   | 5,861              | 23.5%             |
| Definitely Yes   | 8,548              | 34.3%             |
| Total Respondents  | 24,949             | 100.0%            |

| <b>Table 7: Do you believe there should be one agency responsible solely for Agriculture and food safety in Wisconsin?</b> |                    |                   |
|--|--------------------|-------------------|
| <b>Response</b>  | <b>Respondents</b> | <b>Percentage</b> |
| No Response  | 4,248              | 17.0%             |
| Definitely No  | 875                | 3.5%              |
| Probably No  | 1,177              | 4.7%              |
| Not Sure   | 4,377              | 17.5%             |
| Probably Yes   | 5,855              | 23.5%             |
| Definitely Yes   | 8,417              | 33.7%             |
| Total Respondents  | 24,949             | 100.0%            |

**Table 8: How do you believe a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would affect the services to you as a license holder?**

| <b>Response</b>          | <b>Respondents</b> | <b>Percentage</b> |
|--------------------------|--------------------|-------------------|
| No Response              | 4,430              | 17.8%             |
| Greatly improve service  | 192                | 0.8%              |
| Improve service somewhat | 760                | 3.0%              |
| Not sure                 | 8,308              | 33.3%             |
| Reduce service somewhat  | 6,270              | 25.1%             |
| Greatly reduce service   | 4,989              | 20.0%             |
| <b>Total Respondents</b> | <b>24,949</b>      | <b>100.0%</b>     |

**Table 9: Do you believe that consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection will result in savings?**

| <b>Response</b>          | <b>Respondents</b> | <b>Percentage</b> |
|--------------------------|--------------------|-------------------|
| No Response              | 4,352              | 17.4%             |
| Definitely No            | 1,401              | 5.6%              |
| Probably No              | 5,319              | 21.3%             |
| Not Sure                 | 6,245              | 25.0%             |
| Probably Yes             | 6,209              | 24.9%             |
| Definitely Yes           | 1,423              | 5.7%              |
| <b>Total Respondents</b> | <b>24,949</b>      | <b>100.0%</b>     |

**Table 10: If no savings were found from a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would you support the general concept of consolidation?**

| <b>Response</b>          | <b>Respondents</b> | <b>Percentage</b> |
|--------------------------|--------------------|-------------------|
| No Response              | 4,375              | 17.5%             |
| Definitely No            | 7,191              | 28.8%             |
| Probably No              | 6,614              | 26.5%             |
| Not Sure                 | 3,532              | 14.2%             |
| Probably Yes             | 2,364              | 9.5%              |
| Definitely Yes           | 873                | 3.5%              |
| <b>Total Respondents</b> | <b>24,949</b>      | <b>0.0%</b>       |

## Performance Evaluation Questions – DATCP

These tables detail the performance evaluations of DATCP. Respondents were only asked these questions if they listed DATCP as an agency with which they do business.

| <b>Table 11: DATCP - How would you rate your overall experience with the agency?</b> |              |             |
|--|--------------|-------------|
| Very Good  | 309          | 19.9%       |
| Good   | 562          | 36.2%       |
| Average  | 436          | 28.1%       |
| Poor   | 53           | 3.4%        |
| Very Poor  | 24           | 1.5%        |
| No opinion/unsure  | 169          | 10.9%       |
| <b>Total</b>   | <b>1,553</b> | <b>100%</b> |
| Not Asked/No Response  |              | 23,396      |

| <b>Table 12: DATCP - How would you rate the licensing process?</b> |              |             |
|--|--------------|-------------|
| Very Good  | 228          | 15.0%       |
| Good   | 510          | 33.6%       |
| Average  | 413          | 27.2%       |
| Poor   | 65           | 4.3%        |
| Very Poor  | 17           | 1.1%        |
| No opinion/unsure  | 285          | 18.8%       |
| <b>Total</b>   | <b>1,518</b> | <b>100%</b> |
| Not Asked/No Response  |              | 23,431      |

| <b>Table 13: DATCP - After submitting your application, what length of time did you wait for your license?</b> |              |             |
|--|--------------|-------------|
| 3 or less business days  | 202          | 16.7%       |
| 4 - 7 business days  | 421          | 34.9%       |
| 8 - 29 business days   | 468          | 38.8%       |
| 30 days or longer  | 115          | 9.5%        |
| <b>Total</b>   | <b>1,206</b> | <b>100%</b> |
| Not Asked/No Response  |              | 23,743      |

**Table 14: DATCP How satisfied are you with the time it takes to receive your license after you apply?**

|                       |              |             |
|-----------------------|--------------|-------------|
| Very satisfied        | 385          | 28.5%       |
| Somewhat satisfied    | 364          | 26.9%       |
| No opinion            | 449          | 33.2%       |
| Somewhat dissatisfied | 100          | 7.4%        |
| Very dissatisfied     | 53           | 3.9%        |
| <b>Total</b>          | <b>1,351</b> | <b>100%</b> |
| Not Asked/No Response | 23,598       |             |

**Table 15: DATCP - How much value do you believe there is relative to fees paid to be a license holder?**

|                       |              |             |
|-----------------------|--------------|-------------|
| Good Value            | 253          | 18.3%       |
| Some Value            | 373          | 26.9%       |
| Not Sure              | 367          | 26.5%       |
| Minimal Value         | 305          | 22.0%       |
| No Value              | 87           | 6.3%        |
| <b>Total</b>          | <b>1,385</b> | <b>100%</b> |
| Not Asked/No Response | 23,564       |             |

**Table 16: DATCP - How frequently, if at all, should you be required to renew your license?**

|                               |              |             |
|-------------------------------|--------------|-------------|
| Renew more frequently         | 13           | 1.0%        |
| Leave as is                   | 805          | 59.7%       |
| Renew less frequently         | 427          | 31.7%       |
| Do not require renewal at all | 104          | 7.7%        |
| <b>Total</b>                  | <b>1,349</b> | <b>100%</b> |
| Not Asked/No Response         | 23,600       |             |

**Table 17: DATCP - What is your opinion of the continuing education requirements, if any, for your license?**

|                             |              |             |
|-----------------------------|--------------|-------------|
| Increase the CE requirement | 75           | 5.5%        |
| Ok as is                    | 710          | 51.6%       |
| No CE is required now       | 184          | 13.4%       |
| No opinion                  | 110          | 8.0%        |
| Reduce the CE requirement   | 161          | 11.7%       |
| Do not require CE           | 93           | 6.8%        |
| Other                       | 43           | 3.1%        |
| <b>Total</b>                | <b>1,376</b> | <b>100%</b> |
| Not Asked/No Response       | 23,573       |             |

## Performance Evaluation Questions – DSPTS

These tables detail the performance evaluations of DSPTS. Respondents were only asked these questions if they listed DSPTS as an agency with which they do business.

| <b>Table 18: DSPTS - How would you rate your overall experience with the agency?</b> |               |             |
|--|---------------|-------------|
| Very Good  | 3,986         | 24.2%       |
| Good   | 6,850         | 41.6%       |
| Average  | 4,047         | 24.6%       |
| Poor   | 626           | 3.8%        |
| Very Poor  | 184           | 1.1%        |
| No opinion/unsure  | 772           | 4.7%        |
| <b>Total</b>   | <b>16,465</b> | <b>100%</b> |
| Not Asked/No Response  |               | 8,484       |

| <b>Table 20: DSPTS - How would you rate the licensing process?</b> |               |             |
|--|---------------|-------------|
| Very Good  | 4,320         | 26.4%       |
| Good   | 6,699         | 40.9%       |
| Average  | 4,007         | 24.5%       |
| Poor   | 783           | 4.8%        |
| Very Poor  | 188           | 1.1%        |
| No opinion/unsure  | 385           | 2.4%        |
| <b>Total</b>   | <b>16,382</b> | <b>100%</b> |
| Not Asked/No Response  |               | 8,567       |

| <b>Table 21: DSPTS - After submitting your application, what length of time did you wait for your license?</b> |               |             |
|--|---------------|-------------|
| 3 or less business days  | 3,557         | 22.8%       |
| 4 - 7 business days  | 4,885         | 31.3%       |
| 8 - 29 business days   | 5,358         | 34.3%       |
| 30 days or longer  | 1,830         | 11.7%       |
| <b>Total</b>   | <b>15,630</b> | <b>100%</b> |
| Not Asked/No Response  |               | 9,319       |

| <b>Table 22: DSPS - How satisfied are you with the time it takes to receive your license after you apply?</b> |               |             |
|---|---------------|-------------|
| Very satisfied  | 6,489         | 40.5%       |
| Somewhat satisfied  | 4,154         | 26.0%       |
| No opinion  | 3,236         | 20.2%       |
| Somewhat dissatisfied   | 1,414         | 8.8%        |
| Very dissatisfied   | 713           | 4.5%        |
| <b>Total</b>  | <b>16,006</b> | <b>100%</b> |
| Not Asked/No Response   |               | 8,943       |

| <b>Table 24: DSPS - How much value do you believe there is relative to fees paid to be a license holder?</b> |               |             |
|--|---------------|-------------|
| Good Value   | 3,790         | 23.3%       |
| Some Value   | 4,502         | 27.7%       |
| Not Sure   | 3,722         | 22.9%       |
| Minimal Value  | 3,516         | 21.6%       |
| No Value   | 726           | 4.5%        |
| <b>Total</b>   | <b>16,256</b> | <b>100%</b> |
| Not Asked/No Response  |               | 8,693       |

| <b>Table 24: DSPS - How frequently, if at all, should you be required to renew your license?</b> |               |             |
|--|---------------|-------------|
| Renew more frequently  | 111           | 0.7%        |
| Leave as is  | 9,981         | 60.9%       |
| Renew less frequently  | 5,548         | 33.9%       |
| Do not require renewal at all  | 737           | 4.5%        |
| <b>Total</b>   | <b>16,377</b> | <b>100%</b> |
| Not Asked/No Response  |               | 8,572       |

| <b>Table 25: DSPS - What is your opinion of the continuing education requirements, if any, for your license?</b> |               |             |
|--|---------------|-------------|
| Increase the CE requirement  | 864           | 5.3%        |
| Ok as is   | 8,844         | 53.9%       |
| No CE is required now  | 2,388         | 14.6%       |
| No opinion   | 588           | 3.6%        |
| Reduce the CE requirement  | 1,780         | 10.9%       |
| Do not require CE  | 1,131         | 6.9%        |
| Other  | 798           | 4.9%        |
| <b>Total</b>   | <b>16,393</b> | <b>100%</b> |
| Not Asked/No Response  |               | 8,556       |

## Survey Questions and Answers as seen by Respondents.

The following are print-screens that were seen by survey respondents when they took the survey. Note that all survey respondents did not answer performance evaluation questions on all agencies.

Page 1

### State Agency Involvement

My primary purpose for contact with an agency is: Select at least 1 and no more than 6.

- Obtain or renew an occupational license
- Register my business
- Obtain a permit for a specific activity
- I am a member of a Board or Council affiliated with an Agency
- I am a Representative of a Trade Association with interests to an Agency
- Other with significant Agency contact
- None of the Above

Page 2

### Background Information

In which county do you reside?

To do business in Wisconsin, I have contact with the following agencies: Select at least 1 and no more than 3.

- Department of Safety and Professional Services (DSPS)
- Department of Agriculture, Trade and Consumer Protection (DATCP)
- Other agencies
- None

Page 3

### Additional Agencies

Select additional agencies Select no more than 5.

- Children and Families, Department of

- Financial Institutions, Department of
- Health Services, Department of
- Insurance, Office of the Commissioner of
- Natural Resources, Department of
- Public Instruction, Department of
- Revenue, Department of
- Workforce Development, Department of
- Not on list, please specify

Enter Department Name

**Page 4**

### Employee Count

In which county is your business located?

How many full time people do you employ?

How many part time people do you employ?

**Page 5**

### Profession or Industry

What best represents your profession or industry sector

- Health Professions
- Business Professions
- Trades Professions
- Manufactured Housing
- Mixed Martial Arts/Boxing

**Page 6**

## Trade Professions

Select category.

- |   |   |                                     |
|---|---|-------------------------------------|
| <input type="checkbox"/> Fire Sprinkler | <input type="checkbox"/> Dwellings, Structures, Sites | <input type="checkbox"/> Mechanical |
| <input type="checkbox"/> Blasting       | <input type="checkbox"/> Conveyance                   | <input type="checkbox"/> Electrical |
| <input type="checkbox"/> Plumbing       | <input type="checkbox"/> Inspection                   |                                     |

Page 7

## Agriculture/Food Industry Professions

Select license

- No license or permit required
- Animal Control Facility (eff. 6/1/2011)
- Animal Dealer License
- Animal Food Processor License
- Animal Import Permit (certain animals)
- Animal Market License
- Animal Shelter (eff. 6/1/2011)
- Animal Transport Vehicle (animal dealers, markets and truckers)
- Animal Trucker License
- Animals Diseased; Permit to Move
- Apiary Inspection Certificate; Interstate Movement
- Bulk Milk Tanker; Grade A Permit
- Bulk Milk Tanker; License to Operate
- Bulk Milk Weigher and Sampler License
- Butter Grader License
- Buttermaker License
- Cattle and Bison; Import Permit
- Cattle/Goats; Johne's Disease Herd Classification
- Cattle; Burcellosis-Free Herd Certification
- Cattle; Johne's Disease Vaccination Approval
- Cattle; Tuberculosis-Free Herd Certificate
- Cheese Grader License
- Cheese Logo (Wisconsin); Permit to Use
- Cheesemaker License

- Christmas Tree Grower License
- Dairy Farm; Grade A Permit
- Dairy Farm; Milk Producer License
- Dairy Plant - Grade A BMT Cleaning Facility
- Dairy Plant License
- Dairy Plant; Grade A Permit
- Dating Service
- Dead Animal Collector License
- Dead Animals; Carcass Dealer Registration
- Dead Animals; Transport Vehicle Permit
- Deer and Elk (Farm-Raised); Brucellosis Free Herd
- Deer and Elk (Farm-Raised); CWD Herd Status Program
- Deer and Elk (Farm-Raised); Herd Registration
- Deer and Elk (Farm-Raised); Hunting Preserve Registration Certificate
- Deer and Elk (Farm-Raised); TB Accredited Free Certification
- Deer and Elk (Farm-Raised); TB Qualified Herd Certification
- Deer and Elk; Import Permit
- Dog Breeder (eff. 6/1/2011)
- Dog Breeding Facility (eff. 6/1/2011)
- Dog Dealer (eff. 6/1/2010)
- Dog Dealer; Out-of-State (eff. 6/1/2011)
- Equine Quarantine Station; Permit
- Feed (Commercial); License to Manufacture or Distribute
- Feedlot (Approved Import Feedlot); Permit
- Fertilizer Product <24% NPK; Permit
- Fertilizer; License to Manufacture or Distribute
- Fish Farm Registration
- Fish Import Permit
- Fitness Center
- Food Marketing Permit (temporary permit for non-conforming label)
- Food or Farm Product Grader; License
- Food Processing Plant License (Wholesale)
- Food Retail Inspection; Agent County or Municipality
- Food Retail License
- Food Warehouse License

- Fur Farm
- Future Service Plan (Buyers Club)
- Ginseng Grower and Dealer Registration
- Goats; Burcellosis-Free Herd Certificate
- Goats; Tuberculosis-Free Herd Certificate
- Grain Dealer License
- Grain Warehouse Keeper License
- Grease Processor License
- Honey Producer - Certified
- Humane Officer Certification
- Industry Bulk Milk Truck / Tanker Inspector - Appointed
- Laboratory Analyst Certification (Dairy, Food and Water Labs)
- Laboratory Certification (Dairy, Food and Water Labs)
- Laboratory; Milk Screening Test Approval
- Landspreading Permit; Soils Containing Spilled Agrichemicals
- Liming Materials; Approval to Sell by Volume
- Liming Materials; License to Sell
- Livestock Premises Registration
- Livestock; Brand Registration
- Livestock; Permit to Move from Slaughter
- Maple Sap Processor Registration
- Meat Broker or Distributor Registration
- Meat Establishment License
- Meat; Mobile Slaughter or Processing; Registration Certificate
- Milk and Cream Tester License
- Milk Contractor License
- Milk Distributor License
- Mobile Air Conditioners; repair or Service Business; Registration
- Mobile Air Conditioners; Technician Registration
- Nursery Dealer License
- Nursery Grower License
- Pasteurizer Operator -- not a license or permit
- Pesticide Applicator Certification; Commercial
- Pesticide Applicator Certification; Private
- Pesticide Commercial Application Business License

- Pesticide Commercial Applicator (Individual) License
- Pesticide Dealer-Distributor License
- Pesticide Emergency Use Permit
- Pesticide Experimental Use Permit
- Pesticide Manufacturer & Labeler License
- Pesticide Special Local Need Registration
- Pesticide Special Use Permit
- Plant Health (Phyto Sanitary) Certificate
- Plant Pest (or Biological Control Agent); Permit to Move or Release
- Poultry; Certified Pullorum Tester (National Poultry Improvement Plan)
- Poultry; Disease-Free Flock Certification (National Poultry Improvement Plan)
- Poultry; Wisconsin Associate Flock Certification
- Poultry; Wisconsin Tested Flock Certification
- Public Warehouse Keeper License
- Renderer License
- Seed Labeler License
- Sheep; Brucella Ovis-Free Certificate
- Soil and Plant Additive; License to Sell
- Soil and Plant Additive; Product Permit
- Swine; Brucellosis-Free Herd Certificate
- Swine; Pseudorabies - Monitored Herd Certification
- Swine; Pseudorabies Qualified Negative Grow-Out Herd Certification
- Swine; Pseudorabies Vaccination Permit
- Swine; Pseudorabies Qualified Negative Herd Certification
- Telephone Solicitors Registration (Wisconsin "No Call" Program)
- Time-Share Seller; Security Requirement
- Vegetable Contractor License
- Veterinarian; Certification to Perform Official Disease Control Functions
- Weather Modification License
- Weather Modification Project Permit
- Weight Reduction Center; Security Requirement
- Weights and Measures; Liquid Fuel Vehicle Tank Meter License
- Weights and Measures; LP Gas Meter License
- Weights and Measures; Service Company License
- Weights and Measures; Service Technician Registration

- Weights and Measures; Vehicle or Livestock Scale Permit
- Weights and Measures; Vehicle Scale Operator License

## **Boxing and Mixed Martial Arts**

Select license

- Boxing Contestant
- Boxing or Mixed Martial Arts Judge
- Boxing or Mixed Martial Arts Promoter
- Boxing or Mixed Martial Arts Referee
- Boxing or Mixed Martial Arts Ringside Physician
- Boxing or Mixed Martial Arts Timekeeper
- Mixed Martial Arts Contestant

## **Business Professions**

Select license

- Accountant, Certified Public
- Accounting Corporation or Establishment
- Aesthetician
- Aesthetics Establishment
- Aesthetics Instructor
- Aesthetics School
- Appraiser, Certified General
- Appraiser, Certified Residential
- Appraiser, Licensed
- Architect
- Athlete Agent
- Auction Company
- Auctioneer
- Barber
- Barbering Apprentice

- Barbering Establishment
- Barbering Instructor
- Barbering Manager
- Barbering School
- Cemetery Authority (Licensed)
- Cemetery Authority (Registered)
- Cemetery Preneed Seller
- Cemetery Salesperson
- Certificate of Authorization: Architectural, Engineering or Designer of Engineering Systems Corp.
- Certificate of Authorization: Geology, Hydrology or Soil Science Corp.
- Certified General Appraiser
- Certified Public Accountant
- Certified Residential Appraiser
- Charitable Organizations
- Cosmetology Apprentice
- Cosmetology Establishment
- Cosmetology Instructor
- Cosmetology Manager
- Cosmetology Practitioner
- Cosmetology School
- Crematory Authority
- Designer of Engineering Systems
- Electrologist
- Electrology Establishment
- Electrology Instructor
- Electrology School
- Engineer, Professional
- Firearms Certifier
- Firearms Permit
- Fund-Raising Counsel
- Funeral Director
- Funeral Establishment
- Geologist
- Home Inspector
- Hydrologist

- Interior Designer
- Juvenile Martial Arts Instructor
- Land Surveyor
- Landscape Architect
- Licensed Appraiser
- Manicuring Establishment
- Manicuring Instructor
- Manicuring School
- Manicurist
- Nursing Home Administrator
- Peddler
- Private Detective
- Private Detective/Security Guard Agency
- Private Security Permit
- Professional Employer Group
- Professional Employer Organization
- Professional Engineer
- Professional Fund Raiser
- Real Estate Broker
- Real Estate Business Entity
- Real Estate Salesperson
- Real Estate Salesperson Apprentice
- Soil Scientist
- Timeshare Salesperson
- Warehouse for Cemetery Merchandise

## **Health Professions**

Select license

- Acupuncturist
- Advanced Practice Nurse Prescriber
- Anesthesiologist Assistant
- Art Therapist
- Athletic Trainer

- Audiologist
- Behavior Analyst
- Chiropractic Radiological Technician
- Chiropractic Technician
- Chiropractor
- Clinical Substance Abuse Counselor
- Clinical Supervisor In Training
- Controlled Substances Special Use Authorization
- Dance Therapist
- Dental Hygienist
- Dentist
- Dietitian
- Drug or Device Manufacturer
- Hearing Instrument Specialist
- Independent Clinical Supervisor
- Intermediate Clinical Supervisor
- Licensed Midwives
- Licensed Practical Nurse
- Licensed Radiographer
- Limited X-Ray Machine Operator Permit
- Marriage and Family Therapist
- Massage Therapist or Bodywork Therapist
- Music Therapist
- Nurse - Midwife
- Occupational Therapist
- Occupational Therapy Assistant
- Optometrist
- Perfusionist
- Pharmacist
- Pharmacy (In State)
- Pharmacy (Out of State)
- Physical Therapist
- Physical Therapist Assistant
- Physician Assistant
- Physician

- Podiatrist
- Prevention Specialist
- Prevention Specialist in Training
- Private Pract. School Psychologist
- Professional Counselor
- Psychologist
- Registered Nurse
- Registered Sanitarian
- Respiratory Care Practitioner
- Sign Language Interpreter
- Sign Language Interpreter (Restricted)
- Social Worker
- Social Worker - Advanced Practice
- Social Worker - Independent
- Social Worker - Licensed Clinical
- Social Worker - Training Certificate
- Speech-Language Pathologist
- Substance Abuse Counselor
- Substance Abuse Counselor in Training
- Veterinarian
- Veterinary Technician
- Wholesale Distributor of Prescription Drugs

## **Manufactured Homes**

Select license

- Manufactured Home Dealer
- Manufactured Home Installer
- Manufactured Home Manufacturer
- Manufactured Home Salesperson
- Manufactured Home Title
- Manufactured Home Community

### Trades Professions - Fire Sprinkler

Select license

- Automatic Fire Sprinkler Contractor
- Automatic Fire Sprinkler Contractor – Maintenance
- Automatic Fire Sprinkler Fitter – Maintenance
- Automatic Fire Sprinkler System Apprentice
- Automatic Fire Sprinkler System Tester
- Automatic Fire Sprinkler System Tester Learner
- Journeyman Automatic Fire Sprinkler Fitter

### Trades Professions - Blasting and Fireworks

Select license

- Blaster Class 1
- Blaster Class 2
- Blaster Class 3
- Blaster Class 4
- Blaster Class 5
- Blaster Class 6
- Blaster Class 7
- Fireworks Manufacturer

### Trades Professions - Conveyances

Select license

- Elevator Apprentice
- Elevator Apprentice – Restricted
- Elevator Contractor
- Elevator Helper
- Elevator Mechanic
- Elevator Mechanic – Restricted

- Lift Apprentice
- Lift Helper
- Lift Mechanic

### Trades Professions - Dwellings, Structures and Sites

Select license

- Dwelling Contractor
- Dwelling Contractor – Restricted
- Dwelling Contractor Qualifier
- Manufactured Home Installer
- Manufactured Home Manufacturer
- Manufactured Home Salesperson
- Soil Tester
- Weld Test Conductor
- Welder

### Trades Professions - Electrical

Select license

- Beginner Electrician
- Electrical Apprentice
- Electrical Contractor
- Industrial Electrical Apprentice
- Industrial Journeyman Electrician License
- Journeyman Electrician
- Master Electrician
- Residential Electrical Apprentice
- Residential Journeyman Electrician License
- Residential Master Electrician License

### Trades Professions - Inspection

Select license

- Boiler/Pressure Vessel Inspector
- Commercial Building Inspector
- Commercial Electrical Inspector
- Commercial Plumbing Inspector
- Elevator Inspector
- POWTS Inspector
- Rental Weatherization Inspector
- Soil Erosion Inspector
- Tank System Inspector
- UDC Construction Inspector
- UDC Electrical Inspector
- UDC HVAC Inspector
- UDC Inspection Agency
- UDC Plumbing Inspector

### Trades Professions - Mechanical

Select license

- HVAC Contractor
- HVAC Qualifier
- Liquefied Gas Supplier
- Liquefied Gas Supplier – Restricted
- Refrigerant Handling Technician

### Trades Professions - Plumbing

Select license

- Cross Connection Control Tester
- Journeyman Plumber

- Journeyman Plumber Restricted Appliance
- Journeyman Plumber Restricted Service
- Master Plumber
- Master Plumber Restricted Appliance
- Master Plumber Restricted Service
- Pipelayer
- Plumbing Apprentice
- Plumbing Learner Restricted Appliance
- Plumbing Learner Restricted Service
- POWTS Maintainer
- Utility Contractor

**The following questions were asked about each of the following agencies:**  
**Department of Agriculture, Trade and Consumer Protection**  
**Department of Safety and Professional Services**  
**Department of Children and Families**  
**Department of Financial Institutions**  
**Department of Health Services**  
**Office of the Commissioner of Insurance**  
**Department of Natural Resources**  
**Department of Revenue**  
**Department of Workforce Development**  
**Other Agencies**

**Respondents were only asked these questions about an agency if they identified the agency as one they interacted with to do business.**

**Answer only those questions that apply to you**

How would you rate your overall experience with the agency?

- Very Poor
- Poor
- Average
- Good
- Very Good
- No opinion/unsure

How would you rate the licensing process?

- Very Poor
- Poor
- Average
- Good
- Very Good

No opinion/unsure

After submitting your application, what length of time did you wait for your license? Select no more than 1.

- 3 or less business days
- 4 - 7 business days
- 8 - 29 business days
- 30 days or longer

How satisfied are you with the time it takes to receive your license after you apply?

- Very dissatisfied
- Somewhat dissatisfied
- No opinion
- Somewhat satisfied
- Very satisfied

As a license holder, how do you stay up-to-date on changes in state law as it relates to your industry? Select no more than 1.

- Membership Association
- State Agency
- None of the above
- Other, please specify

How much value do you believe there is relative to fees paid to be a license holder?

- Good Value
- Some Value
- Not Sure
- Minimal Value
- No Value

How frequently, if at all, should you be required to renew your license? Select no more than 1.

- Leave as is
- Renew more frequently
- Renew less frequently
- Do not require renewal at all

What is your opinion of the continuing education (CE) requirements, if any, for your license? Select no more than 1.

- No CE is required now
- Ok as is
- Reduce the CE requirement

- Increase the CE requirement
- Do not require CE
- Additional comments on CE
- No opinion

Enter additional comments:

**Page 21**

How would you improve your experience

**Page 22**

How would you improve your experience with the licensing process

**Page 53**

**Consolidation Input – All respondents were asked these questions**

Do you believe there should be one agency responsible solely for Agriculture and food safety in Wisconsin? Select at least 1 and no more than 1.

- Definitely Yes
- Probably Yes
- Not Sure
- Probably No
- Definitely No

Do you believe there should be one agency responsible for all licensing and permitting in Wisconsin? Select at least 1 and no more than 1.

- Definitely Yes
- Probably Yes
- Not Sure
- Probably No
- Definitely No

If Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection were consolidated how do you think the focus of the new agency might change the current functions such as agriculture, food safety, consumer protection, building plan review and professional licensing?

- Reduce focus
- Stay the same
- Increase focus
- Unsure

How do you believe a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would affect the services to you as a license holder?

- Greatly reduce service
- Reduce service somewhat
- Not sure
- Improve service somewhat
- Greatly improve service

Do you believe that consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection will result in savings?

- Definitely Yes
- Probably Yes
- Not Sure
- Probably No
- Definitely No

If consolidation results in lower costs to the agency, how would you want the savings used?

- Return savings to taxpayers
- Use savings to reduce license fees
- Invest savings to provide better service

Other, please specify

If no savings were found from a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would you support the general concept of consolidation?

- Definitely Yes
- Probably Yes
- Not Sure
- Probably No
- Definitely No

Please use the space below to provide additional comments



## Survey Distribution - Stakeholder Groups Contacted with Electronic Survey

The following is a list of the stakeholder groups contacted and asked to distribute via email to their membership by DATCP

| Number | Organization  |
|--------|---|
| 1.     | 211 (Badger Bay Management Co.)                       |
| 2.     | ABS Global, Inc.                                      |
| 3.     | AgrAbility of Wisconsin                               |
| 4.     | Alta Genetics   |
| 5.     | Babcock Institute                                     |
| 6.     | Bioforward  |
| 7.     | Bull Studs Emergency Management, Accelerated Genetics |
| 8.     | Capitol Consultants, Inc.                             |
| 9.     | Capitol Strategies                                    |
| 10.    | Center for Dairy Profitability                        |
| 11.    | Center for Integrated Agricultural Systems (CIAS)     |
| 12.    | Chippewa County Economic Development Corporation      |
| 13.    | Concerned Auto Recyclers of WI                        |
| 14.    | Cooperative Network Association                       |
| 15.    | Dairy Business Assn                                   |
| 16.    | Dane County Farmers Market                            |
| 17.    | Daybreak Foods  |
| 18.    | Department of Health                                  |
| 19.    | Department of Natural Resources                       |
| 20.    | Department of Public Instruction                      |
| 21.    | DeWitt, Ross & Stevens                                |
| 22.    | Discover Mediaworks                                   |
| 23.    | Easter Seals Wisconsin                                |
| 24.    | Equity Cooperative Livestock Sales Association        |
| 25.    | ExxonMobil Refining and Supply Company                |
| 26.    | FairShare CSA Coalition                               |
| 27.    | Farley Center for Peace, Justice & Sustainability     |
| 28.    | Focus on energy                                       |
| 29.    | Fondy food Center                                     |
| 30.    | Food and Beverage Milwaukee                           |
| 31.    | Food Export Association of the Midwest                |
| 32.    | Genex   |
| 33.    | Ginseng Board of Wisconsin                            |
| 34.    | GLCI Steering Committee/NRCS                          |
| 35.    | Gold'n Plump Poultry                                  |

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| 36. | Gorst Valley Hops  |
| 37. | GrassWorks   |
| 38. | Great Lakes Farm to School Network                           |
| 39. | Green County Beef Producers                                  |
| 40. | Growing Power  |
| 41. | Growmark   |
| 42. | Health First Wisconsin                                       |
| 43. | Hmong Wisconsin Chamber of Commerce                          |
| 44. | Indianhead Food Service Distribution                         |
| 45. | Indianhead Polled Hereford Association                       |
| 46. | Indianhead Sheep Breeders Association                        |
| 47. | International Society of Weighing and Measuring              |
| 48. | Jennie-O Turkey Store, Inc.                                  |
| 49. | Kettle Moraine Mink Breeders                                 |
| 50. | MacFarlane Pheasants, Inc.                                   |
| 51. | Madison Area Community Supported Agriculture                 |
| 52. | Madison International Trade Association                      |
| 53. | Madison Region Economic Development Partnership              |
| 54. | Marathon Petroleum   |
| 55. | Master Meat Crafter Program                                  |
| 56. | McKay Nursery  |
| 57. | Michael Best & Friedrich LLP                                 |
| 58. | Michael Fields Agriculture Institute                         |
| 59. | Midwest Food Processors Association                          |
| 60. | Midwest Grocers Association                                  |
| 61. | Midwest Organic and Sustainable Education Service            |
| 62. | Midwest Organic Services Association                         |
| 63. | Midwest Pickle Association                                   |
| 64. | Midwest Pinzgauer Association                                |
| 65. | Milwaukee International Trade Association                    |
| 66. | New North, Inc.  |
| 67. | NFO - Wisconsin  |
| 68. | Organic Advisory Council                                     |
| 69. | Organic Valley   |
| 70. | Professional Dairy Producers of WI                           |
| 71. | REAP Food Group  |
| 72. | Reindeer Owners & Breeders Association (R.O.B.A.)            |
| 73. | SE Wisconsin Farm and Food Network                           |
| 74. | Sexing Technologies Inc.                                     |
| 75. | Small Business Development Center - Milwaukee                |
| 76. | Southwest Badger Resource Conservation & Development Council |

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| 77.  | Spring Rose Growers Cooperative                                |
| 78.  | Syngenta   |
| 79.  | The Welch Group  |
| 80.  | Transform WI   |
| 81.  | U.S. Commercial Service Midwest                                |
| 82.  | U.S. Small Business Administration-Madison                     |
| 83.  | USDA Rural Development   |
| 84.  | UW Cooperative Extension                                       |
| 85.  | UW Extension   |
| 86.  | UW Extension – Emergency Management                            |
| 87.  | UW Madison - CALS  |
| 88.  | UW Madison - Center for Integrated Agricultural Systems        |
| 89.  | UW Madison -West Madison Ag. Research Station                  |
| 90.  | UW River Falls   |
| 91.  | UW Superior  |
| 92.  | UW-Madison Animal Science Dept.                                |
| 93.  | UW-Madison Food Science  |
| 94.  | UW-River Falls Animal Science Dept.                            |
| 95.  | WAGA, WATA, WBGA, WFGV   |
| 96.  | Whitetails of Wisconsin (W.O.W.)                               |
| 97.  | WI/MN Petroleum Council  |
| 98.  | Wisconsin Agribusiness Council                                 |
| 99.  | Wisconsin Agricultural Tourism Association                     |
| 100. | Wisconsin Agri-Service Assoc.                                  |
| 101. | Wisconsin AgroSecurity Resource Network                        |
| 102. | Wisconsin Airport Management Association                       |
| 103. | Wisconsin Angus Association                                    |
| 104. | Wisconsin Apple Growers Association                            |
| 105. | Wisconsin Aquaculture Association, Inc.                        |
| 106. | Wisconsin Association of Fairs                                 |
| 107. | Wisconsin Association of FFA                                   |
| 108. | Wisconsin Association of Meat Processors                       |
| 109. | Wisconsin Association of Professional Agricultural Consultants |
| 110. | Wisconsin Automobile & Truck Dealers Association Inc.          |
| 111. | Wisconsin Automotive Aftermarket Association                   |
| 112. | Wisconsin Bakers Association Inc.                              |
| 113. | Wisconsin Beef Council   |
| 114. | Wisconsin Berry Growers Association                            |
| 115. | Wisconsin Cattlemen’s Assn                                     |
| 116. | Wisconsin Cattlemen's Association                              |
| 117. | Wisconsin Center for Dairy Research                            |

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| 118. | Wisconsin Cheese Makers Assn                         |
| 119. | Wisconsin Cherry Board                               |
| 120. | Wisconsin Cherry Growers Inc.                        |
| 121. | Wisconsin Christmas Tree Producers Association       |
| 122. | Wisconsin Commercial Deer & Elk Farmers Association  |
| 123. | Wisconsin Commercial Flower Growers Association      |
| 124. | Wisconsin Corn Growers Assn                          |
| 125. | Wisconsin Corn Promotion Board                       |
| 126. | Wisconsin Cranberry Board                            |
| 127. | Wisconsin Cranberry Growers Association              |
| 128. | Wisconsin Dairy Artisan Network                      |
| 129. | Wisconsin Dairy Products Association                 |
| 130. | Wisconsin Economic Development Corporation           |
| 131. | Wisconsin Emu Association                            |
| 132. | Wisconsin Farm Bureau Federation                     |
| 133. | Wisconsin Farm Service Agency                        |
| 134. | Wisconsin Farmers Union                              |
| 135. | Wisconsin Fire Chief's Association                   |
| 136. | Wisconsin Fire Inspectors Association                |
| 137. | Wisconsin Food Hub Cooperative                       |
| 138. | Wisconsin Foodie                                     |
| 139. | Wisconsin Fresh Market Vegetable Growers Association |
| 140. | Wisconsin Grape Growers Association                  |
| 141. | Wisconsin Grass-fed Beef Cooperative                 |
| 142. | Wisconsin Green Industry Federation                  |
| 143. | Wisconsin Grocers Association                        |
| 144. | Wisconsin Hereford Association                       |
| 145. | Wisconsin Holstein Association                       |
| 146. | Wisconsin Honey Producers Association                |
| 147. | Wisconsin Horse Council                              |
| 148. | Wisconsin Innovation Kitchen                         |
| 149. | Wisconsin Insurance Alliance                         |
| 150. | Wisconsin Jersey Breeders Association                |
| 151. | Wisconsin Jewelers Association                       |
| 152. | Wisconsin Livestock and Meat Council                 |
| 153. | Wisconsin Livestock Breeders Association             |
| 154. | Wisconsin Local Food Network                         |
| 155. | Wisconsin Manufacturing Extension Partnership        |
| 156. | Wisconsin Maple Syrup Producers Association          |
| 157. | Wisconsin Marina Association                         |
| 158. | Wisconsin Milk Marketing Board, Inc.                 |

|      |   |
|------|---|
| 159. | Wisconsin Mint Board  |
| 160. | Wisconsin Nursery Growers Association                           |
| 161. | Wisconsin Obesity Prevention Network                            |
| 162. | Wisconsin Office of Rural Health                                |
| 163. | Wisconsin Paper Council   |
| 164. | Wisconsin Petroleum Council (WPC)                               |
| 165. | Wisconsin Petroleum Equipment Association                       |
| 166. | Wisconsin Petroleum Equipment Contractors Association (WisPEC)  |
| 167. | Wisconsin Petroleum Marketers and Convenience Store Association |
| 168. | Wisconsin Pork Association                                      |
| 169. | Wisconsin Potato and Vegetable Growers Association              |
| 170. | Wisconsin Potato Board  |
| 171. | Wisconsin Potato Industry Board                                 |
| 172. | Wisconsin Poultry & Egg Improvement Assn                        |
| 173. | Wisconsin Propane Gas Association                               |
| 174. | Wisconsin Red and White Cattle Association                      |
| 175. | Wisconsin Restaurant Association                                |
| 176. | Wisconsin Rural Partners  |
| 177. | Wisconsin Rural Women's Initiative                              |
| 178. | Wisconsin Self-Service Laundry Association                      |
| 179. | Wisconsin Sheep Breeders Cooperative                            |
| 180. | Wisconsin Sheep Dairy Cooperative                               |
| 181. | Wisconsin Shorthorn Association                                 |
| 182. | Wisconsin Show Pig Association                                  |
| 183. | Wisconsin Simmental Association                                 |
| 184. | Wisconsin Sod Producers Association                             |
| 185. | Wisconsin Soybean Association                                   |
| 186. | Wisconsin Soybean Board   |
| 187. | Wisconsin Specialty Cheese Institute                            |
| 187. | Wisconsin Specialty Cheese Institute                            |
| 188. | Wisconsin State Cranberry Growers Association                   |
| 189. | Wisconsin Transportation Builders Association                   |
| 190. | Wisconsin Utilities Association                                 |
| 191. | Wisconsin Veterinary Medical Assoc.                             |
| 192. | Wisconsin Veterinary Medical Association                        |
| 193. | Wisconsin Winery Association                                    |
| 194. | World Beef Expo   |
| 195. | World Trade Center Wisconsin                                    |
| 196. | WTCS Ag Education   |

## DSPS Groups

The following is a list of the stakeholder groups contacted and asked to distribute via email to their membership by DSPS.

| Number | Organization   |
|--------|--|
| 1.     | American Massage Therapy Association, WI Chapter             |
| 2.     | Chiropractic Society of Wisconsin                            |
| 3.     | Funeral Service and Cremation Alliance of Wisconsin          |
| 4.     | International Union of Operating Engineers Local #139        |
| 5.     | Iron Workers District Council of the North Central States    |
| 6.     | Lake State Lumber Association                                |
| 7.     | Leading Age Wisconsin  |
| 8.     | League of Wisconsin Municipalities                           |
| 9.     | Madison Area Builders Association                            |
| 10.    | Mechanical Contractors Association of Wisconsin              |
| 11.    | Medical College of Wisconsin                                 |
| 12.    | Mental Health America of Wisconsin                           |
| 13.    | Miron Construction   |
| 14.    | National Association of Chain Drug Stores                    |
| 15.    | National Association of Social Workers – WI Chapter          |
| 16.    | National Electrical Manufacturers Association                |
| 17.    | Novartis Pharmaceuticals Corporation                         |
| 18.    | Otsuka America Pharmaceutical, Inc.                          |
| 19.    | Pharmaceutical Research and Manufacturers of America (PhRMA) |
| 20.    | Pharmacy Society of Wisconsin                                |
| 21.    | Reckitt Benckiser Pharmaceuticals Inc                        |
| 22.    | Southeast Dental Associates                                  |
| 23.    | Sunovion Pharmaceuticals, Inc                                |
| 24.    | Takeda Pharmaceuticals America                               |
| 25.    | VJS Construction Services                                    |
| 26.    | Wal-Mart   |
| 27.    | Wisconsin Academy of Ophthalmology                           |
| 28.    | Wisconsin Academy of Physician Assistants                    |
| 29.    | Wisconsin Alliance of Hearing Professionals                  |
| 30.    | Wisconsin Amusement and Music Operators                      |
| 31.    | Wisconsin Association for Marriage and Family Therapy        |
| 32.    | Wisconsin Association of Nurse Anesthetists                  |
| 33.    | Wisconsin Association of School Nurses                       |
| 34.    | Wisconsin Athletic Trainers Association, Inc.                |
| 35.    | Wisconsin Builders Association                               |

|     |   |
|-----|---|
| 36. | Wisconsin Business Alliance   |
| 37. | Wisconsin Chapter of the American Academy of Pediatrics                 |
| 38. | Wisconsin Chapter of the American College of Emergency Physicians, Inc. |
| 39. | Wisconsin Chiropractic Association                                      |
| 40. | Wisconsin Dental Association  |
| 41. | Wisconsin Dental Hygienists Association                                 |

# 2014

State of Wisconsin,  
Department of  
Administration

Tyler Byrnes  
Nancy Mistele  
Joe Knilans

## **STUDY ON CONSOLIDATION OF THE DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION WITH THE DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES**

Study presented to the Legislature to meet requirements of 2013 Wisconsin Act 20, Section 9101(3s).

## **Table of Contents**

|   |    |
|---|----|
| Executive Summary .....   | 2  |
| Part I: Background Information .....  | 4  |
| Part II: Public Involvement, Stakeholder Outreach and Agency Consultation ..... | 13 |
| Part III: Fiscal Impact and Operational Issues of a Merger .....                | 23 |
| Part IV: Conclusions and Recommendations .....                                  | 26 |

## **List of Appendices**

|   |    |
|---|----|
| Appendix 1: Statutory Charge .....  | 31 |
| Appendix 2: Copy of Outreach Email .....  | 32 |
| Appendix 3: Copy of Survey Tool .....   | 33 |
| Appendix 4: Demographics of Survey Respondents .....  | 50 |
| Appendix 5: Complete Survey Responses – DATCP and DSPS .....  | 55 |
| Appendix 6: List of Stakeholder Groups Contacted .....  | 61 |
| Appendix 7: Letter from representatives of farm, cooperative, commodity and agri-business organizations ..... | 67 |
| Appendix 8: Letter from Wisconsin Veterinary Medical Association Representatives .....                        | 71 |
| Appendix 9: Letter from Professional Association of Wisconsin Licensed Investigators .....                    | 73 |

## Executive Summary

The Department of Administration has prepared a report on the potential consolidation of the Department of Agriculture, Trade and Consumer Protection with the Department of Safety and Professional Services, in response to requirements of 2013 Wisconsin Act 20, Section 9101(3s). The 2013-15 biennial budget required the Department of Administration to conduct a study to determine the appropriateness of combining the functions currently performed by the Department of Agriculture, Trade and Consumer Protection with services provided by the Department of Safety and Professional Services. The legislation required the study to consult with the impacted agencies, the boards and councils attached to or under those agencies, and members of the public who may be affected by the consolidation of the two agencies

## Outreach

- The study was completed in consultation with affected customers via an electronic survey, with more than 24,000 responses. See the Survey Methodology and Results document for complete results and methodology, as well as Appendices 3, 4 and 5 for survey questions, results and demographics.
- Impacted agencies were consulted directly via meetings with agency leadership and administrative staff.
- Stakeholder group representatives were engaged via direct meetings and direct contacts in the form of letters sent to leadership at the Department of Administration.

## Conclusions and Recommendations

- **Do Not Consolidate Agencies:** Due to limited overlap between agency customers, customer sentiment against a merger, potential administrative difficulties presented by the potential merger and limited potential for savings, the agencies should not be merged. A merger could risk losing the generally high performance ratings of both agencies, most notably the 65.8 percent of respondents that rated their interactions with the Department of Safety and Professional Services as "Good" or "Very Good".
- **Move the Veterinary Examining Board to the Department of Agriculture, Trade and Consumer Protection:** Due to the historical relationship between the Veterinary Board and the department, as well as the close relationship with the veterinary profession, the Veterinary Examining Board should be transferred.
- **Improve Board Staffing and Examine Board Powers:** In response to feedback from impacted stakeholder groups, the study recommends improvements to board staffing, training and document management. The Department of Safety and Professional Services began making changes to improve these areas in 2012, which may have not yet been reflected in stakeholder sentiment. Additionally, the study recommends that the powers and duties of existing examining and advisory boards should be examined, to standardize board

practices, meeting schedules, actions on potential licenses and other issues. The study also recommends an examination of the overall practice of state licensure of professions.

- **Licensing Fees Charged by the Department of Safety and Professional Services should be Reexamined:** Most fees charged by the department are set administratively via a fee study, reviewed by the Joint Committee on Finance. These fees should be reexamined through the existing fee study process, with current budget assumptions.
- **Continue Agency Improvements on Document Management, Electronic Licensure and Electronic Communications:** The two departments have projects underway to improve document management, electronic licensing and customer communications. These projects should be continued, in close consultation with each other, other state agencies and the private sector.
- **The Department of Safety and Professional Services is a vital Point of Contact between the state and the public:** Over 380,000 individuals are licensed by the department in order to work in their chosen professions. Additionally, the department reviews the plans of most commercial buildings constructed in the state. This makes the agency one of the primary points of contact for state citizens. Efforts should be made to improve the customer service experience with the agency through additional LEAN Government/Six Sigma initiatives.

## **Part I: Background Information**

### **Department of Safety and Professional Services**

The Department of Safety and Professional Services (DSPS) serves as the state's primary entity for licensure of professionals, with over 388,000 active credential holders. Licenses issued by the agency are generally issued to individual professionals in a specific occupation. Professions are either regulated and licensed through an examining board or directly by the department, depending on the applicable governing statute for a specific license. In addition to the examining boards, there are also a large number of advisory boards attached to the agency. Advisory boards have less authority over the licensing requirements and regulation of various professions. These boards must be consulted when changes to regulations are made, but do not have final authority over changes.

The agency is also responsible for ensuring competent practice of licensed professionals, the safety of the construction and use of public and private buildings, and compliance with professional and industry standards.

#### *Division of Policy Development*

The Division of Policy Development provides administrative support and policy guidance to the professional boards by facilitating board meetings and serving as a liaison between the boards and the department. The division manages the administrative rule promulgation process for both professions regulated by examining boards and professions directly regulated by the agency. In addition, the division is responsible for managing continuing education and examination requirements for regulated professions.

#### *Division of Legal Services and Compliance*

The Division of Legal Services and Compliance provides legal services to professional boards regarding the investigation and discipline of licensed credential holders for violations of professional regulations. The division is also responsible for the complaint intake process, compliance monitoring, and a confidential program for impaired professionals. In addition, the division conducts business compliance inspections and financial audits.

#### *Division of Industry Services*

Within the Division of Industry Services, the Bureau of Field Services provides services related to the inspections, construction and operation of buildings, along with ensuring compliance with health and safety codes. The Bureau of Technical Services provides services such as plan review, consultation and product evaluation. The Bureau of Administrative Services provides administrative support to the division.

#### *Division of Management Services*

The Division of Management Services provides administrative services to the Office of the Secretary and all other divisions within the department. These services include human resources, payroll, planning, budget, accounting and information technology.

### *Division of Professional Credential Processing*

The Division of Professional Credential Processing is responsible for all credential application processing, including determination of credential eligibility and credential renewal.

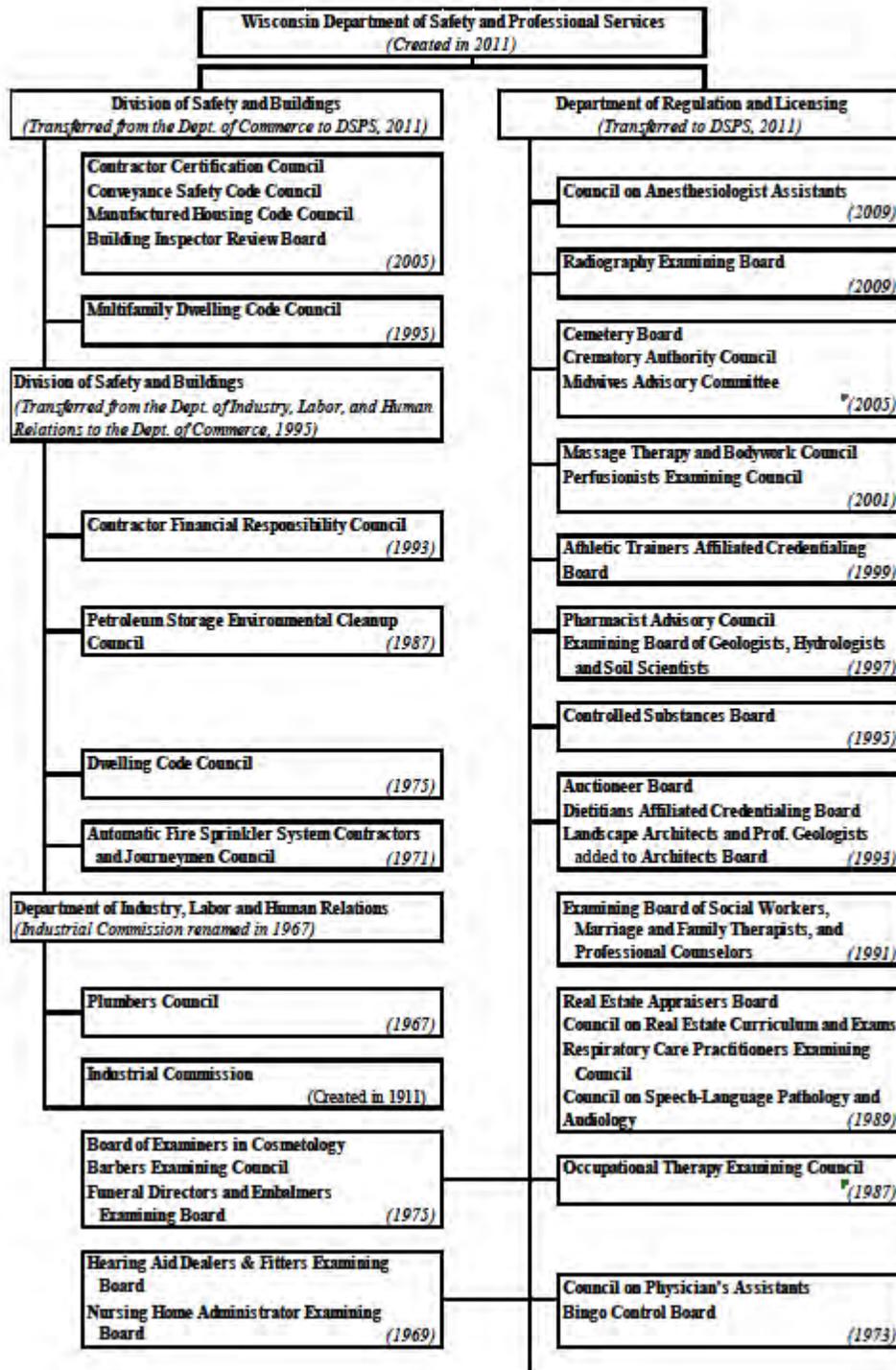
#### ***Agency History***

Occupational licensing had previously been the responsibility of the Department of Regulation and Licensing (DRL), which is now DSPS. DSPS was created by combining several existing regulatory boards and commissions under one agency as a part of the broad reorganization of state government in the mid-1960s. Prior to the creation of DRL, professional occupations were regulated by independent examining boards that had the authority to regulate the professions, grant credentials and collect fees. Each of these independent boards had a separate budget and directly employed staff. The first such board was the Pharmacy Examining Board, created in 1882 with 16 additional independent examining boards or councils created through 1965. DRL existed, with additional responsibilities added over time, until 2011.

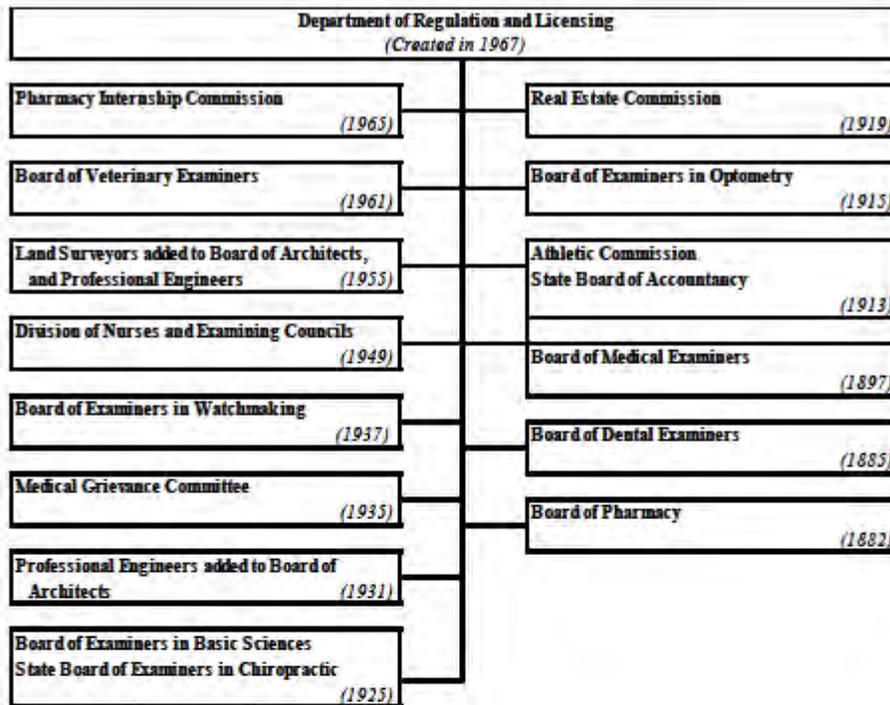
The 2011-13 biennial budget, 2011 Wisconsin Act 32, created the Department of Safety and Professional Services. DSPS was responsible for all the functions of DRL, as well as additional responsibilities related to environmental regulatory services, and safety and buildings, which were transferred from the Department of Commerce. As part of the 2013-15 biennial budget, the majority of functions related to environmental regulatory services were transferred to the Department of Natural Resources (DNR) and to DATCP, as noted below.

DSPS is almost entirely funded by licensing fees and plan review fees. Most of these fees are set administratively via a fee study, subject to review by the Joint Committee on Finance. The fees are intended to be set at rates that allow the department to function. In past fiscal years, due to statewide tax revenue constraints, state agencies, including DSPS, have been required to lapse a portion of their funding to the general fund in order for the fund to maintain a positive fund balance. Item 1 shows the history of the department:

**Item 1: DSPS History**



**Item 1: DSPS History - Continued**



**Relevant Budget Changes**

The 2013-15 biennial budget act made significant changes to DSPS responsibilities, by transferring functions to DNR and DATCP. This section details those changes.

The department had shared responsibility with DNR for administration of the Petroleum Environmental Cleanup Fund Award (PECFA) program and the abandoned tank removal program. PECFA reimburses owners for a portion of the costs incurred for remediation of contamination from leaking petroleum product storage tank systems and home heating oil systems.

DSPS was responsible for the financial reimbursement portion of the program, including review and payment of claims, and for administration of cleanup at low- and medium-risk petroleum sites. These responsibilities, along with associated funding and staff were transferred to DNR. Management of the petroleum inspection segregated fund, which is funded through a 2 cent per gallon tax on motor fuel, was also transferred to DNR. The functions were transferred to DNR because these functions were already partially covered by that agency and combining the split functions provided operational efficiencies. A net total of 3.0 FTE positions and \$485,700 was eliminated as a result of the transfer of responsibilities.

The department was also responsible for inspection and regulation of petroleum, and underground petroleum storage tanks. This includes private heating oil tanks as well

as tanks at retail gas stations. Responsibilities, funding, rule-making authority and staff were transferred from DSPS to DATCP. This change also created efficiencies because DATCP already performed inspections at retail gas stations, as part of its regulation of weights and measures. Before the transfer, both agencies conducted inspections at gas stations. By combining the two functions, time was saved on the part of both the state and the regulated gas stations. A net total of 6.5 FTE positions and \$405,700 was saved due to this transfer.

The following table shows the department's budget and total full-time equivalent positions (FTE) for the current and previous biennium.

**Table 1: DSPS Budget**

| <b>Budget Fiscal Year</b> |                     |                     |              |                     |                     |              |
|---------------------------|---------------------|---------------------|--------------|---------------------|---------------------|--------------|
|                           | 2011-13 Biennium    |                     |              | 2013-15 Biennium    |                     |              |
| <b>Fund Source</b>        | <b>2012</b>         | <b>2013</b>         | <b>FTE</b>   | <b>2014</b>         | <b>2015</b>         | <b>FTE</b>   |
| Program Revenue           | \$66,004,400        | \$66,254,400        | 302.3        | \$48,506,300        | \$48,774,400        | 261.6        |
| GPR                       | 2,413,200           | 2,413,200           | 1.0          | 2,412,300           | 2,412,300           | 1.0          |
| Segregated Revenue        | 13,467,900          | 13,467,900          | 66.3         | -                   | -                   | -            |
| <b>Total</b>              | <b>\$81,885,500</b> | <b>\$82,135,500</b> | <b>369.6</b> | <b>\$50,918,600</b> | <b>\$51,186,700</b> | <b>262.6</b> |

## **Department of Agriculture, Trade and Consumer Protection**

The Department of Agriculture, Trade and Consumer Protection (DATCP) works to assure a safe and secure food supply, healthy animals and plants; provide consumer protection; and ensure fair business practices. The department also works with partners in agriculture and business to ensure a vibrant agricultural sector and a clean environment.

The DATCP is a regulatory agency with jurisdiction over nearly all types of business, via consumer protection laws. The department has authority to adopt administrative rules that have the force of law. As a regulatory agency, the department seeks voluntary solutions, but it can use its enforcement authority when necessary. Statutes and administrative rules give DATCP the authority to conduct hearings and investigations, adopt rules, perform inspections, issue subpoenas, collect and analyze samples, issue compliance orders, and suspend or revoke licenses. In cooperation with a district attorney or the Department of Justice, DATCP may also prosecute law violations in court.

In addition to regulatory action, the department also provides services to consumers and businesses, and licenses over 100,000 individuals and businesses. Generally, DATCP licenses businesses more frequently than individuals.

### *Division of Food Safety*

The Food Safety Division works to assure a safe, wholesome and secure food supply. The division enforces Wisconsin's food safety and labeling laws, licenses and inspects over 30,000 food establishments, and supervises local government inspection of others. Supermarkets fall under the jurisdiction of DATCP, while restaurants are inspected by the Department of Health Services. Both are inspected under the same regulatory regime.

The Food Safety Division regulates the entire food chain, from the agricultural producer to the consumer. That permits a comprehensive approach to food safety issues affecting producers, processors, distributors, retailers and consumers

### *Division of Trade and Consumer Protection*

The Trade and Consumer Protection Division enforces consumer protection laws and rules, including jurisdiction over false sales or advertising claims and unfair business practices.

The division also enforces state weights and measures laws to ensure that consumers receive the advertised amount of the product they are purchasing. In doing so, the division tests commercial scales, gasoline pumps, price scanners and measuring devices, and enforces fair packaging and labeling requirements. According to national estimates, weights and measures enforcement saves the average family \$600 per year.

### *Division of Animal Health*

The Division of Animal Health is responsible for ensuring all livestock in the state meet state and federal health standards. This ensures human safety, as well as animal

safety, because serious animal diseases may impact humans. Additionally, the division licenses various livestock businesses such as animal markets, animal dealers, animal trucker's licenses, and dog shelters and breeders.

#### *Division of Agricultural Resource Management*

The Agricultural Resource Management Division works to ensure good stewardship and responsible use of Wisconsin's land, water and plant resources. The division is responsible for safeguarding the resources that support the food chain, in part by regulating pesticides and other agrichemicals to protect public health and the environment. When spills occur, the division works to clean up agrichemical spills. The division also provides the following services:

- Helps landowners and local governments conserve Wisconsin's productive land and water resources;
- Establishes standards for facility siting ordinances and helps preserve farmland threatened by unplanned development and sprawl;
- Helps prevent pollution of surface water; and
- Works to control serious pests that threaten Wisconsin crops, forests and plant communities.

#### *Division of Agricultural Development*

The Agricultural Development Division is responsible for fostering a vibrant Wisconsin agricultural economy, by supporting farmers and agricultural businesses in the state. This division is responsible for promoting value-added development and diversification of the agricultural sector, promoting local sale and consumption of Wisconsin products, and connecting Wisconsin products with export opportunities.

#### **Relevant Budget Changes**

The 2013-15 biennial budget transferred the Tank and Petroleum Testing Program from DSPS to DATCP. This included the transfer of 36.0 FTE positions as well as associated funding, rule-making and enforcement authority. The budget made other less significant changes to the agency as well, but this item is the largest change in agency responsibilities and staffing.

The following table shows the department's budget and total FTE positions for the current and previous biennium.

**Table 2: DATCP Budget**

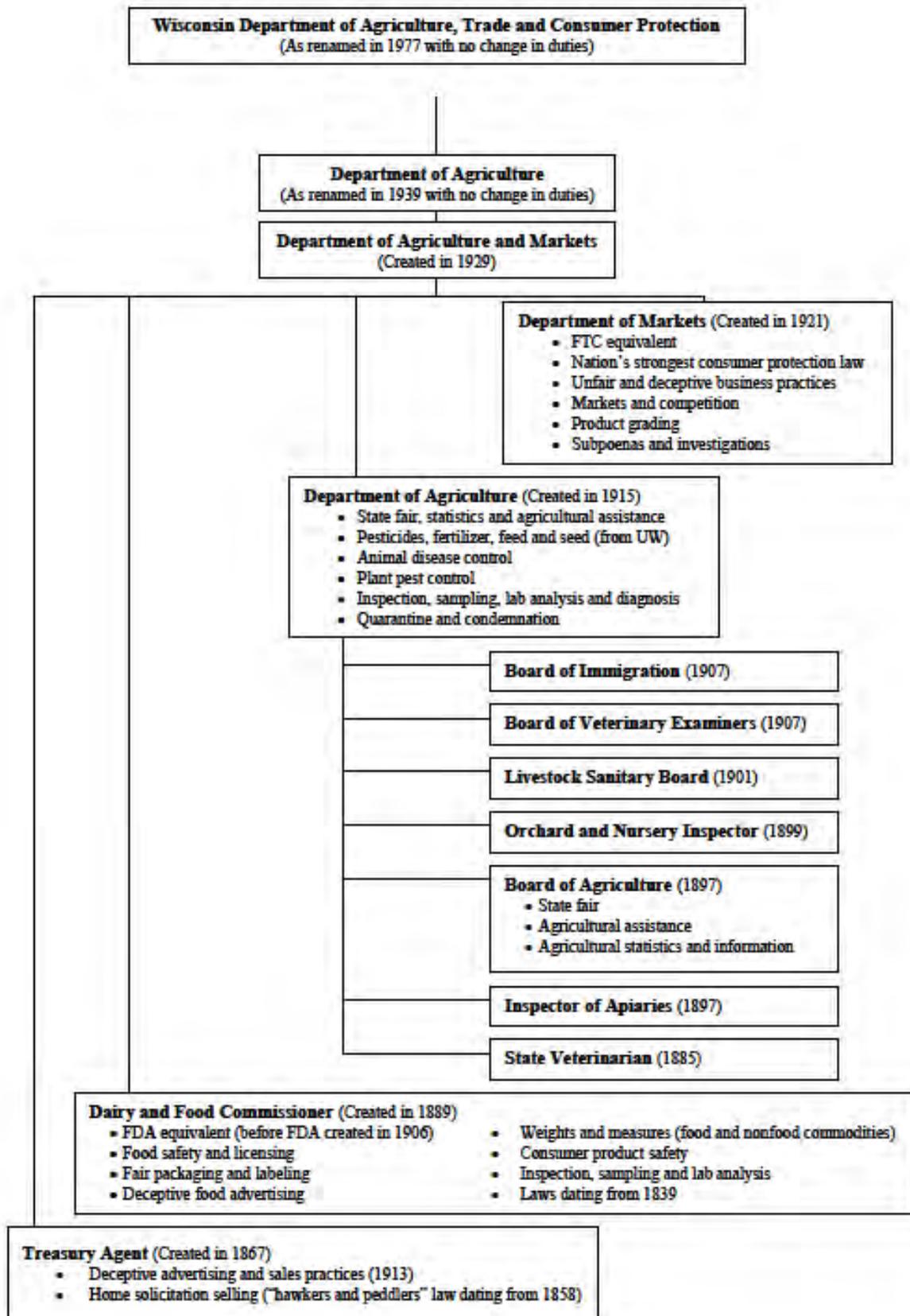
| <b>Budget Fiscal Year</b> |                      |                      |              |                     |                     |              |
|---------------------------|----------------------|----------------------|--------------|---------------------|---------------------|--------------|
|                           | 2011-13 Biennium     |                      |              | 2013-15 Biennium    |                     |              |
| <b>Fund Source</b>        | <b>2012</b>          | <b>2013</b>          | <b>FTE</b>   | <b>2014</b>         | <b>2015</b>         | <b>FTE</b>   |
| Program Revenue           | \$44,213,800         | \$44,389,200         | 283.6        | \$37,103,100        | \$37,048,700        | 283.6        |
| GPR                       | 26,612,300           | 28,375,900           | 210.0        | 26,878,900          | 26,488,800          | 211.0        |
| Segregated Revenue        | 29,922,000           | 30,352,700           | 97.3         | 33,385,500          | 32,527,700          | 131.3        |
| <b>Total</b>              | <b>\$100,748,100</b> | <b>\$103,117,800</b> | <b>590.6</b> | <b>\$97,367,500</b> | <b>\$96,065,200</b> | <b>625.9</b> |

**Department History**

The department formed in 1929 the direct descendent of the Department of Agriculture and Markets, formed in 1929 by combining the Department of Markets, the Department of Agriculture, the Treasury Agent and the Dairy and Food Commissioner. The agency has changed names twice since its inception, once to the Department of Agriculture in 1939 and again in 1977 to the current Department of Agriculture, Trade and Consumer Protection. However, the primary functions of the agency have not been modified with the name changes.

The agency has roots in laws that date before Wisconsin statehood and have strong ties to the state's agricultural history. The oldest of the laws were the initial consumer protection laws designed to ensure that agricultural products were of the advertised quality and quantity. These laws were enforced by the Treasury Agency. Food safety was also an early addition to the state's responsibilities, as the public demanded assurance that food was safe to eat. Early food safety laws were under the purview of the Dairy and Food Commissioner, created in 1889. The original Department of Agriculture was formed in 1915 from a combination of various boards with jurisdiction over agricultural products, animals and immigration. The following item shows the lineage of the agency:

**Item 2: DATCP History**



## **Part II: Public Involvement, Stakeholder Outreach and Agency Consultation**

### **Survey Distribution and Methods**

As a portion of the study, the Legislature required consultation with board members, stakeholders and the general public on issues related to consolidating the two departments. In an effort to efficiently and cost-effectively contact the largest number of stakeholders, an electronic survey was used. This survey was sent to impacted board members, stakeholder groups and individual license holders and was publicized via media outlets to attract a broad spectrum of public comment. More than 430,000 people were directly contacted with the survey.

The contact lists were generated by using an email list of DSPS license holders, email lists generated from the Office of Business Development interactions with Chambers of Commerce and economic development groups as well as business contacts throughout the state. The survey was also electronically distributed through over 350 DATCP- and DSPS- identified stakeholder groups with directions to forward the survey to group members.

Links to the on-line survey were sent to email addresses for all the license holders on file with DSPS, which totaled 428,954 emails. In addition to agency contacts, the survey was also distributed to members of the DATCP and DSPS attached boards, members of the Legislature, and via the Department of Administration Office of Business Development at various events and through Chambers of Commerce. The survey was also available to the general public via a Web site and was publicized through media outlets. Please see Appendix 2 for a copy of the email sent with the survey.

The survey itself was crafted by Department of Administration Staff, in consultation with policy analysts and reviewed by DSPS and DATCP. These questions and potential answers were then reviewed by survey experts within state government to ensure that the questions did not lead the respondents to a preferred response. Please see Appendix 3 for a copy of all survey questions as they were presented to survey respondents.

Survey respondents were asked basic demographic questions, and then asked about which state agencies they interacted with. The structure of the survey varied based on which agencies were listed. Respondents were then asked to rate various aspects of agency performance for the agencies they selected. If the respondents rated agency performance as poor or very poor, they were provided space to provide additional comments on the survey. After completing this section, all respondents were asked questions directly related to their opinions of a potential merger. At the end of the survey respondents were able to provide general open-ended responses.

## Respondent Characteristics and Survey Highlights

The next section provides highlights and analysis of the survey results. For full results please see the Survey Methodology and Results document. The following table shows the total response by type of survey contact.

**Table 3: Respondents by Source of Contact**

| <b>Respondents by Source of Survey Contact</b> |                    |                         |
|--|--------------------|-------------------------|
| <b>Source of Contact</b>                       | <b>Respondents</b> | <b>Percent of Total</b> |
| License Holders                                | 23,438             | 93.9%                   |
| Office of Business Development Contacts        | 550                | 2.0%                    |
| DSPS Stakeholders                              | 336                | 1.3%                    |
| Legislature                                    | 173                | 0.7%                    |
| Board and Councils                             | 147                | 0.6%                    |
| DOA/Wisconsin Web site                         | 128                | 0.5%                    |
| Other  | 177                | 0.2%                    |
| <b>Grand Total</b>                             | <b>24,949</b>      | <b>100.0%</b>           |

As the table demonstrates, most of the respondents were professional license holders, although as seen below, DSPS stakeholders had the highest response rate. There were also significant responses from individuals that were directly contacted by the Office of Business Development and stakeholder groups contacted by DATCP. The following table shows respondents by the means of contact. See Appendix 6 for a complete list of stakeholder groups contacted.

**Table 4: Respondents by Source of Contact**

| <b>Respondents by Source of Survey Contact</b> |                            |                    |                      |
|--|----------------------------|--------------------|----------------------|
| <b>Source of Contact</b>                       | <b>Surveys Distributed</b> | <b>Respondents</b> | <b>Response Rate</b> |
| License Holders                                | 429,305                    | 23,438             | 5.5%                 |
| Office of Business Development Contacts        | 1,596                      | 550                | 34.5%                |
| Other – Known Number Surveys Sent              | 3,214                      | 463                | 14.4%                |
| Other – Unknown Number of Possible Respondents | N/A                        | 498                | N/A                  |

The following table shows the breakdown of respondents by their professions based on DSPS licensee categories, as self-identified by the respondents. Health professions are the best represented group and include doctors, nurses, pharmacists, dentists, dental hygienists, as well as social workers and other therapists. The next largest group did not identify a profession; however the majority of these respondents were also license holders. Some respondents identified combinations of multiple professions.

**Table 5: Respondents by Profession**

| <b>Respondents by Profession</b>                               |                    |                         |
|--|--------------------|-------------------------|
| <b>Profession</b>  | <b>Respondents</b> | <b>Percent of Total</b> |
| Health Professions   | 9,838              | 39.4%                   |
| No Response  | 7,451              | 29.9%                   |
| Business Professions   | 5,194              | 20.8%                   |
| Trades Professions   | 1,920              | 7.7%                    |
| Manufactured Housing   | 21                 | 0.1%                    |
| Mixed Martial Arts/Boxing                                      | 14                 | 0.1%                    |
| <i>Subtotal</i>  | <b>24,438</b>      | <b>98.0%</b>            |
| <b>Multiple Professions Identified/Multiple License Holder</b> |                    |                         |
| Business Professions; Trades Professions                       | 210                | 0.8%                    |
| Health Professions; Business Professions                       | 187                | 0.7%                    |
| Health Professions; Trades Professions                         | 61                 | 0.2%                    |
| Health Professions; Business Professions; Trades               | 28                 | 0.1%                    |
| <i>Subtotal</i>  | <b>511</b>         | <b>2.1%</b>             |
| <b>Grand Total</b>   | <b>24,949</b>      | <b>100.0%</b>           |

Please see Appendix 4 for full demographic information of the respondents.

Responses to the survey provided insight into three primary questions related to the appropriateness of the potential merger of the two agencies:

- How often are individuals customers of the Department of Safety and Professional Services, and the Department of Agriculture, Trade and Consumer Protection?
- Do agency customers see a need for a merger?
- Can a merger be recommended on the basis of poor performance on the part of either agency?

The following sections provide detail on how these questions are answered, based on responses to the survey.

### **Agency Contact Overlap**

If large numbers of agency customers deal with both agencies, there would be a significant reason to combine the two. A merger would reduce the number of agencies contacted by an individual or business owner, potentially saving time and effort spent contacting multiple agencies.

Frequent contact with both agencies by customers would also indicate that the potential for agency operational efficiencies by combining the two agencies exists, by allowing the same staff to perform more than one function. For example, prior to the 2013-15 biennial budget request, the agencies determined that both DSPPS and DATCP were sending inspectors to gas stations to inspect fuel quality and to ensure the

accuracy of fuel pumps. Combining these functions at DATCP allowed inspections to occupy less of a business's time and allowed for efficiencies for the state. The following table shows the number of respondents that listed both DSPS and DATCP as agencies they contact in the course of doing business.

**Table 6: Agency Overlap**

| <b>To do business in Wisconsin, I have contact with the following agencies:</b> | <b>Respondents</b> | <b>Percent of Respondents</b> |
|---|--------------------|-------------------------------|
| Contact both DSPS and DATCP to do business                                      | 830                | 3.3%                          |
| Contacts with DSPS, DATCP and other agencies to do business                     | 613                | 2.5%                          |
| <i>Total</i>  | <i>1,443</i>       | <i>5.8%</i>                   |
| Total Respondents   | 24,949             | 100.0%                        |

Only 5.8 percent of respondents indicated that they did business with both DSPS and DATCP, with 2.5 percent of those respondents listing at least one additional agency. This indicates that there is limited overlap between customer bases for the two agencies. Additionally, there was limited overlap between either agency or any other agencies in state government. The most frequently mentioned additional agency, linked with DSPS was the Department of Health Services, followed by the Department of Natural Resources. The most frequently mentioned combination of agencies with DATCP was the Department of Natural Resources. See Appendix 5 for tables detailing full results.

Other agencies were frequently mentioned, but in unique combinations or combinations that corresponded with few other respondents. The most frequently mentioned agency was the Department of Health Services, followed by the Department of Revenue and the Department of Natural Resources. The following table shows how frequently other departments were mentioned by survey respondents.

**Table 7: Departments Listed – Other than DATCP or DSPS**

| <b>Department</b>                       | <b>Responses</b> |
|---|------------------|
| Health Services                         | 1,344            |
| Revenue                                 | 1,236            |
| Natural Resources                       | 1,115            |
| Workforce Development                   | 1,015            |
| Financial Institutions                  | 770              |
| Other                                   | 548              |
| Children and Families                   | 432              |
| Office of the Commissioner of Insurance | 390              |
| Public Instruction                      | 331              |

Given the limited overlap between customers of both agencies, it is unlikely that there would be significant savings of time and effort on the part of the public if the agencies were combined. Additionally, these results indicate that there are likely limited operational efficiencies to be gained from combining the two agencies. These conclusions are corroborated by consultation with department staff, which indicated limited overlap among agency functions.

**Respondent Views on a Potential Merger**

The second question addressed by the survey relates to how directly impacted stakeholders viewed the possibility of merging the two agencies. Though licensees and board members may not have a strong sense of internal agency operations, they are among the best gauges of the amount of focus they receive from an agency. By asking them directly their opinions of a merger, the respondents indicate whether a new, combined agency would serve their interests.

Generally, survey respondents were opposed to a potential merger. Of those that provided a response to the question "If no savings were found from a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would you support the general concept of consolidation?" only 15.7% of respondents responded "Probably Yes" or "Definitely Yes." The following table shows the responses to the question, excluding 4,375 blank responses.

**Table 8: Consolidation Responses**

| <b>If no savings were found from a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would you support the general concept of consolidation?</b> |               |                |
|---|---------------|----------------|
| <b>Excludes respondents that did not respond to the question</b>  |               |                |
| Definitely Yes  | 873           | 4.2%           |
| Probably Yes  | 2,364         | 11.5%          |
| Not Sure  | 3,532         | 17.2%          |
| Probably No   | 6,614         | 32.2%          |
| Definitely No   | 7,191         | 35.0%          |
| <b>Total Respondents</b>  | <b>20,574</b> | <b>100.00%</b> |

By stating that the respondents should decide if the agencies should be combined, absent of savings, the survey question gives a sense of whether agency customers feel they would see better service or have an easier time receiving the services they need from an agency if DSPS and DATCP were combined. Another question looked directly at service expectations in the event of a merger. The following table shows responses to the question "How do you believe a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would affect the services to you as a license holder?" This table excludes 4,430 blank responses.

**Table 9: Evaluation of Services**

| <b>How do you believe a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would affect the services to you as a license holder?</b> |               |               |
|--|---------------|---------------|
| <b>Excludes respondents that did not respond to the question</b>   |               |               |
| Greatly improve service  | 192           | 0.9%          |
| Improve service somewhat   | 760           | 3.7%          |
| Not sure   | 8,308         | 40.5%         |
| Reduce service somewhat  | 6,270         | 30.6%         |
| Greatly reduce service   | 4,989         | 24.3%         |
| <b>Total Respondents</b>   | <b>20,519</b> | <b>100.0%</b> |

Only 4.6 percent of respondents felt that merging the two agencies would improve services. This again indicates that the most directly impacted customers of the agencies do not see a potential for improved services between the two agencies.

The following table shows respondent concern that a combined agency would lose focus on the individual functions of the two predecessor agencies. This concern was echoed in stakeholder contacts and discussions with agency staff. Specifically, the agricultural industry expressed concern that a merger would move focus from agriculture issues.

**Table 10: Agency Focus**

| <b>If Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection were consolidated how do you think the focus of the new agency might change the current functions such as agriculture, food safety, consumer protection, building plan review and professional licensing?</b> |               |             |
|---|---------------|-------------|
| <b>Excludes surveys that did not respond to the question</b>  |               |             |
| Increase focus  | 749           | 3.6%        |
| Stay the same   | 2,981         | 14.5%       |
| Reduce focus  | 12,487        | 60.7%       |
| Unsure  | 4,364         | 21.2%       |
| <b>Total Respondents</b>  | <b>20,581</b> | <b>100%</b> |

Respondents were also given the opportunity to make additional comments at the end of the survey. These open-ended responses tended to relate to opinions about the potential for a merger, given the order in which the questions were asked. There were a total of 3,886 comments given in this space. These comments were categorized into seven categories.

**Table 11: Comment Categories**

| <b>Type of Comment</b>                                 | <b>Respondents</b> | <b>Percentage</b> |
|--|--------------------|-------------------|
| Pro-consolidation                                      | 332                | 8.5%              |
| Anti-consolidation                                     | 1,877              | 48.3%             |
| Increase Resources for Agency Functions                | 69                 | 1.8%              |
| Comments related to board responsiveness or operations | 64                 | 1.6%              |
| Continuing Education Related Comments                  | 109                | 2.8%              |
| General Agency Complaints                              | 271                | 7.0%              |
| Other Comments   | 1,164              | 30.0%             |
| Total  | 3,886              | 100.0%            |

The comments generally mirrored the sentiment of the general survey response, with the majority opposing the merger, with some supporting it. The arguments put forward in the comments provide insight into what respondents considered important.

Comments suggesting the agencies remain separate were primarily concerned with the two agencies having disparate functions, with the potential for a loss of agency focus on one function or the other. Some examples of comments opposing a merger:

*"The two departments have totally different focuses. I do not believe the public's safety and concerns would be properly protected if these departments were combined!"*

*"The idea of consolidating too much causes more conflict and the chance of things backing up because [there] is too much of a work load and/or mixing things up. These departments do not seem to even correlate."*

Generally, those in favor of a merger cited potential cost and efficiency improvements as reasons for the combination of the two agencies. Some examples of comments supporting a merger:

*"Any consolidations should save tax dollars and we should EXPECT services to be [consistent] regardless of the structure. It should not be an either or. Expect results from all agencies."*

*"Consolidation should help to save on [personnel] and building overhead. Many businesses in WI have consolidated various [departments] to accommodate for lower income levels, the services provided to the state can do the same if there is a cost saving to be appreciate[d]."*

The arguments made by commenters against a merger were also common when talking to stakeholder groups and agency staff, detailed later. Comments in favor of the merger assume savings, but given the limited overlap in agency responsibilities, these savings are limited, as examined in a later section of the study.

To summarize the public response to questions about a potential merger, respondents were generally opposed to merging the two agencies for two primary reasons. First, they did not expect improvement in the service provided to them in the event of a

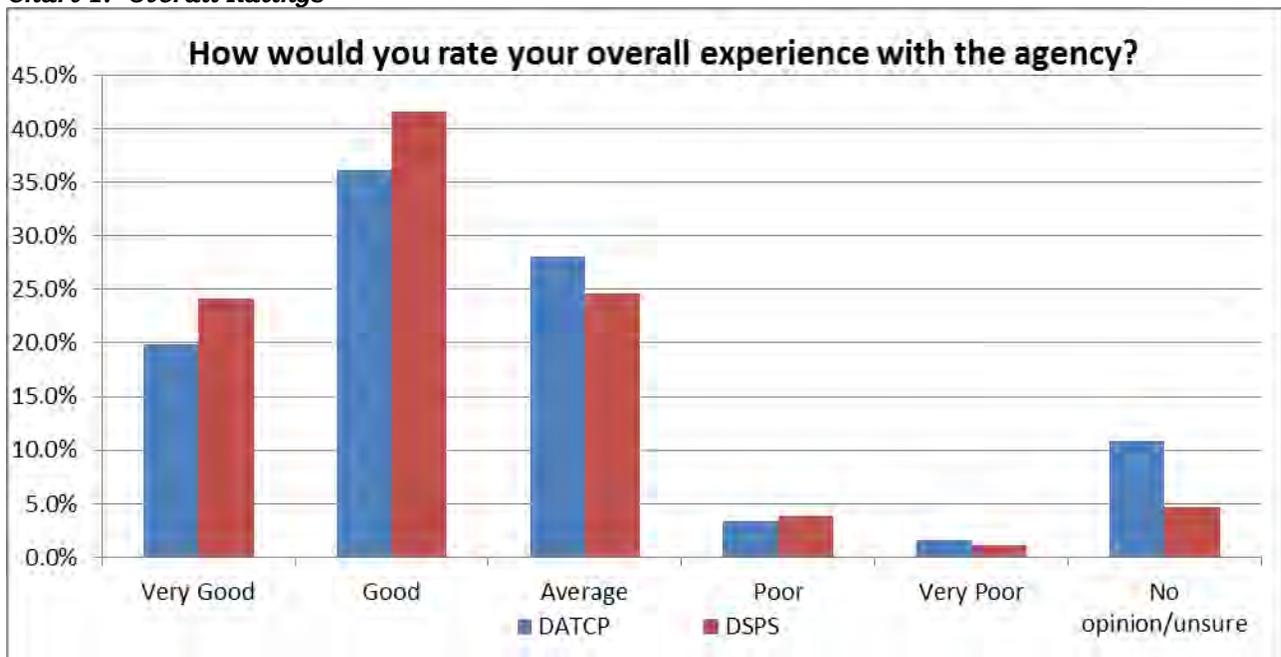
merger. Second, there is an expectation that the newly created agency would lose focus on the individual functions currently assigned to DSPS and DATCP.

### Overall Performance Evaluation

Surveying agency customers about the overall performance of the agency gives insight into overall customer service quality. This provides an answer to the third question: Can a merger be recommended on the basis of poor performance on the part of either agency?

The following charts show the overall performance evaluation of two agencies: DSPS, DATCP. The following chart shows the responses to the question "How would you rate your overall experience with the agency?"

**Chart 1: Overall Ratings**



A total of 16,465 respondents expressed an opinion about DSPS's overall performance, with 1,555 respondents rating DATCP. Respondents expressed a relatively high overall rating of DATCP and DSPS. Respondents even had a relatively positive view of specific agency services such as the time that licenses are delivered after application. The following chart shows the responses to the question "How satisfied are you with the time it takes to receive your license after you apply?"

**Chart 2: Response Time Satisfaction**



In response to this question, 16,006 respondents expressed an opinion about DSPS's license response time, with 1,351 respondents rating DATCP. Generally, respondents were relatively satisfied with the service provided by the agencies. However, one area where there was less satisfaction was with the value provided by the licenses offered by DSPS. The following table shows that more than a quarter of respondents felt that they receive either minimal value or no value from the license provided by DSPS.

**Table 12: License Value - DSPS**

| <b>How much value do you believe there is relative to fees paid to be a DSPS license holder?</b> |               |             |
|--|---------------|-------------|
| Good Value   | 3,790         | 23.3%       |
| Some Value   | 4,502         | 27.7%       |
| Not Sure   | 3,722         | 22.9%       |
| Minimal Value  | 3,516         | 21.6%       |
| No Value   | 726           | 4.5%        |
| <b>Total Respondents</b>   | <b>16,256</b> | <b>100%</b> |

Because of the general level of satisfaction of the two agencies' customers, making drastic changes to operations is inappropriate at this time. Organizational changes may disrupt service and confuse customers, reducing a relatively high level of service. However, an examination of the practice of licensing professionals may be appropriate, given perceived value of the license.

### **Agency and Stakeholder Group Contact**

The Legislature required that the study consult with both impacted stakeholders and agency staff. The survey provided a broad base of contact with stakeholders. However, some stakeholder groups chose to respond directly. One such contact was a

letter from a large number of representative groups from the agriculture industry. This letter expressed concerns with the potential for a merger, based around the potential for one combined agency to lose focus on agricultural issues in the face of the increased agency responsibilities. Another stakeholder contact, with a representative for the Veterinary Medical Association, indicated that its primary concerns with DSPP were related to ensuring that board meetings were consistently staffed and run smoothly. This group also formally requested that the Veterinary Board be moved from DSPP to DATCP. However, generally impacted groups were not strongly in favor of a merger of the two agencies. Please see appendices 7,8 and 9 for direct contact letters from stakeholder groups.

When meeting with agency leadership and staff, the recurring theme was the limited overlap between the two agencies' customers. Very rarely did either DSPP or DATCP indicate that they worked closely with the other agency, or referred customers to the other agency. Given the limited overlap, those consulted at the two agencies did not think that bolting one agency onto the other made sense, in terms of either creating internal efficiencies or improving customer service.

### Part III: Fiscal Impact and Operational Issues of a Merger

After examining the operations of the two agencies included in the study, the fiscal savings from a potential merger would be limited. Each agency has significant field staff performing very different missions. Because of the varied nature of functions contained both within each agency and between the two agencies, most savings would be generated by eliminating executive unclassified positions and administrative positions.

There is no expected savings from combining the two agencies in terms of space costs, and no expected moving costs, since neither agency could be accommodated within the existing spaces available to either agency. If it was determined that all agency staff should be housed at one location, significant and costly expansion would be required of either the existing DSPS or DATCP facilities. Detailed cost estimates would need to be prepared at the time of the potential merger.

The largest portion of the savings would come from eliminating one set of executive unclassified staff for one of the agencies, including a secretary, deputy secretary, communications officer, assistant deputy secretary, chief legal counsel and a division administrator. The following table shows the expected savings from eliminating unclassified positions.

**Table 13: Executive Staffing Savings**

| <b>Position</b>            | <b>FTE</b> | <b>Salary</b>    | <b>Fringe Benefits</b> | <b>Total</b>     |
|----------------------------|------------|------------------|------------------------|------------------|
| Secretary                  | 1.0        | \$110,000        | \$50,000               | \$160,000        |
| Deputy Secretary           | 1.0        | 100,000          | 40,000                 | 140,000          |
| Assistant Deputy Secretary | 1.0        | <u>100,000</u>   | <u>40,000</u>          | <u>140,000</u>   |
| <i>Subtotal</i>            | <i>6.0</i> | <i>\$310,000</i> | <i>\$130,000</i>       | <i>\$440,000</i> |

Three additional statutory positions, a Communications Director, Chief Legal Counsel and Division administrator positions could be eliminated. However, the duties performed by these positions would still be required. Completing these duties would create the need for additional management or operational staff, mitigating the savings created by elimination of executive staff.

Additional appropriation reductions could be realized by eliminating administrative positions in each agency, specifically in the agencies' human resources and budget areas. Though the new agency would warrant larger staffing in these areas, the positions identified for elimination are positions that have been vacant for an extended period. The following table shows potential savings from the elimination of the administrative staff positions.

**Table 14: Administrative Staffing Savings – Vacant Positions**

| <b>Position</b>           | <b>FTE</b> | <b>Salary</b>    | <b>Fringe</b>   | <b>Total</b>     |
|---------------------------|------------|------------------|-----------------|------------------|
| Human Resources Manager   | 1.0        | \$100,000        | \$40,000        | \$140,000        |
| Budget and Policy Analyst | 1.0        | <u>50,000</u>    | <u>20,000</u>   | <u>70,000</u>    |
| <i>Subtotal</i>           |            | <i>\$150,000</i> | <i>\$60,000</i> | <i>\$210,000</i> |

Since these positions are vacant, expenditure savings are currently occurring and as a result eliminating them would not generate new savings. Additionally, these positions may be eliminated in response to 2013-15 biennial budget provision requiring the elimination of 450.0 FTE positions across state government, before a merger could take place. Therefore, while eliminating the positions would reduce budgeted appropriations, it may not result in a net reduction in expenditures.

Together, expected staff savings would equal \$610,000 annually, which is the equivalent of 0.2 percent of the combined agency budgets. However, a portion of these savings would be offset by costs related to merging the two agencies. Given the limited operational overlap between the agencies, the primary cost would be related to design of the new agency's Web site to incorporate the two different functions. This is estimated at \$40,000, which reduces potential savings generated from the merger.

A merger would also generate additional costs related to updating administrative code of the existing agencies, in order to ensure statutory and agency references were up-to-date. All agency forms and licenses would also need to be updated. While agency costs to make these updates may be limited, the cost to comply with state regulations would increase for the public.

### **Administrative and Policy Concerns**

In addition to the limited savings generated from the merger, there are significant administrative and policy concerns about a potential merger. A combined agency would only have one set of executive officers. A review of the two secretaries' schedules indicates that accommodating all meetings with agency customers and industry representatives would be very difficult. This could potentially be alleviated by creating an additional deputy secretary position, which would further limit the savings generated by a merger.

Another major issue would be determining the authority that the existing DATCP board would have over the examining and advisory boards attached to DSPS. Currently, the DATCP board has the ability to review and approve or alter any administrative rules that come out of DATCP. If this structure was retained, the DATCP board would have jurisdiction to review any rules made by the Medical Examining Board or any other board attached to DSPS. The DATCP board does not have representation or expertise in most of the areas regulated by the DSPS boards. The DATCP board could be increased in size to accommodate representation for each of the new industry areas. However, determining representation on this board would be difficult, and accommodating representation from each DSPS board would make the DATCP board difficult to manage and potentially ineffective. This could be

resolved by eliminating DATCP board oversight over portions of the new agency, which would undermine the case for a combined agency.

## **Part IV: Conclusions and Recommendations**

After consulting with the public via the survey, stakeholders, administrative and executive staff in both agencies and analyzing the potential for savings in both agencies as the result of a merger, this study recommends against combining the two agencies. The potential savings generated and unknown costs do not justify the potential disruption in service and confusion among stakeholders. Furthermore, given the limited overlap between the two agencies, it is unlikely that bolting one agency to the other will provide for enhanced efficiency and customer service for any of the agencies' customers. However, examining each agency did show ongoing attempts to improve customer service and operations at both agencies, as well as potential new initiatives.

In response to the request from the Wisconsin Veterinary Medical Association, the Veterinary Examining Board should be moved to DATCP. Additionally, all enforcement functions related to enforcement of the practice of veterinary medicine should be moved to DATCP. This change is feasible because historical relationship between the Veterinary Board and DATCP, as well as the close relationship between the veterinary profession and the agency. The department has significant expertise in the veterinary field, and the DATCP board has members that are familiar with animal health issues.

One area of emphasis related to DSPS service was an improvement of board meeting staffing functions. After examining the agency operations and stakeholder opinions, it appears that some boards function well, while others may be improved or potentially eliminated. The department should institute a system of training on board powers, functions and the rule-making process for both board members and board staff, which would improve the effectiveness of the staff. As part of this process, DSPS should work with other agencies, including the Department of Natural Resources, that have attached boards to determine best practices for board staffing.

Due to reduced lapse assumptions, DSPS should reexamine the fee structure via a fee study that is reviewed by the Joint Committee on Finance, with current lapse assumptions. The new review of fees should take into account all options to potentially reduce the cost of compliance for businesses, including reducing fees and lengthening the period for which a license is valid.

The study recommends that a comprehensive examination of existing examining and advisory boards should occur, in consultation with the impacted licensees, board members and professional organizations to standardize board practices, meeting schedules and actions on potential licenses. Further, given the differences in opinion among license holders about the value of their license, it may be reasonable to conduct a review of professional licensing generally to determine how to best ensure continued excellence in professional services in the state.

Both DATCP and DSPS are in the process of creating an electronic document and contact management system. At DATCP, this system will allow businesses that must hold multiple permits, for example separate permits to operate a dairy, haul milk and sell cattle, to have one record on file for all of the permits, instead of a separate, paper record for each permit. This will save permit holders time and effort in renewing and acquiring new permits. Additionally, this will allow DATCP staff to focus less on paper

processing and more on direct customer service. Given the difficulty of distributing the survey tool used in this study, and the poor response rate from DATCP licensees, there is clearly room for improvement in terms of electronic communications at the department.

A similar data management project is underway at DSPS, which will aid in further automating the licensing process. The process for licensing at DSPS is already Internet-based, but this project will work to streamline the licensing process and improve document management. Improved document management will allow for easier access to board materials and other important department communications by the public. The two agencies should continue on the path of automation and should consult with each other, other state agencies and the private sector to determine best practices in establishing a new content management software suite.

Over 380,000 individuals are licensed by DSPS in order to work in their chosen profession. Additionally, DSPS reviews the plans of most commercial buildings constructed in the state. This makes the agency one of the primary points of contact for these citizens and others that choose to do business in the state, on par with an organization like the Division of Motor Vehicles in the Department of Transportation. Contact with such agencies is often where individuals form their overall opinion of government effectiveness and efficiency.

Working to improve the customer experience with DSPS should be a top priority. This can be achieved by instituting a strategic planning program at DSPS and developing performance measures for the agency, with input from staff and stakeholders to significantly improve agency function and customer service. In addition, the State Controller's Office is conducting a fiscal audit of DSPS. Any recommendations from this report about financial policies and procedures should be examined to improve internal financial processes.

Finally, the agency presents opportunities for process streamlining through the creation of a Six Sigma/LEAN Government program. DATCP has instituted a Six Sigma program and has made significant process improvements. Customer service and agency efficiency may also benefit from an outside review of operational and leadership practices from an operational consultant. The following table outlines some of the existing LEAN Government initiatives currently underway at the two agencies.

**Table 15: Current LEAN Government Initiatives**

| Agency | Project   | Goals, Results and Recommendations   |
|--------|---|--|
| DATCP  | Out of State Travel Authorization   | <ul style="list-style-type: none"> <li>• Redesign process flow to move finance notification to end of process.</li> <li>• Provide documentation of the process, and instructions for appeal of denied requests.</li> <li>• Enhance electronic submittal process, currently in use in one division, to provide departmentwide service.</li> </ul>   |
| DATCP  | Division of Food Safety Dissemination of Lab Results/ Agricultural Resource Management Dissemination of Lab Results | <ul style="list-style-type: none"> <li>• Scan lab analysis report upon printing and email a .pdf version of the report to appropriate field staff.</li> <li>• Set up a system through GovDelivery to generate automated messages for field inspectors.</li> <li>• Encourage greater use of electronic database containing lab results.</li> <li>• Print lab reports for archival purposes, but also stored as image in special drive as a pdf file.</li> </ul> |
| DATCP  | Feed Sampling in the Bureau of Agrichemical Management  | <ul style="list-style-type: none"> <li>• Determine the appropriate number of surveillance feed samples to collect each year.</li> <li>• Develop standard procedures and guidance to ensure the appropriate number of surveillance feed samples are collected each year.</li> <li>• Increase, by a minimum of 200%, the number of surveillance feed samples collected in 2013 over those collected in 2012.</li> </ul>  |
| DATCP  | SWRM cost-share transfers: Simplifying routine approvals  | <ul style="list-style-type: none"> <li>• Identify more efficient ways to process this routine transaction.</li> <li>• Reduce reliance on paper documentation.</li> <li>• Reduce workload for frontline staff.</li> </ul>   |
| DATCP  | Division of Ag Resource Management - The Staff Trackers   | <ul style="list-style-type: none"> <li>• Information is collected in a timely and efficient manner.</li> <li>• Eliminate redundancy where it is found.</li> <li>• Reduce collection of inaccurate information.</li> </ul>  |

|       |  |  |
|-------|--|--|
| DATCP | Bureau of Labs -<br>Records Storage<br>and Retrieval   | <ul style="list-style-type: none"> <li>• Determine the deficiencies of the current system and propose resolutions.</li> <li>• Define a systematic, efficient and applicable method for categorizing the records and documents.</li> <li>• Design a uniform and systematic nomenclature to be used for storage and retrieval of the records.</li> <li>• Provide sufficient directions to the BLS staff to organize, label their documents to be delivered for storage including the delivery location.</li> </ul>   |
| DATCP | Bulk Milk<br>Weigher and<br>Sampler Program  | <ul style="list-style-type: none"> <li>• Revise the Bulk Milk Weigher and Sampler (BMWS) licensing process to reduce cost for BMWS exam proctoring and field evaluations.</li> <li>• Ensure all BMWS license applicants receive an exam and licensing inspection before issuance of a temporary BMWS license.</li> <li>• Streamline the licensing process to increase external and internal customer satisfaction.</li> <li>• Improve Grade A dairy plant survey results by reducing the number of temporary BMWS licensees, licensed BMWS, and Appendix N samplers who are not inspected within the required period.</li> </ul> |
| DATCP | Establish a<br>consistent<br>renewal process<br>for registrations,<br>certifications and<br>licenses | <ul style="list-style-type: none"> <li>• Standardize the process followed by program staff when reviewing applications for renewal of registrations, certifications and licenses.</li> <li>• Establish and measure baseline expectations for processing applications.</li> <li>• Reduce the amount of time required to renew a registration, certification or license.</li> <li>• Reduce the number of mistakes when verifying required information.</li> </ul>  |
| DSPS  | Employee<br>Training   | <ul style="list-style-type: none"> <li>• Improve process for training and approvals.</li> </ul>  |

|      |   |  |
|------|---|--|
| DSPS | Complaint Intake/Screening and Monitoring PAP Processes | <ul style="list-style-type: none"> <li>To increase staff productivity and capacity through the improvement of the intake/screening, monitoring/PAP and records process.</li> <li>Processes have been streamlined and workloads appear to be balancing. A review/audit will be done by May 31, 2013 to assess the success of the project.</li> </ul>  |
| DSPS | Paperless Office - Phase 1                              | <ul style="list-style-type: none"> <li>Promote operational effectiveness, a productive use of space, simplified processes and maximize staff resources.</li> <li>Eliminated 214 file cabinets, 18 bookcases, 144 feet of open shelving.</li> </ul>   |
| DSPS | Practice Question Procedure                             | <ul style="list-style-type: none"> <li>Clarify the department's role as a regulatory agency and ensure that all documents interpreting statutes are identified.</li> <li>A new process for receiving and responding to professional practice questions was put in place.</li> </ul>  |
| DSPS | Electronic Plan Review - Phase 2                        | <ul style="list-style-type: none"> <li>Improve the electronic plan review process through an analysis of current processes, procedures and tools.</li> </ul>   |
| DSPS | Case Resolution   | <ul style="list-style-type: none"> <li>Increase stakeholder satisfaction through the improvement of the case resolution process within the Division of Legal Services and Compliance.</li> <li>Achieved by target date and maintained consistency (52% reduction in pending caseload).</li> </ul>  |
| DSPS | Complaint Intake and Screening Process                  | <ul style="list-style-type: none"> <li>Improve operational efficiency and stakeholder satisfaction through the centralization of complaint processing into the Division of Legal Services and Compliance.</li> </ul>   |
| DSPS | Document Consistency                                    | <ul style="list-style-type: none"> <li>Increase staff productivity, reduce errors, and create consistency in the production of documents by creating quality review processes and forms.</li> <li>Resulted in a much more comprehensive, review of legal work product along with a reduction in errors.</li> <li>Reduction in rejected proposed resolutions by professional boards.</li> </ul> |

## **Appendix 1: Statutory Charge**

### **2013 Wisconsin Act 20, Section 9101(3s): Study concerning consolidation of the departments of safety and professional services and agriculture, trade and consumer protection.**

- (a) The department of administration shall conduct a study concerning the consolidation of the functions currently being performed by the departments of safety and professional services and agriculture, trade and consumer protection under a single new agency in the executive branch of state government, to be named the department of agriculture, regulation, and trade.
- (b) In conducting the study under paragraph (a), the department of administration shall consult with the departments of safety and professional services and agriculture, trade and consumer protection and with the boards and councils attached to or under those agencies.
- (c) In conducting the study under paragraph (a), the department of administration shall consult members of the public who may be affected by the consolidation of the departments of safety and professional services and agriculture, trade and consumer protection and the creation of the department of agriculture, regulation, and trade.
- (d) No later than January 1, 2014, the department of administration shall submit a report of its findings from the study conducted under paragraph (a) to the joint committee on finance and, in the manner provided under section 13.172 (3) of the statutes, to the appropriate standing committees of the legislature. That report shall set forth the department of administration's recommendations concerning the proposed consolidation described under paragraph (a). If the department recommends consolidation, the report shall include the department's recommendations concerning all of the following:
  - 1. The organizational structure, programmatic functions, and performance objectives of the department of agriculture, regulation, and trade.
  - 2. Any reduction in staff that may be accomplished as a result of the consolidation of the departments of safety and professional services and agriculture, trade and consumer protection.
  - 3. Any board or council that may be eliminated as a result of the consolidation of the departments of safety and professional services and agriculture, trade and consumer protection.
  - 4. Any adjustment to credentialing fees that may be appropriate and the capability of revenue from credentialing fees to support the operations of the department of agriculture, regulation, and trade.
  - 5. Any function of or program under the departments of safety and professional services and agriculture, trade and consumer protection that should be transferred to an agency other than the newly created department of agriculture, regulation, and trade.
  - 6. Any way to improve the services to be provided by the department of agriculture, regulation, and trade.
- (e) If the department of administration recommends consolidation in its report under paragraph (d), the department shall also submit with that report draft legislation that implements, effective July 1, 2015, the department's recommendations made in the report.

### **Appendix 2: Copy of Generic Outreach Email sent to Survey Respondents**

Good morning,

We are contacting you today as we would appreciate your feedback (including feedback from your organizations board and members) about possibly merging the Department of Safety and Professional Services (DSPS) and the Department of Agriculture, Trade and Consumer Protection (DATCP). Your input about how this consolidation may impact you is very valuable to us.

The 2013-15 state budget calls for a study about consolidating these two agencies. DSPS manages the licensing and regulation of professions in health, business and construction trades. They also oversee state building safety codes and provide services related to plan review, permit issuance, building and component inspection, and safety codes. DATCP is responsible for the promotion and regulation of Wisconsin's agriculture industry, including Agriculture Resource Management and Animal Health, as well as the oversight of food safety and consumer protection.

We ask that you complete the survey and forward this email to your members for their response so we can better understand how a potential consolidation may affect you. Your answers and contact information will be kept confidential and will not be used outside of the scope of this survey. All survey results will be tallied for any reporting purposes.

**[TAKE THE SURVEY – your answers will be kept confidential](#)**

Thank you in advance for your participation and input.  
Office of Business Development

*Note: throughout the survey, you will see the term 'license' which refers to any license, credential, certification, registration or permit. Please view the term to mean the document a state agency issues as a requirement to do business, perform an occupation or specific work activity in the State of Wisconsin.*

## Appendix 3: Survey Questions

Page 1

### State Agency Involvement

My primary purpose for contact with an agency is: Select at least 1 and no more than 6.

- Obtain or renew an occupational license
- Register my business
- Obtain a permit for a specific activity
- I am a member of a Board or Council affiliated with an Agency
- I am a Representative of a Trade Association with interests to an Agency
- Other with significant Agency contact
- None of the Above

Page 2

### Background Information

In which county do you reside?

To do business in Wisconsin, I have contact with the following agencies: Select at least 1 and no more than 3.

- Department of Safety and Professional Services (DSPS)
- Department of Agriculture, Trade and Consumer Protection (DATCP)
- Other agencies
- None

Page 3

### Additional Agencies

Select additional agencies Select no more than 5.

- Children and Families, Department of
- Financial Institutions, Department of
- Health Services, Department of
- Insurance, Office of the Commissioner of
- Natural Resources, Department of

- Public Instruction, Department of
- Revenue, Department of
- Workforce Development, Department of
- Not on list, please specify

Enter Department Name

**Page 4**

### Employee Count

In which county is your business located?

-- None --

How many full time people do you employ?

How many part time people do you employ?

**Page 5**

### Profession or Industry

What best represents your profession or industry sector

- Health Professions
- Business Professions
- Trades Professions
- Manufactured Housing
- Mixed Martial Arts/Boxing

**Page 6**

### Trade Professions

Select category.

- |   |   |                                     |
|---|---|-------------------------------------|
| <input type="checkbox"/> Fire Sprinkler | <input type="checkbox"/> Dwellings, Structures, Sites | <input type="checkbox"/> Mechanical |
| <input type="checkbox"/> Blasting       | <input type="checkbox"/> Conveyance                   | <input type="checkbox"/> Electrical |

Plumbing

Inspection

## Agriculture/Food Industry Professions

Select license

- No license or permit required
- Animal Control Facility (eff. 6/1/2011)
- Animal Dealer License
- Animal Food Processor License
- Animal Import Permit (certain animals)
- Animal Market License
- Animal Shelter (eff. 6/1/2011)
- Animal Transport Vehicle (animal dealers, markets and truckers)
- Animal Trucker License
- Animals Diseased; Permit to Move
- Apiary Inspection Certificate; Interstate Movement
- Bulk Milk Tanker; Grade A Permit
- Bulk Milk Tanker; License to Operate
- Bulk Milk Weigher and Sampler License
- Butter Grader License
- Buttermaker License
- Cattle and Bison; Import Permit
- Cattle/Goats; Johne's Disease Herd Classification
- Cattle; Burcellosis-Free Herd Certification
- Cattle; Johne's Disease Vaccination Approval
- Cattle; Tuberculosis-Free Herd Certificate
- Cheese Grader License
- Cheese Logo (Wisconsin); Permit to Use
- Cheesemaker License
- Christmas Tree Grower License
- Dairy Farm; Grade A Permit
- Dairy Farm; Milk Producer License
- Dairy Plant - Grade A BMT Cleaning Facility
- Dairy Plant License

- Dairy Plant; Grade A Permit
- Dating Service
- Dead Animal Collector License
- Dead Animals; Carcass Dealer Registration
- Dead Animals; Transport Vehicle Permit
- Deer and Elk (Farm-Raised); Brucellosis Free Herd
- Deer and Elk (Farm-Raised); CWD Herd Status Program
- Deer and Elk (Farm-Raised); Herd Registration
- Deer and Elk (Farm-Raised); Hunting Preserve Registration Certificate
- Deer and Elk (Farm-Raised); TB Accredited Free Certification
- Deer and Elk (Farm-Raised); TB Qualified Herd Certification
- Deer and Elk; Import Permit
- Dog Breeder (eff. 6/1/2011)
- Dog Breeding Facility (eff. 6/1/2011)
- Dog Dealer (eff. 6/1/2010)
- Dog Dealer; Out-of-State (eff. 6/1/2011)
- Equine Quarantine Station; Permit
- Feed (Commercial); License to Manufacture or Distribute
- Feedlot (Approved Import Feedlot); Permit
- Fertilizer Product <24% NPK; Permit
- Fertilizer; License to Manufacture or Distribute
- Fish Farm Registration
- Fish Import Permit
- Fitness Center
- Food Marketing Permit (temporary permit for non-conforming label)
- Food or Farm Product Grader; License
- Food Processing Plant License (Wholesale)
- Food Retail Inspection; Agent County or Municipality
- Food Retail License
- Food Warehouse License
- Fur Farm
- Future Service Plan (Buyers Club)
- Ginseng Grower and Dealer Registration
- Goats; Brucellosis-Free Herd Certificate
- Goats; Tuberculosis-Free Herd Certificate
- Grain Dealer License

- Grain Warehouse Keeper License
- Grease Processor License
- Honey Producer - Certified
- Humane Officer Certification
- Industry Bulk Milk Truck / Tanker Inspector - Appointed
- Laboratory Analyst Certification (Dairy, Food and Water Labs)
- Laboratory Certification (Dairy, Food and Water Labs)
- Laboratory; Milk Screening Test Approval
- Landspreading Permit; Soils Containing Spilled Agrichemicals
- Liming Materials; Approval to Sell by Volume
- Liming Materials; License to Sell
- Livestock Premises Registration
- Livestock; Brand Registration
- Livestock; Permit to Move from Slaughter
- Maple Sap Processor Registration
- Meat Broker or Distributor Registration
- Meat Establishment License
- Meat; Mobile Slaughter or Processing; Registration Certificate
- Milk and Cream Tester License
- Milk Contractor License
- Milk Distributor License
- Mobile Air Conditioners; repair or Service Business; Registration
- Mobile Air Conditioners; Technician Registration
- Nursery Dealer License
- Nursery Grower License
- Pasteurizer Operator -- not a license or permit
- Pesticide Applicator Certification; Commercial
- Pesticide Applicator Certification; Private
- Pesticide Commercial Application Business License
- Pesticide Commercial Applicator (Individual) License
- Pesticide Dealer-Distributor License
- Pesticide Emergency Use Permit
- Pesticide Experimental Use Permit
- Pesticide Manufacturer & Labeler License
- Pesticide Special Local Need Registration
- Pesticide Special Use Permit

- Plant Health (Phyto Sanitary) Certificate
- Plant Pest (or Biological Control Agent); Permit to Move or Release
- Poultry; Certified Pullorum Tester (National Poultry Improvement Plan)
- Poultry; Disease-Free Flock Certification (National Poultry Improvement Plan)
- Poultry; Wisconsin Associate Flock Certification
- Poultry; Wisconsin Tested Flock Certification
- Public Warehouse Keeper License
- Renderer License
- Seed Labeler License
- Sheep; Brucella Ovis-Free Certificate
- Soil and Plant Additive; License to Sell
- Soil and Plant Additive; Product Permit
- Swine; Brucellosis-Free Herd Certificate
- Swine; Pseudorabies - Monitored Herd Certification
- Swine; Pseudorabies Qualified Negative Grow-Out Herd Certification
- Swine; Pseudorabies Vaccination Permit
- Swine; Pseudorabies Qualified Negative Herd Certification
- Telephone Solicitors Registration (Wisconsin "No Call" Program)
- Time-Share Seller; Security Requirement
- Vegetable Contractor License
- Veterinarian; Certification to Perform Official Disease Control Functions
- Weather Modification License
- Weather Modification Project Permit
- Weight Reduction Center; Security Requirement
- Weights and Measures; Liquid Fuel Vehicle Tank Meter License
- Weights and Measures; LP Gas Meter License
- Weights and Measures; Service Company License
- Weights and Measures; Service Technician Registration
- Weights and Measures; Vehicle or Livestock Scale Permit
- Weights and Measures; Vehicle Scale Operator License

## Boxing and Mixed Martial Arts

Select license

- Boxing Contestant
- Boxing or Mixed Martial Arts Judge
- Boxing or Mixed Martial Arts Promoter
- Boxing or Mixed Martial Arts Referee
- Boxing or Mixed Martial Arts Ringside Physician
- Boxing or Mixed Martial Arts Timekeeper
- Mixed Martial Arts Contestant

## Business Professions

Select license

- Accountant, Certified Public
- Accounting Corporation or Establishment
- Aesthetician
- Aesthetics Establishment
- Aesthetics Instructor
- Aesthetics School
- Appraiser, Certified General
- Appraiser, Certified Residential
- Appraiser, Licensed
- Architect
- Athlete Agent
- Auction Company
- Auctioneer
- Barber
- Barbering Apprentice
- Barbering Establishment
- Barbering Instructor
- Barbering Manager
- Barbering School
- Cemetery Authority (Licensed)
- Cemetery Authority (Registered)
- Cemetery Preneed Seller
- Cemetery Salesperson

- Certificate of Authorization: Architectural, Engineering or Designer of Engineering Systems Corp.
- Certificate of Authorization: Geology, Hydrology or Soil Science Corp.
- Certified General Appraiser
- Certified Public Accountant
- Certified Residential Appraiser
- Charitable Organizations
- Cosmetology Apprentice
- Cosmetology Establishment
- Cosmetology Instructor
- Cosmetology Manager
- Cosmetology Practitioner
- Cosmetology School
- Crematory Authority
- Designer of Engineering Systems
- Electrologist
- Electrology Establishment
- Electrology Instructor
- Electrology School
- Engineer, Professional
- Firearms Certifier
- Firearms Permit
- Fund-Raising Counsel
- Funeral Director
- Funeral Establishment
- Geologist
- Home Inspector
- Hydrologist
- Interior Designer
- Juvenile Martial Arts Instructor
- Land Surveyor
- Landscape Architect
- Licensed Appraiser
- Manicuring Establishment
- Manicuring Instructor
- Manicuring School
- Manicurist

- Nursing Home Administrator
- Peddler
- Private Detective
- Private Detective/Security Guard Agency
- Private Security Permit
- Professional Employer Group
- Professional Employer Organization
- Professional Engineer
- Professional Fund Raiser
- Real Estate Broker
- Real Estate Business Entity
- Real Estate Salesperson
- Real Estate Salesperson Apprentice
- Soil Scientist
- Timeshare Salesperson
- Warehouse for Cemetery Merchandise

## **Health Professions**

Select license

- Acupuncturist
- Advanced Practice Nurse Prescriber
- Anesthesiologist Assistant
- Art Therapist
- Athletic Trainer
- Audiologist
- Behavior Analyst
- Chiropractic Radiological Technician
- Chiropractic Technician
- Chiropractor
- Clinical Substance Abuse Counselor
- Clinical Supervisor In Training
- Controlled Substances Special Use Authorization
- Dance Therapist

- Dental Hygienist
- Dentist
- Dietitian
- Drug or Device Manufacturer
- Hearing Instrument Specialist
- Independent Clinical Supervisor
- Intermediate Clinical Supervisor
- Licensed Midwives
- Licensed Practical Nurse
- Licensed Radiographer
- Limited X-Ray Machine Operator Permit
- Marriage and Family Therapist
- Massage Therapist or Bodywork Therapist
- Music Therapist
- Nurse - Midwife
- Occupational Therapist
- Occupational Therapy Assistant
- Optometrist
- Perfusionist
- Pharmacist
- Pharmacy (In State)
- Pharmacy (Out of State)
- Physical Therapist
- Physical Therapist Assistant
- Physician Assistant
- Physician
- Podiatrist
- Prevention Specialist
- Prevention Specialist in Training
- Private Pract. School Psychologist
- Professional Counselor
- Psychologist
- Registered Nurse
- Registered Sanitarian
- Respiratory Care Practitioner
- Sign Language Interpreter

- Sign Language Interpreter (Restricted)
- Social Worker
- Social Worker - Advanced Practice
- Social Worker - Independent
- Social Worker - Licensed Clinical
- Social Worker - Training Certificate
- Speech-Language Pathologist
- Substance Abuse Counselor
- Substance Abuse Counselor in Training
- Veterinarian
- Veterinary Technician
- Wholesale Distributor of Prescription Drugs

**Manufactured Homes**

Select license

- Manufactured Home Dealer
- Manufactured Home Installer
- Manufactured Home Manufacturer
- Manufactured Home Salesperson
- Manufactured Home Title
- Manufactured Home Community

**Trades Professions - Fire Sprinkler**

Select license

- Automatic Fire Sprinkler Contractor
- Automatic Fire Sprinkler Contractor – Maintenance
- Automatic Fire Sprinkler Fitter – Maintenance
- Automatic Fire Sprinkler System Apprentice
- Automatic Fire Sprinkler System Tester
- Automatic Fire Sprinkler System Tester Learner
- Journeyman Automatic Fire Sprinkler Fitter

### Trades Professions - Blasting and Fireworks

Select license

- Blaster Class 1
- Blaster Class 2
- Blaster Class 3
- Blaster Class 4
- Blaster Class 5
- Blaster Class 6
- Blaster Class 7
- Fireworks Manufacturer

### Trades Professions - Conveyances

Select license

- Elevator Apprentice
- Elevator Apprentice – Restricted
- Elevator Contractor
- Elevator Helper
- Elevator Mechanic
- Elevator Mechanic – Restricted
- Lift Apprentice
- Lift Helper
- Lift Mechanic

### Trades Professions - Dwellings, Structures and Sites

Select license

- Dwelling Contractor
- Dwelling Contractor – Restricted
- Dwelling Contractor Qualifier

- Manufactured Home Installer
- Manufactured Home Manufacturer
- Manufactured Home Salesperson
- Soil Tester
- Weld Test Conductor
- Welder

### Trades Professions - Electrical

Select license

- Beginner Electrician
- Electrical Apprentice
- Electrical Contractor
- Industrial Electrical Apprentice
- Industrial Journeyman Electrician License
- Journeyman Electrician
- Master Electrician
- Residential Electrical Apprentice
- Residential Journeyman Electrician License
- Residential Master Electrician License

### Trades Professions - Inspection

Select license

- Boiler/Pressure Vessel Inspector
- Commercial Building Inspector
- Commercial Electrical Inspector
- Commercial Plumbing Inspector
- Elevator Inspector
- POWTS Inspector
- Rental Weatherization Inspector
- Soil Erosion Inspector
- Tank System Inspector

- UDC Construction Inspector
- UDC Electrical Inspector
- UDC HVAC Inspector
- UDC Inspection Agency
- UDC Plumbing Inspector

### Trades Professions - Mechanical

Select license

- HVAC Contractor
- HVAC Qualifier
- Liquefied Gas Supplier
- Liquefied Gas Supplier – Restricted
- Refrigerant Handling Technician

### Trades Professions - Plumbing

Select license

- Cross Connection Control Tester
- Journeyman Plumber
- Journeyman Plumber Restricted Appliance
- Journeyman Plumber Restricted Service
- Master Plumber
- Master Plumber Restricted Appliance
- Master Plumber Restricted Service
- Pipelayer
- Plumbing Apprentice
- Plumbing Learner Restricted Appliance
- Plumbing Learner Restricted Service
- POWTS Maintainer
- Utility Contractor

**The following questions were asked about each of the following agencies:**  
**Department of Agriculture, Trade and Consumer Protection**  
**Department of Safety and Professional Services**  
**Department of Children and Families**  
**Department of Financial Institutions**  
**Department of Health Services**  
**Office of the Commissioner of Insurance**  
**Department of Natural Resources**  
**Department of Revenue**  
**Department of Workforce Development**  
**Other Agencies**

**Respondents were only asked these questions about an agency if they identified the agency as one they interacted with to do business.**

**Answer only those questions that apply to you**

How would you rate your overall experience with the agency?

- Very Poor
- Poor
- Average
- Good
- Very Good
- No opinion/unsure

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How would you rate the licensing process?

- Very Poor
- Poor
- Average
- Good
- Very Good
- No opinion/unsure

---

After submitting your application, what length of time did you wait for your license?Select no more than 1.

- 3 or less business days
- 4 - 7 business days
- 8 - 29 business days
- 30 days or longer

---

How satisfied are you with the time it takes to receive your license after you apply?

- Very dissatisfied
- Somewhat dissatisfied
- No opinion
- Somewhat satisfied
- Very satisfied

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As a license holder, how do you stay up-to-date on changes in state law as it relates to your industry?Select no more than 1.

- Membership Association
- State Agency
- None of the above
- Other, please specify

How much value do you believe there is relative to fees paid to be a license holder?

- Good Value
- Some Value
- Not Sure
- Minimal Value
- No Value

How frequently, if at all, should you be required to renew your license? Select no more than 1.

- Leave as is
- Renew more frequently
- Renew less frequently
- Do not require renewal at all

What is your opinion of the continuing education (CE) requirements, if any, for your license? Select no more than 1.

- No CE is required now
- Ok as is
- Reduce the CE requirement
- Increase the CE requirement
- Do not require CE
- Additional comments on CE
- No opinion

Enter additional comments:

How would you improve your experience

⏪
⏩

How would you improve your experience with the licensing process

**Consolidation Input**

Do you believe there should be one agency responsible solely for Agriculture and food safety in Wisconsin? Select at least 1 and no more than 1.

- Definitely Yes
- Probably Yes
- Not Sure
- Probably No
- Definitely No

Do you believe there should be one agency responsible for all licensing and permitting in Wisconsin? Select at least 1 and no more than 1.

- Definitely Yes
- Probably Yes
- Not Sure
- Probably No
- Definitely No

If Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection were consolidated how do you think the focus of the new agency might change the current functions such as agriculture, food safety, consumer protection, building plan review and professional licensing?

- Reduce focus
- Stay the same
- Increase focus
- Unsure

How do you believe a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would affect the services to you as a license holder?

- Greatly reduce service
- Reduce service somewhat
- Not sure
- Improve service somewhat
- Greatly improve service

Do you believe that consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection will result in savings?

- Definitely Yes
- Probably Yes
- Not Sure
- Probably No
- Definitely No

If consolidation results in lower costs to the agency, how would you want the savings used?

- Return savings to taxpayers
- Use savings to reduce license fees
- Invest savings to provide better service
- Other, please specify

If no savings were found from a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would you support the general concept of consolidation?

- Definitely Yes
- Probably Yes
- Not Sure
- Probably No
- Definitely No

Please use the space below to provide additional comments

#### Appendix 4: Respondent Demographics

| <b>Table 1: Total Respondents by County</b> |                    |                   |               |                    |                   |
|---|--------------------|-------------------|---------------|--------------------|-------------------|
| <b>County</b>                               | <b>Respondents</b> | <b>Percentage</b> | <b>County</b> | <b>Respondents</b> | <b>Percentage</b> |
| None Indicated                              | 8,340              | 33.4%             | Marathon      | 405                | 1.6%              |
| Adams                                       | 54                 | 0.2%              | Marinette     | 105                | 0.4%              |
| Ashland                                     | 48                 | 0.2%              | Marquette     | 38                 | 0.2%              |
| Barron                                      | 115                | 0.5%              | Menominee     | 2                  | 0.0%              |
| Bayfield                                    | 57                 | 0.2%              | Milwaukee     | 2,102              | 8.4%              |
| Brown                                       | 687                | 2.8%              | Monroe        | 108                | 0.4%              |
| Buffalo                                     | 34                 | 0.1%              | Oconto        | 105                | 0.4%              |
| Burnett                                     | 43                 | 0.2%              | Oneida        | 144                | 0.6%              |
| Calumet                                     | 133                | 0.5%              | Outagamie     | 443                | 1.8%              |
| Chippewa                                    | 209                | 0.8%              | Ozaukee       | 342                | 1.4%              |
| Clark                                       | 62                 | 0.2%              | Pepin         | 26                 | 0.1%              |
| Columbia                                    | 188                | 0.8%              | Pierce        | 67                 | 0.3%              |
| Crawford                                    | 55                 | 0.2%              | Polk          | 93                 | 0.4%              |
| Dane  | 2,518              | 10.1%             | Portage       | 186                | 0.7%              |
| Dodge                                       | 225                | 0.9%              | Price         | 51                 | 0.2%              |
| Door  | 117                | 0.5%              | Racine        | 422                | 1.7%              |
| Douglas                                     | 103                | 0.4%              | Richland      | 64                 | 0.3%              |
| Dunn  | 119                | 0.5%              | Rock          | 348                | 1.4%              |
| Eau Claire                                  | 362                | 1.5%              | Rusk          | 24                 | 0.1%              |
| Florence                                    | 10                 | 0.0%              | Saint Croix   | 204                | 0.8%              |
| Fond du Lac                                 | 308                | 1.2%              | Sauk          | 190                | 0.8%              |
| Forest                                      | 15                 | 0.1%              | Sawyer        | 58                 | 0.2%              |
| Grant                                       | 117                | 0.5%              | Shawano       | 83                 | 0.3%              |
| Green                                       | 150                | 0.6%              | Sheboygan     | 289                | 1.2%              |
| Green Lake                                  | 57                 | 0.2%              | Taylor        | 41                 | 0.2%              |
| Iowa  | 79                 | 0.3%              | Trempealeau   | 66                 | 0.3%              |
| Iron  | 23                 | 0.1%              | Vernon        | 73                 | 0.3%              |
| Jackson                                     | 46                 | 0.2%              | Vilas         | 86                 | 0.3%              |
| Jefferson                                   | 239                | 1.0%              | Walworth      | 246                | 1.0%              |
| Juneau                                      | 49                 | 0.2%              | Washburn      | 62                 | 0.2%              |
| Kenosha                                     | 284                | 1.1%              | Washington    | 437                | 1.8%              |
| Kewaunee                                    | 61                 | 0.2%              | Waukesha      | 1,468              | 5.9%              |
| La Crosse                                   | 409                | 1.6%              | Waupaca       | 132                | 0.5%              |
| Lafayette                                   | 50                 | 0.2%              | Waushara      | 58                 | 0.2%              |
| Langlade                                    | 59                 | 0.2%              | Winnebago     | 436                | 1.7%              |
| Lincoln                                     | 66                 | 0.3%              | Wood          | 237                | 0.95%             |
| Manitowoc                                   | 217                | 0.9%              |               |                    |                   |
| <b>Counties Represented</b>                 |                    | <b>72</b>         |               |                    |                   |
| <b>Total Respondents</b>                    |                    | <b>24,949</b>     |               |                    |                   |

| <b>Table 2: Respondents by Profession</b>   |                    |                         |
|---|--------------------|-------------------------|
| <b>Profession</b>   | <b>Respondents</b> | <b>Percent of Total</b> |
| Health Professions  | 9,838              | 39.4%                   |
| No Response   | 7,451              | 29.9%                   |
| Business Professions  | 5,194              | 20.8%                   |
| Trades Professions  | 1,920              | 7.7%                    |
| Manufactured Housing  | 21                 | 0.1%                    |
| Mixed Martial Arts/Boxing   | 14                 | 0.1%                    |
| <i>Subtotal</i>   | <i>24,438</i>      | <i>98.0%</i>            |
| <b>More than One Response</b>   |                    |                         |
| Business Professions; Trades Professions  | 210                | 0.8%                    |
| Health Professions; Business Professions  | 187                | 0.7%                    |
| Health Professions; Trades Professions  | 61                 | 0.2%                    |
| Health Professions; Business Professions; Trades Professions  | 28                 | 0.1%                    |
| Business Professions; Trades Professions; Manufactured Housing  | 9                  | 0.0%                    |
| Trades Professions; Manufactured Housing  | 9                  | 0.0%                    |
| Business Professions; Manufactured Housing  | 4                  | 0.0%                    |
| Business Professions; Trades Professions; Mixed Martial Arts/Boxing   | 1                  | 0.0%                    |
| Health Professions; Business Professions; Trades Professions; Manufactured Housing; Mixed Martial Arts/Boxing | 1                  | 0.0%                    |
| Health Professions; Mixed Martial Arts/Boxing   | 1                  | 0.0%                    |
| <i>Subtotal</i>   | <i>511</i>         | <i>2.1%</i>             |
| <b>Grand Total</b>  | <b>24,949</b>      | <b>100.0%</b>           |

| <b>Table 3: Respondents by Reason for Agency Contact</b>   |                    |                         |
|--|--------------------|-------------------------|
| <b>Reason for Contact</b>  | <b>Respondents</b> | <b>Percent of Total</b> |
| Obtain or renew an occupational license  | 16,921             | 65.5%                   |
| None of the Above  | 2,880              | 11.1%                   |
| Obtain or renew an occupational license;<br>Register my business   | 1,162              | 4.5%                    |
| Obtain or renew an occupational license; Obtain<br>a permit for a specific activity                          | 611                | 2.4%                    |
| Obtain or renew an occupational license;<br>Register my business; Obtain a permit for a<br>specific activity | 503                | 1.9%                    |
| Other with significant Agency contact  | 462                | 1.8%                    |
| Obtain a permit for a specific activity  | 384                | 1.5%                    |
| Register my business   | 355                | 1.4%                    |
| Obtain or renew an occupational license; Other<br>with significant Agency contact                            | 314                | 1.2%                    |
| I am a member of a Board or Council affiliated<br>with an Agency   | 246                | 1.0%                    |
| I am a Representative of a Trade Association<br>with interests to an Agency                                  | 207                | 0.8%                    |
| Multiple Responses - Other   | 904                | 3.5%                    |
| <b>Grand Total</b>   | <b>24,949</b>      | <b>100.0%</b>           |
| <b>Table 4: Respondents by Source of Survey Contact</b>  |                    |                         |

| <b>Source of Contact</b>                           | <b>Respondents</b> | <b>Percent of Total</b> |
|--|--------------------|-------------------------|
| License Holders                                    | 23,438             | 93.9%                   |
| Other via Office of Business Development           | 497                | 2.0%                    |
| DSPS Stakeholders                                  | 336                | 1.3%                    |
| Legislature  | 173                | 0.7%                    |
| Boards and Councils                                | 147                | 0.6%                    |
| DOA/Wisconsin Website                              | 128                | 0.5%                    |
| Not Available                                      | 39                 | 0.2%                    |
| Chamber via Office of Business Development         | 33                 | 0.1%                    |
| Bus Development via Office of Business Development | 20                 | 0.1%                    |
| DATCP Lists  | 12                 | 0.0%                    |
| DSPS Lists   | 8                  | 0.0%                    |
| Lt Governor Lists                                  | 2                  | 0.0%                    |
| Cooperative Network                                | 1                  | 0.0%                    |
| <b>Grand Total</b>                                 | <b>24,949</b>      | <b>100.0%</b>           |

| <b>Table 5: Categorized responses to the question: How many full time people do you employ?</b> |                    | <b>Categorized responses to the question: How many part time people do you employ?</b> |                    |
|---|--------------------|--|--------------------|
| <b>Employees</b>  | <b>Respondents</b> | <b>Employees</b>   | <b>Respondents</b> |
| Zero  | 573                | Zero   | 980                |
| Between 1-10 Employees  | 1,063              | Between 1-10 Employees   | 829                |
| Between 11-50 Employees   | 224                | Between 11-50 Employees  | 91                 |
| Between 51-100 Employees  | 53                 | Between 51-100 Employees   | 10                 |
| Between 101-1000 Employees  | 51                 | Between 100-1000 Employees   | 26                 |
| Over 1001 Employees   | 10                 | Over 1001 Employees  | 2                  |
| <i>Subtotal</i>   | <i>1,974</i>       | <i>Subtotal</i>  | <i>1,938</i>       |
| No response   | 22,975             | No response  | 23,011             |
| <b>Total</b>  | <b>24,949</b>      | <b>Total</b>   | <b>24,949</b>      |

**Appendix 5: Complete Survey Responses - DATCP and DSPS**

| <b>Table 1: Do you believe there should be one agency responsible for all licensing and permitting in Wisconsin?</b> |                    |                   |
|--|--------------------|-------------------|
| <b>Response</b>  | <b>Respondents</b> | <b>Percentage</b> |
| No Response  | 4,247              | 17.0%             |
| Definitely No  | 1,408              | 5.6%              |
| Probably No  | 1,968              | 7.9%              |
| Not Sure   | 2,917              | 11.7%             |
| Probably Yes   | 5,861              | 23.5%             |
| Definitely Yes   | 8,548              | 34.3%             |
| Total Respondents  | 24,949             | 100.0%            |

| <b>Table 2: Do you believe there should be one agency responsible solely for Agriculture and food safety in Wisconsin?</b> |                    |                   |
|--|--------------------|-------------------|
| <b>Response</b>  | <b>Respondents</b> | <b>Percentage</b> |
| No Response  | 4,248              | 17.0%             |
| Definitely No  | 875                | 3.5%              |
| Probably No  | 1,177              | 4.7%              |
| Not Sure   | 4,377              | 17.5%             |
| Probably Yes   | 5,855              | 23.5%             |
| Definitely Yes   | 8,417              | 33.7%             |
| Total Respondents  | 24,949             | 100.0%            |

| <b>Table 3: How do you believe a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would affect the services to you as a license holder?</b> |                    |                   |
|---|--------------------|-------------------|
| <b>Response</b>   | <b>Respondents</b> | <b>Percentage</b> |
| No Response   | 4,430              | 17.8%             |
| Greatly improve service   | 192                | 0.8%              |
| Improve service somewhat  | 760                | 3.0%              |
| Not sure  | 8,308              | 33.3%             |
| Reduce service somewhat   | 6,270              | 25.1%             |
| Greatly reduce service  | 4,989              | 20.0%             |
| Total Respondents   | 24,949             | 100.0%            |

**Table 4: Do you believe that consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection will result in savings?**

| <b>Response</b>          | <b>Respondents</b> | <b>Percentage</b> |
|--------------------------|--------------------|-------------------|
| No Response              | 4,352              | 17.4%             |
| Definitely No            | 1,401              | 5.6%              |
| Probably No              | 5,319              | 21.3%             |
| Not Sure                 | 6,245              | 25.0%             |
| Probably Yes             | 6,209              | 24.9%             |
| Definitely Yes           | 1,423              | 5.7%              |
| <b>Total Respondents</b> | <b>24,949</b>      | <b>100.0%</b>     |

**Table 5: If no savings were found from a consolidation of Department of Safety and Professional Services and Department of Agriculture, Trade and Consumer Protection would you support the general concept of consolidation?**

| <b>Response</b>          | <b>Respondents</b> | <b>Percentage</b> |
|--------------------------|--------------------|-------------------|
| No Response              | 4,375              | 17.5%             |
| Definitely No            | 7,191              | 28.8%             |
| Probably No              | 6,614              | 26.5%             |
| Not Sure                 | 3,532              | 14.2%             |
| Probably Yes             | 2,364              | 9.5%              |
| Definitely Yes           | 873                | 3.5%              |
| <b>Total Respondents</b> | <b>24,949</b>      | <b>0.0%</b>       |

**Performance Evaluation Questions – DATCP**

| <b>DATCP - How would you rate your overall experience with the agency?</b> |              |             |
|--|--------------|-------------|
| Very Good  | 309          | 19.9%       |
| Good   | 562          | 36.2%       |
| Average  | 436          | 28.1%       |
| Poor   | 53           | 3.4%        |
| Very Poor  | 24           | 1.5%        |
| No opinion/unsure  | 169          | 10.9%       |
| <b>Total</b>   | <b>1,553</b> | <b>100%</b> |
| Not Asked/No Response  | 23,396       |             |

| <b>DATCP - How would you rate the licensing process?</b> |              |             |
|--|--------------|-------------|
| Very Good  | 228          | 15.0%       |
| Good   | 510          | 33.6%       |
| Average  | 413          | 27.2%       |
| Poor   | 65           | 4.3%        |
| Very Poor  | 17           | 1.1%        |
| No opinion/unsure  | 285          | 18.8%       |
| <b>Total</b>   | <b>1,518</b> | <b>100%</b> |
| Not Asked/No Response                                    | 23,431       |             |

| <b>DATCP - After submitting your application, what length of time did you wait for your license?</b> |              |             |
|--|--------------|-------------|
| 3 or less business days  | 202          | 16.7%       |
| 4 - 7 business days  | 421          | 34.9%       |
| 8 - 29 business days   | 468          | 38.8%       |
| 30 days or longer  | 115          | 9.5%        |
| <b>Total</b>   | <b>1,206</b> | <b>100%</b> |
| Not Asked/No Response  | 23,743       |             |

| <b>DATCP How satisfied are you with the time it takes to receive your license after you apply?</b> |              |             |
|--|--------------|-------------|
| Very satisfied   | 385          | 28.5%       |
| Somewhat satisfied   | 364          | 26.9%       |
| No opinion   | 449          | 33.2%       |
| Somewhat dissatisfied  | 100          | 7.4%        |
| Very dissatisfied  | 53           | 3.9%        |
| <b>Total</b>   | <b>1,351</b> | <b>100%</b> |
| Not Asked/No Response  | 23,598       |             |

| <b>DATCP - How much value do you believe there is relative to fees paid to be a license holder?</b> |              |             |
|---|--------------|-------------|
| Good Value  | 253          | 18.3%       |
| Some Value  | 373          | 26.9%       |
| Not Sure  | 367          | 26.5%       |
| Minimal Value   | 305          | 22.0%       |
| No Value  | 87           | 6.3%        |
| <b>Total</b>  | <b>1,385</b> | <b>100%</b> |
| Not Asked/No Response   | 23,564       |             |

| <b>DATCP - How frequently, if at all, should you be required to renew your license?</b> |              |             |
|---|--------------|-------------|
| Renew more frequently   | 13           | 1.0%        |
| Leave as is   | 805          | 59.7%       |
| Renew less frequently   | 427          | 31.7%       |
| Do not require renewal at all   | 104          | 7.7%        |
| <b>Total</b>  | <b>1,349</b> | <b>100%</b> |
| Not Asked/No Response   | 23,600       |             |

| <b>DATCP - What is your opinion of the continuing education requirements, if any, for your license?</b> |              |             |
|---|--------------|-------------|
| Increase the CE requirement   | 75           | 5.5%        |
| Ok as is  | 710          | 51.6%       |
| No CE is required now   | 184          | 13.4%       |
| No opinion  | 110          | 8.0%        |
| Reduce the CE requirement   | 161          | 11.7%       |
| Do not require CE   | 93           | 6.8%        |
| Other   | 43           | 3.1%        |
| <b>Total</b>  | <b>1,376</b> | <b>100%</b> |
| Not Asked/No Response   | 23,573       |             |

### Performance Evaluation Questions – DSPS

| <b>DSPS - How would you rate your overall experience with the agency?</b> |               |             |
|---|---------------|-------------|
| Very Good   | 3,986         | 24.2%       |
| Good  | 6,850         | 41.6%       |
| Average   | 4,047         | 24.6%       |
| Poor  | 626           | 3.8%        |
| Very Poor   | 184           | 1.1%        |
| No opinion/unsure   | 772           | 4.7%        |
| <b>Total</b>  | <b>16,465</b> | <b>100%</b> |
| Not Asked/No Response   | 8,484         |             |

| <b>DSPS - How would you rate the licensing process?</b> |               |             |
|---|---------------|-------------|
| Very Good   | 4,320         | 26.4%       |
| Good  | 6,699         | 40.9%       |
| Average   | 4,007         | 24.5%       |
| Poor  | 783           | 4.8%        |
| Very Poor   | 188           | 1.1%        |
| No opinion/unsure                                       | 385           | 2.4%        |
| <b>Total</b>  | <b>16,382</b> | <b>100%</b> |
| Not Asked/No Response                                   | 8,567         |             |

| <b>DSPS - After submitting your application, what length of time did you wait for your license?</b> |               |             |
|---|---------------|-------------|
| 3 or less business days   | 3,557         | 22.8%       |
| 4 - 7 business days   | 4,885         | 31.3%       |
| 8 - 29 business days  | 5,358         | 34.3%       |
| 30 days or longer   | 1,830         | 11.7%       |
| <b>Total</b>  | <b>15,630</b> | <b>100%</b> |
| Not Asked/No Response   | 9,319         |             |

| <b>DSPS - How satisfied are you with the time it takes to receive your license after you apply?</b> |               |             |
|---|---------------|-------------|
| Very satisfied  | 6,489         | 40.5%       |
| Somewhat satisfied  | 4,154         | 26.0%       |
| No opinion  | 3,236         | 20.2%       |
| Somewhat dissatisfied   | 1,414         | 8.8%        |
| Very dissatisfied   | 713           | 4.5%        |
| <b>Total</b>  | <b>16,006</b> | <b>100%</b> |
| Not Asked/No Response   | 8,943         |             |

| <b>DSPS - How much value do you believe there is relative to fees paid to be a license holder?</b> |               |             |
|--|---------------|-------------|
| Good Value   | 3,790         | 23.3%       |
| Some Value   | 4,502         | 27.7%       |
| Not Sure   | 3,722         | 22.9%       |
| Minimal Value  | 3,516         | 21.6%       |
| No Value   | 726           | 4.5%        |
| <b>Total</b>   | <b>16,256</b> | <b>100%</b> |
| Not Asked/No Response  | 8,693         |             |

| <b>DSPS - How frequently, if at all, should you be required to renew your license?</b> |               |             |
|--|---------------|-------------|
| Renew more frequently  | 111           | 0.7%        |
| Leave as is  | 9,981         | 60.9%       |
| Renew less frequently  | 5,548         | 33.9%       |
| Do not require renewal at all  | 737           | 4.5%        |
| <b>Total</b>   | <b>16,377</b> | <b>100%</b> |
| Not Asked/No Response  | 8,572         |             |

| <b>DSPS - What is your opinion of the continuing education requirements, if any, for your license?</b> |               |             |
|--|---------------|-------------|
| Increase the CE requirement  | 864           | 5.3%        |
| Ok as is   | 8,844         | 53.9%       |
| No CE is required now  | 2,388         | 14.6%       |
| No opinion   | 588           | 3.6%        |
| Reduce the CE requirement  | 1,780         | 10.9%       |
| Do not require CE  | 1,131         | 6.9%        |
| Other  | 798           | 4.9%        |
| <b>Total</b>   | <b>16,393</b> | <b>100%</b> |
| Not Asked/No Response  | 8,556         |             |

## Appendix 6: List of Stakeholder Groups Contacted

### DATCP Groups

| Number | Organization  |
|--------|---|
| 1.     | 211 (Badger Bay Management Co.)                       |
| 2.     | ABS Global, Inc.                                      |
| 3.     | AgrAbility of Wisconsin                               |
| 4.     | Alta Genetics   |
| 5.     | Babcock Institute                                     |
| 6.     | Bioforward  |
| 7.     | Bull Studs Emergency Management, Accelerated Genetics |
| 8.     | Capitol Consultants, Inc.                             |
| 9.     | Capitol Strategies                                    |
| 10.    | Center for Dairy Profitability                        |
| 11.    | Center for Integrated Agricultural Systems (CIAS)     |
| 12.    | Chippewa County Economic Development Corporation      |
| 13.    | Concerned Auto Recyclers of WI                        |
| 14.    | Cooperative Network Association                       |
| 15.    | Dairy Business Assn                                   |
| 16.    | Dane County Farmers Market                            |
| 17.    | Daybreak Foods  |
| 18.    | Department of Health                                  |
| 19.    | Department of Natural Resources                       |
| 20.    | Department of Public Instruction                      |
| 21.    | DeWitt, Ross & Stevens                                |
| 22.    | Discover Mediaworks                                   |
| 23.    | Easter Seals Wisconsin                                |
| 24.    | Equity Cooperative Livestock Sales Association        |
| 25.    | ExxonMobil Refining and Supply Company                |
| 26.    | FairShare CSA Coalition                               |
| 27.    | Farley Center for Peace, Justice & Sustainability     |
| 28.    | Focus on energy                                       |
| 29.    | Fondy food Center                                     |
| 30.    | Food and Beverage Milwaukee                           |
| 31.    | Food Export Association of the Midwest                |
| 32.    | Genex   |
| 33.    | Ginseng Board of Wisconsin                            |
| 34.    | GLCI Steering Committee/NRCS                          |
| 35.    | Gold'n Plump Poultry                                  |
| 36.    | Gorst Valley Hops                                     |
| 37.    | GrassWorks  |
| 38.    | Great Lakes Farm to School Network                    |
| 39.    | Green County Beef Producers                           |

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| 40. | Growing Power  |
| 41. | Growmark   |
| 42. | Health First Wisconsin                                       |
| 43. | Hmong Wisconsin Chamber of Commerce                          |
| 44. | Indianhead Food Service Distribution                         |
| 45. | Indianhead Polled Hereford Association                       |
| 46. | Indianhead Sheep Breeders Association                        |
| 47. | International Society of Weighing and Measuring              |
| 48. | Jennie-O Turkey Store, Inc.                                  |
| 49. | Kettle Moraine Mink Breeders                                 |
| 50. | MacFarlane Pheasants, Inc.                                   |
| 51. | Madison Area Community Supported Agriculture                 |
| 52. | Madison International Trade Association                      |
| 53. | Madison Region Economic Development Partnership              |
| 54. | Marathon Petroleum   |
| 55. | Master Meat Crafter Program                                  |
| 56. | McKay Nursery  |
| 57. | Michael Best & Friedrich LLP                                 |
| 58. | Michael Fields Agriculture Institute                         |
| 59. | Midwest Food Processors Association                          |
| 60. | Midwest Grocers Association                                  |
| 61. | Midwest Organic and Sustainable Education Service            |
| 62. | Midwest Organic Services Association                         |
| 63. | Midwest Pickle Association                                   |
| 64. | Midwest Pinzgauer Association                                |
| 65. | Milwaukee International Trade Association                    |
| 66. | New North, Inc.  |
| 67. | NFO - Wisconsin  |
| 68. | Organic Advisory Council                                     |
| 69. | Organic Valley   |
| 70. | Professional Dairy Producers of WI                           |
| 71. | REAP Food Group  |
| 72. | Reindeer Owners & Breeders Association (R.O.B.A.)            |
| 73. | SE Wisconsin Farm and Food Network                           |
| 74. | Sexing Technologies Inc.                                     |
| 75. | Small Business Development Center - Milwaukee                |
| 76. | Southwest Badger Resource Conservation & Development Council |
| 77. | Spring Rose Growers Cooperative                              |
| 78. | Syngenta   |
| 79. | The Welch Group  |
| 80. | Transform WI   |
| 81. | U.S. Commercial Service Midwest                              |

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|------|--|
| 82.  | U.S. Small Business Administration-Madison                     |
| 83.  | USDA Rural Development   |
| 84.  | UW Cooperative Extension                                       |
| 85.  | UW Extension   |
| 86.  | UW Extension – Emergency Management                            |
| 87.  | UW Madison - CALS  |
| 88.  | UW Madison - Center for Integrated Agricultural Systems        |
| 89.  | UW Madison -West Madison Ag. Research Station                  |
| 90.  | UW River Falls   |
| 91.  | UW Superior  |
| 92.  | UW-Madison Animal Science Dept.                                |
| 93.  | UW-Madison Food Science  |
| 94.  | UW-River Falls Animal Science Dept.                            |
| 95.  | WAGA, WATA, WBGA, WFGV   |
| 96.  | Whitetails of Wisconsin (W.O.W.)                               |
| 97.  | WI/MN Petroleum Council  |
| 98.  | Wisconsin Agribusiness Council                                 |
| 99.  | Wisconsin Agricultural Tourism Association                     |
| 100. | Wisconsin Agri-Service Assoc.                                  |
| 101. | Wisconsin AgroSecurity Resource Network                        |
| 102. | Wisconsin Airport Management Association                       |
| 103. | Wisconsin Angus Association                                    |
| 104. | Wisconsin Apple Growers Association                            |
| 105. | Wisconsin Aquaculture Association, Inc.                        |
| 106. | Wisconsin Association of Fairs                                 |
| 107. | Wisconsin Association of FFA                                   |
| 108. | Wisconsin Association of Meat Processors                       |
| 109. | Wisconsin Association of Professional Agricultural Consultants |
| 110. | Wisconsin Automobile & Truck Dealers Association Inc.          |
| 111. | Wisconsin Automotive Aftermarket Association                   |
| 112. | Wisconsin Bakers Association Inc.                              |
| 113. | Wisconsin Beef Council   |
| 114. | Wisconsin Berry Growers Association                            |
| 115. | Wisconsin Cattlemen’s Assn                                     |
| 116. | Wisconsin Cattlemen's Association                              |
| 117. | Wisconsin Center for Dairy Research                            |
| 118. | Wisconsin Cheese Makers Assn                                   |
| 119. | Wisconsin Cherry Board   |
| 120. | Wisconsin Cherry Growers Inc.                                  |
| 121. | Wisconsin Christmas Tree Producers Association                 |
| 122. | Wisconsin Commercial Deer & Elk Farmers Association            |
| 123. | Wisconsin Commercial Flower Growers Association                |

|      |  |
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| 124. | Wisconsin Corn Growers Assn                          |
| 125. | Wisconsin Corn Promotion Board                       |
| 126. | Wisconsin Cranberry Board                            |
| 127. | Wisconsin Cranberry Growers Association              |
| 128. | Wisconsin Dairy Artisan Network                      |
| 129. | Wisconsin Dairy Products Association                 |
| 130. | Wisconsin Economic Development Corporation           |
| 131. | Wisconsin Emu Association                            |
| 132. | Wisconsin Farm Bureau Federation                     |
| 133. | Wisconsin Farm Service Agency                        |
| 134. | Wisconsin Farmers Union                              |
| 135. | Wisconsin Fire Chief's Association                   |
| 136. | Wisconsin Fire Inspectors Association                |
| 137. | Wisconsin Food Hub Cooperative                       |
| 138. | Wisconsin Foodie                                     |
| 139. | Wisconsin Fresh Market Vegetable Growers Association |
| 140. | Wisconsin Grape Growers Association                  |
| 141. | Wisconsin Grass-fed Beef Cooperative                 |
| 142. | Wisconsin Green Industry Federation                  |
| 143. | Wisconsin Grocers Association                        |
| 144. | Wisconsin Hereford Association                       |
| 145. | Wisconsin Holstein Association                       |
| 146. | Wisconsin Honey Producers Association                |
| 147. | Wisconsin Horse Council                              |
| 148. | Wisconsin Innovation Kitchen                         |
| 149. | Wisconsin Insurance Alliance                         |
| 150. | Wisconsin Jersey Breeders Association                |
| 151. | Wisconsin Jewelers Association                       |
| 152. | Wisconsin Livestock and Meat Council                 |
| 153. | Wisconsin Livestock Breeders Association             |
| 154. | Wisconsin Local Food Network                         |
| 155. | Wisconsin Manufacturing Extension Partnership        |
| 156. | Wisconsin Maple Syrup Producers Association          |
| 157. | Wisconsin Marina Association                         |
| 158. | Wisconsin Milk Marketing Board, Inc.                 |
| 159. | Wisconsin Mint Board                                 |
| 160. | Wisconsin Nursery Growers Association                |
| 161. | Wisconsin Obesity Prevention Network                 |
| 162. | Wisconsin Office of Rural Health                     |
| 163. | Wisconsin Paper Council                              |
| 164. | Wisconsin Petroleum Council (WPC)                    |
| 165. | Wisconsin Petroleum Equipment Association            |

|      |   |
|------|---|
| 166. | Wisconsin Petroleum Equipment Contractors Association (WisPEC)  |
| 167. | Wisconsin Petroleum Marketers and Convenience Store Association |
| 168. | Wisconsin Pork Association                                      |
| 169. | Wisconsin Potato and Vegetable Growers Association              |
| 170. | Wisconsin Potato Board  |
| 171. | Wisconsin Potato Industry Board                                 |
| 172. | Wisconsin Poultry & Egg Improvement Assn                        |
| 173. | Wisconsin Propane Gas Association                               |
| 174. | Wisconsin Red and White Cattle Association                      |
| 175. | Wisconsin Restaurant Association                                |
| 176. | Wisconsin Rural Partners  |
| 177. | Wisconsin Rural Women's Initiative                              |
| 178. | Wisconsin Self-Service Laundry Association                      |
| 179. | Wisconsin Sheep Breeders Cooperative                            |
| 180. | Wisconsin Sheep Dairy Cooperative                               |
| 181. | Wisconsin Shorthorn Association                                 |
| 182. | Wisconsin Show Pig Association                                  |
| 183. | Wisconsin Simmental Association                                 |
| 184. | Wisconsin Sod Producers Association                             |
| 185. | Wisconsin Soybean Association                                   |
| 186. | Wisconsin Soybean Board   |
| 187. | Wisconsin Specialty Cheese Institute                            |
| 187. | Wisconsin Specialty Cheese Institute                            |
| 188. | Wisconsin State Cranberry Growers Association                   |
| 189. | Wisconsin Transportation Builders Association                   |
| 190. | Wisconsin Utilities Association                                 |
| 191. | Wisconsin Veterinary Medical Assoc.                             |
| 192. | Wisconsin Veterinary Medical Association                        |
| 193. | Wisconsin Winery Association                                    |
| 194. | World Beef Expo   |
| 195. | World Trade Center Wisconsin                                    |
| 196. | WTCS Ag Education   |

### DSPS Groups

| <b>Number</b> | <b>Organization</b>                                       |
|---------------|---|
| 1.            | American Massage Therapy Association, WI Chapter          |
| 2.            | Chiropractic Society of Wisconsin                         |
| 3.            | Funeral Service and Cremation Alliance of Wisconsin       |
| 4.            | International Union of Operating Engineers Local #139     |
| 5.            | Iron Workers District Council of the North Central States |
| 6.            | Lake State Lumber Association                             |

|     |   |
|-----|---|
| 7.  | Leading Age Wisconsin   |
| 8.  | League of Wisconsin Municipalities                                      |
| 9.  | Madison Area Builders Association                                       |
| 10. | Mechanical Contractors Association of Wisconsin                         |
| 11. | Medical College of Wisconsin  |
| 12. | Mental Health America of Wisconsin                                      |
| 13. | Miron Construction  |
| 14. | National Association of Chain Drug Stores                               |
| 15. | National Association of Social Workers – WI Chapter                     |
| 16. | National Electrical Manufacturers Association                           |
| 17. | Novartis Pharmaceuticals Corporation                                    |
| 18. | Otsuka America Pharmaceutical, Inc.                                     |
| 19. | Pharmaceutical Research and Manufacturers of America (PhRMA)            |
| 20. | Pharmacy Society of Wisconsin   |
| 21. | Reckitt Benckiser Pharmaceuticals Inc                                   |
| 22. | Southeast Dental Associates   |
| 23. | Sunovion Pharmaceuticals, Inc   |
| 24. | Takeda Pharmaceuticals America  |
| 25. | VJS Construction Services   |
| 26. | Wal-Mart  |
| 27. | Wisconsin Academy of Ophthalmology                                      |
| 28. | Wisconsin Academy of Physician Assistants                               |
| 29. | Wisconsin Alliance of Hearing Professionals                             |
| 30. | Wisconsin Amusement and Music Operators                                 |
| 31. | Wisconsin Association for Marriage and Family Therapy                   |
| 32. | Wisconsin Association of Nurse Anesthetists                             |
| 33. | Wisconsin Association of School Nurses                                  |
| 34. | Wisconsin Athletic Trainers Association, Inc.                           |
| 35. | Wisconsin Builders Association  |
| 36. | Wisconsin Business Alliance   |
| 37. | Wisconsin Chapter of the American Academy of Pediatrics                 |
| 38. | Wisconsin Chapter of the American College of Emergency Physicians, Inc. |
| 39. | Wisconsin Chiropractic Association                                      |
| 40. | Wisconsin Dental Association  |
| 41. | Wisconsin Dental Hygienists Association                                 |

## **Appendix 7: Stakeholder Contact – Agriculture Sector**

October 30, 2013

Mr. Andrew Hitt  
Assistant Deputy Secretary  
Department of Administration  
P.O. Box 7864  
Madison, WI. 53707-7864

We are writing to you, as representatives of farm, cooperative, commodity and agri-business organizations, to express our deep concern with certain language in the 2013-15 biennial budget Act 20 inserted by the Joint Finance Committee. As you know, this language directs the Department of Administration to study the possible consolidation of the functions performed by the Department of Agriculture, Trade and Consumer Protection (DATCP) and the Department of Safety and Professional Services (DSPA), into a new agency to be named the Department of Agriculture, Regulation, and Trade (DART). As you are aware, the study seeks to evaluate the consolidation of agency programs, reform licensing, and potentially eliminate advisory boards and councils.

First, we believe any potential benefits from a consolidation of the two agencies are offset by substantial concerns we have about the future integrity of DATCP and its vital role as the state's major agricultural and consumer protection advocate. Many of the functions at DSPA **do not** fit DATCP's core responsibilities in such critical areas as animal health, food safety, consumer protection, agricultural resource management, and agricultural industry partnerships. We fear consolidation could cause DATCP to drift from its agricultural advocacy and consumer protection mission because DSPA is focused on the review of nearly 50 diverse boards and councils, including the Cemetery Board, Controlled Substances Board, Crematory Authority Council, Hearing and Speech Examining Board, Perfusionists Examining Council, Midwives Advisory Committee and the Sign Language Interpreter Council, among many others. DSPA is also responsible for ensuring the safe and competent practice of licensed professionals in Wisconsin. This is a very different mission than DATCP's current agricultural and consumer protection mission.

Second, an expected purpose of the potential consolidation is to save taxpayer dollars. We are very concerned that, should a consolidation occur, the only "savings" would be from the reduction or elimination of important DATCP programs because many of its programs are still funded by state taxpayer dollars rather than by fees because they benefit the general public. By contrast, DSPA typically collects fees to run its professional licensing and oversight boards. In other words, we fear that over time, DATCP would look much more like DSPA rather than like DATCP due to expected budget cuts should consolidation occur. Please note that DATCP has already been greatly -- and disproportionately -- impacted by the loss of federal "earmarked" appropriations and state budget cuts that have resulted in the elimination or at least temporary defunding of some worthy programs.

If the study determines that the elimination of DSPA as a self-standing agency is important from a government efficiency standpoint, we are not opposed to that outcome. We realize that in DSPA's brief history, a number of functions have been transferred out of the agency, including

those initiated through 2013 Act 20. However, we believe transfers of specific regulatory programs should be strategic and logical in terms of what agencies are impacted. For example, the Auctioneer Board, Veterinary Examining Board and oversight of anhydrous ammonia tank systems may logically be attached to DATCP. However, if specific transfers such as those are recommended, we request that it not affect the function of the DATCP Board. Wisconsin agriculture and agribusiness strongly supports the continuation of the Board of Agriculture, Trade and Consumer Protection, which is populated with seven members with an agricultural background and two as consumer representatives.

We enjoy a beneficial partnership with DATCP and strongly support the agency's focus on agriculture and consumer protection. Wisconsin's \$59 billion agricultural industry is diverse and has thrived in part due to public policy initiatives that have assisted in our ability to produce food and fiber for citizens of our nation and the world. Please be advised that we would strongly oppose any recommendation that would diminish DATCP's continued ability to be our strong partner. Thank you for taking our perspective into consideration as you proceed with the study that the Legislature directed you to undertake.

Sincerely,

**Cooperative Network** – Bill Oemichen  
1 S. Pinckney St., Suite 810, Madison, WI 53703

**Dairy Business Association** – Laurie Fischer  
PO Box 13505, Green Bay, WI 54307-3505

**GROWMARK, Inc.** – Chuck Spencer  
P.O. Box 2500, Bloomington, IL 61720-2500

**Midwest Food Processors Association** – Nick George  
4600 American Pkwy., Suite 210, Madison, WI 53701-1297

**Wisconsin Agri-Business Association** – Tom Bressner  
2801 International Lane, Suite 105, Madison, WI 53704

**Wisconsin Agribusiness Council** – Ferron Havens  
PO Box 46100, Madison, WI 53744-6100

**Wisconsin Association of Professional Agricultural Consultants** – Eric Birschbach  
2276 Dahlk Circle, Verona, WI 53593

**Wisconsin Cattlemen's Association** – Terry Quam  
N706 Hwy 113, Lodi, WI 53555

**Wisconsin Cheese Makers Association** – John Umhoefer  
8030 Excelsior Dr., Suite 305, Madison, WI 53717-1950

**Wisconsin Corn Growers Association** – Bob Oleson

W1360 Hwy. 106, Palmyra, WI 53156

**Wisconsin Dairy Products Association** – Brad Legreid  
8383 Greenway Blvd., Middleton, WI 53562

**Wisconsin Farm Bureau Federation** – Paul Zimmerman  
PO Box 5550, Madison, WI 53705

**Wisconsin Farmers Union** – Darin Von Ruden  
117 West Spring Street, Chippewa Falls, WI 54729

**Wisconsin Green Industry Federation** – Brian Swingle  
12342 W. Layton Ave., Greenfield, WI 53228

**Wisconsin National Farmers Association** – Don Hamm  
955 17<sup>th</sup> St., Prairie du Sac, WI 53578

**Wisconsin Pork Association** – Mike Wehler  
P.O. Box 327, Lancaster, WI 53813

**Wisconsin Potato and Vegetable Growers Association** – Duane Maatz  
P.O. Box 327, Antigo, WI 54409

**Wisconsin Poultry and Egg Association** – Pat Stonger  
533 E. Tyranena Park Rd., Lake Mills, WI 53551

**Wisconsin Soybean Association** – Bob Karls  
2976 Triverton Pike Dr., Madison, WI 53711-5898

**Wisconsin State Cranberry Growers Association** – Tom Lochner  
132 E. Grand Ave., Suite 202, Wisconsin Rapids, WI 54495-0365

**Wisconsin Veterinary Medical Association** – Kim Pokorny  
2801 Crossroads Drive, Suite 1200, Madison, WI 53704

Cc: Secretary Mike Huebsch  
Secretary Ben Brancel

**Appendix 8: Letter from Wisconsin Veterinary Medical Association  
Representatives**



2801 Crossroads Drive  
Suite 1200  
Madison, WI 53718  
(608) 257-3565  
Fax: (608) 747-8989  
wvma@wvma.org  
www.wvma.org

December 3, 2013

Mr. Joe Knilans and Ms. Nancy Mistele  
Wisconsin Department of Administration  
Office of Business Development  
101 East Wilson Street, 10<sup>th</sup> Floor  
P.O. Box 7864  
Madison, WI 53707-7864

*VIA EMAIL and U.S. MAIL*

RE: Request from the Wisconsin Veterinary Medical Association to Move the Veterinary Examining Board from  
DSPS to DATCP

Dear Mr. Knilans and Ms. Mistele:

On behalf of the Board of Directors of the Wisconsin Veterinary Medical Association (WVMA), I am writing to formally request that you consider the merits of the following changes as a part of your study of the Wisconsin Department of Safety and Professional Services (DSPS):

- (1) Move the Veterinary Examining Board (VEB) from DSPS to the Department of Agriculture, Trade and Consumer Protection (DATCP);
- (2) Move the enforcement authority for unauthorized practice of veterinary medicine to DATCP (currently with the DSPS Division of Enforcement); and
- (3) The VEB to remain an independent board.

In our opinion, moving the VEB to DATCP would increase the efficiency and quality of the services available to the VEB, the public and licensed veterinarians in Wisconsin for the following reasons:

- DATCP houses the Wisconsin State Veterinarian;
- DATCP houses the state Division of Animal Health, which works to protect animal and human health, and to control serious animal diseases (many of which also threaten humans);
- DATCP houses the state Division of Food Safety, which works to ensure the production and delivery of safe food to consumers (veterinarians play a vital role in animal food production); and
- DATCP's attorneys are familiar with both animal health and consumer protection issues and will be well-suited to handling VEB support, as well as unauthorized practice enforcement issues.

We do not recommend the transfer of any staff from DSPS to DATCP. Rather, we recommend transferring the funding for staff positions and allowing the Secretary of DATCP to use that funding to compensate existing or new staff members to handle VEB support and unauthorized practice issues.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Chris Booth, DVM".

Chris Booth, DVM  
President, WVMA Board of Directors

cc Kim Pokorny, Executive Director, WVMA  
Jordan Lamb, DeWitt Ross & Stevens

## Appendix 9: Letter from Professional Association of Wisconsin Licensed Investigators

Joe Knilans – Director  
Office of Business Development  
P.O. Box 7864  
Madison, WI 53705-7854

Re: Private Investigator Licensing and Restructuring

Mr. Knilans:

I appreciate this opportunity to work with you on the restructuring. For the last 7 years, I have been working on the need for improvement of the professionalism for investigators in Wisconsin.

There are a surprisingly large number per capita of investigators licensed. Four times that of Minnesota, and double that of Illinois. (See the report on the surrounding states also sent to you).

The last 5 years, I have been president of the association in Wisconsin and the main focus has been on education. If a person has chosen a profession and wishes make a living with that profession, it would seem logical that they would want to be good at the job. Failing to keep up on the regulations, laws and techniques would make them less likely to make their client happy.

Our association, Professional Association Of Wisconsin Licensed Investigators, has a Professional Review Committee. This might be considered as Internal Affairs. A few times a year we receive complaints from clients about the way an investigator handled a case. This might be anything from lack of professional service to in appropriate conduct. Whatever the complaint, whether or not the accused is a member, every dissatisfied client affects the reputation of all investigators.

For those that are not members, all we can do is to refer the plaintiff to the state. If a member, we do have a certain amount of pressure we can apply to help satisfy the problem.

Out of the almost 800 licenses issued, (I believe that is the number given to me by your office), we have only 150 members. So we know that 150 of them care enough about being better that they sought out sources of knowledge, or at least thinking that being able to claim membership makes them look better in an advertisement. So that puts them ahead of the 650 who don't even do that.

During the year we have regional and one day seminars in addition to the Annual Conference lasting 2 1/2 days and covering 12 – 15 hours of training; law changes, tactics, techniques, equipment are just some of the topics presented.

We have a survey permanently active on the website for the membership to let us know what they want to learn. We have an email group handling 10 – 20 emails a day exchanging ideas and answering questions about an aspect of a case.

So, from the 800 we are down to 150 who find advantages in joining PAWLI. Now, the next step is the number who actually attend conferences. That reduces it to a little less than 100. So we have 100 licensed investigators in the state who actively care about being good at their job. That means that 700 don't think they need to learn anything, or just don't care

Just one example of the problems we face. And the answer is reducing the number of persons gaining a license with little to no desire to do the job well

### **Bureau Of Technical Services**

PO Box 191 Chippewa Falls, WI 54729  
715-726-1400

Bureau of Technical Services  
bts@tacticalsurveillance.com

Tactical Surveillance Insertion Team  
tsit@tacticalsurveillance.com

Knight Hawk Investigations  
khi@tacticalsurveillance.com

So the first question is, "how easy is it to get a license?"

There are no requirements. Pass a test and buy insurance. Think of professional investigators being the same as police. We handle all the same cases, criminal defense, family law, insurance fraud, corporate white collar and the security agent handles the equivalent of the patrol officer. It takes an associate degree in Criminal Justice to be eligible to be hired by the police department.

Minnesota and Illinois require thousands of hours of training in the job before they can get their own license. They also require continuing education credits.

So what can be done to help fix the problem?

In the past, my conversations with the state have boiled down to one obstacle in mandatory CEUs. The state cannot dedicate the funds required to monitor training. Funds are hard to come by, I get that. So I have spent the last three years creating the answer.

The PAWLI website has been designed to keep track of CEUs. Every person who attends a class, no matter from where or who, if pertinent and accredited, they get the units documented. For right now, it is working for all members in the database. And the database does not have a limit of how many can be recorded. The programming keeps track of the topic the date and number of credits received. One year from the date received, the credit automatically drops. (this can be changed to any interval future regulation might require). And when needed, the individual logs in and prints out a certificate as needed for proof of attendance.

This is good for members, but what about everyone else?

The site was designed for handling members and non-members. The only difference is the rest of the benefits of being a member are not available to non-members but they would still have the credits documented and certificates available.

So how do we keep track of who attends what?

A couple years ago, I presented the state with a proposition on a credential for investigators that would be more formal and professional than the coupon issued by the state. To review the conversations, the barber or tattoo artist would rarely have to pull the license out of the wallet to get the job done. But an investigator does this daily. It is the proof on the street that they are a professional doing their job and the piece of paper just does not even look real.

The result is a design for an ID that officially is a PAWLI membership card. A picture ID that is laminated plastic with hologram security, listing the name, license number and agency. More to the point at this time, it also has a RFID chip in the card. PAWLI is in the process of implementing another design feature of the website. Keeping track of who attended what.

Let's say that 750 people are attending the annual conference. The schedule is programmed in so the computer knows what is being presented at what time. As the person walks in, they are scanned and documented for being present without even removing their wallet. If they turn around and leave, it documents that also. At the end of the day, a person could log into the database and see the credits accumulated on that day already credited.

### **Bureau Of Technical Services**

PO Box 191 Chippewa Falls, WI 54729  
715-726-1400

Bureau of Technical Services  
bts@tacticalsurveillance.com

Tactical Surveillance Insertion Team  
tsit@tacticalsurveillance.com

Knight Hawk Investigations  
khi@tacticalsurveillance.com

So, you see, PAWLI has provided the answer to keeping track. It is not a proposal for something that can be done. It is up and working. PAWLI can provide IDs for the non-members as well so they will be able to take advantage of the technology, but it is also a better answer that the state issue similar ID cards as credentials to all investigators and security agents so the additional card is not necessary.

All of this helps the professionalism in two ways:

1. If a licensee is required to keep up with the changes in the profession like a considerable number of other Wisconsin professions with far less impact on the security of the citizen, then those who do not wish to participate will not be allowed to have a license.
2. Those who feel that being good at their job is worth the effort in training will then have raised the level of professionalism. Which was the goal in the first place.

The additional topic of concern was the transfer of regulation from DSPS to Agriculture. Not sure why Agriculture other than maybe there is some correlation of process.

I suggested in our short phone conversation that I would like to see the Investigators and Security under the Attorney General. As mentioned above, the job is very similar to the law enforcement. We work the same jobs, we testify in court, process and present evidence and many other points of similarity.

I am not suggesting that the requirements for obtaining an investigators license be the same as law enforcement. That high of standard is nice but not practical. But positioning this profession under the division that understands the requirements of the job, allows for future developments to be more easily implemented. Much like Minnesota's PIs under the Bureau of Criminal Apprehension.

Again, I appreciate the opportunity to present my ideas. I am anxious to work with you, finding a way to make changes that improve the professionalism. I am available for any committee. As the president of PAWLI it is my proud job to represent the profession in this state and I look forward to future discussions.

James Greenwold  
President – PAWLI

715-726-1400

### **Bureau Of Technical Services**

PO Box 191 Chippewa Falls, WI 54729  
715-726-1400

Bureau of Technical Services  
bts@tacticalsurveillance.com

Tactical Surveillance Insertion Team  
tsit@tacticalsurveillance.com

Knight Hawk Investigations  
khi@tacticalsurveillance.com



# Illinois Requirements

## Illinois Requirements Licensing of Private Investigators And Proprietary Security Force

Illinois has a different license for Security and Investigator As of October of 2013 , there are 1091 investigators and 560 security personnel. There is also an agency license for each of those.



Applicant is the Licensee in charge. Structured under Sole Proprietor, Partnership or Corporation..

Additionally, there is a Permanent Employee Registration Card (PERC) that can be held by employees of an agency for which there has to be at least one full license holder.

Investigators can carry fire arms after 40 hours of training. There are no restrictions as to where you can carry. Every 2 years the investigator has to re-qualify with a formal test.



An examination is necessarily passed by 70% or greater to qualify. The passing score is valid for 6 years at which time it becomes void. Then the applicant needs to reapply with the full process.

In January, IL will be enacting their citizen carry permit. It is still not decided if this permit will replace the current or if it will have restrictions that the current one does not.

The license is for 3 years. There is a \$500 initial fee and then \$450 for each renewal. The Agency license is approximately the same price and duration.

The PERC card is \$55 and a \$45 renewal fee every year.

All holders have the same renewal date, May 31st.

Liability insurance is mandatory. There is no bond required.

Some one with a PERC card has to acquire 3 years experience out of the last 5 years before applying for a PI license.

Illinois PI Requirements Private Detective Licensure Exam Information

Experience / Education Documentation

Fees are charged for the process of applying.  
Firearms control card \$75 and a renewal fee of \$45.  
Proprietary Security Force fee is \$300 and the renewal is \$200.  
Firearm instructor application fee is \$75 with a renewal of \$45.  
A 40 hour Firearm Training Course has a \$100 application fee.

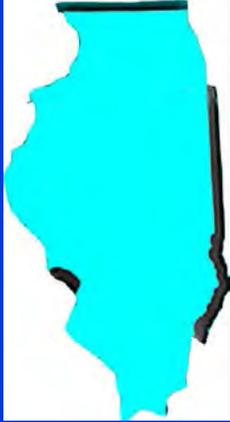
Fingerprints from vendor licensed by Illinois for background

Regulations for Investigators and Security are listed in the Public Acts

If you want to download the Public Act in its entirety there is a PDF available.

All applicants should review the changes to the Public Act.

Licensure by endorsement is no longer available. Everyone has to take and pass exam.



# Illinois Requirements

## SUBPART A: PRIVATE DETECTIVE

Section 1240.10 Application for Examination and Licensure – Private Detective  
Section 1240.20 Application for Licensure – Private Detective Agency

## SUBPART B: PRIVATE ALARM

Section 1240.100 Application for Examination and Licensure – Private Alarm Contractor  
Section 1240.110 Application for Licensure – Private Alarm Contractor Agency

## SUBPART C: PRIVATE SECURITY

Section 1240.200 Application for Examination and Licensure – Private Security Contractor  
Section 1240.210 Application for Licensure – Private Security Contractor Agency

## SUBPART D: LOCKSMITH

Section 1240.300 Application for Examination and Licensure – Locksmith  
Section 1240.310 20 Hour Basic Training Course – Locksmith  
Section 1240.320 Record keeping Requirements – Locksmith (Repealed)  
Section 1240.330 Application for Licensure – Locksmith Agency

## SUBPART E: PROPRIETARY SECURITY FORCE

Section 1240.400 Registration of Proprietary Security Force

## SUBPART F: GENERAL

Section 1240.500 Definitions  
Section 1240.501 Licensee-in-charge  
Section 1240.502 Application for Branch Office License  
Section 1240.505 20-Hour Basic Training Course – Private Detective, Alarm Contractor, Security  
Section 1240.510 Firearm Training Course  
Section 1240.515 Approval of Firearm Training Programs and Firearm Instructors  
Section 1240.520 Permanent Employee Registration Card  
Section 1240.525 Refusal to Issue Registration Card or FCC Due to Criminal Record Information  
Section 1240.530 Firearm Control Cards  
Section 1240.535 Record-keeper Requirements  
Section 1240.540 Reporting Requirements  
Section 1240.550 Renewals  
Section 1240.555 Endorsement  
Section 1240.560 Restoration  
Section 1240.561 Inactive Status  
Section 1240.565 Requests for Duplicate Certificates  
Section 1240.570 Fees  
Section 1240.575 Conduct of Hearings  
Section 1240.580 Investigation by the Division  
Section 1240.585 Granting Variances

## SUBPART G: FINGERPRINT VENDOR

Section 1240.600 Application for Licensure – Fingerprint Vendor  
Section 1240.610 Licensure - Fingerprint Vendor Agency  
Section 1240.620 Fingerprint Vendor – Standards, Unethical, Unauthorized, Conduct  
Section 1240.630 Fingerprint Vendor – Training

## SUBPART H: CANINE HANDLER

Section 1240.700 Canine Handler Training Course Requirements  
Section 1240.710 Canine Handler Authorization Card  
Section 1240.720 Canine Handler Training Program  
Section 1240.730 Canine Trainer Authorization Card  
Section 1240.740 Canine Handler and Canine Training Instructor – Unprofessional Conduct



# Minnesota Requirements

## Minnesota Investigator and Protective Agents Application Procedures

The division of "types" of license holders are divided into:

Individual - which is listed as a sole proprietor

- A person with a corporation related to the business can not claim sole proprietorship.

Partnership or Corporation.

- A "Qualified Representative managing the day to day business is the license holder.
- A Minnesota Manager is the holder if the business is based out side of MN.

Insurance policy for applicant alone @ \$10,000 to 51 employees @ \$100,000.

A Surety Bond of \$10,000 at the time of application.

Mandatory employment experience.

Document 6,000 hrs of investigative experience in 1 or more of:

Private Investigator

- As an investigator with a licensed agency
- U.S. Government
- Police department
- Other experience that the board would deem relevant.

A protective agent has the same requirements just replace investigator with PA. Additionally, PA requires experience in security systems, audits, and supervisor of other security personnel.

There are 211 private investigators and 100 security agents licensed in the state.

Fees for investigators:

- Individual \$1000
- Partnership LLP \$1700
- Corporation LLC \$1900

Director is trying to change 0-1 person \$540 PI license

Fees for Protective Agents:

- Individual \$1,000
- Partnership LLP \$1,700
- Corporation LLC \$1,900

No test is taken

Experience package is submitted to board and, upon successful evaluation, board grants license.

Preliminary training of 12 hours before field operations

Mandatory CEUs 12 hr / 2 years

12 additional hours / 2 yr for firearm training if applicable.

Director Greg Cook is working on a statute to make unlicensed activity a felony. Now just the now \$35 fine.

No ID for carry is issued by state, however the individual is allowed to purchase an ID from an outside vendor.



# Minnesota Requirements

## Minnesota Department of Safety

### General Licensing Information

Application and Requirements

To request an application packet, send a \$25 check or money order.

### License Holders

Private Detective License Holders    Protective Agent License Holders

### Fees

Fee Schedule

### Minnesota Administrative Rules

#### General

- 7506.0100 Definitions.
- 7506.0110 Internal procedures.
- 7506.0120 [Repealed, 22 sr 711]
- 7506.0130 Licensing and qualification.
- 7506.0140 Fees.
- 7506.0150 Conduct and ethics.
- 7506.0160 Complaint procedures.
- 7506.0170 Penalties.
- 7506.0180 License reinstatement.

#### Certified training programs

- 7506.2200 Board certification of training programs.
- 7506.2300 Minimum req for board-certified training programs.
- 7506.2500 Revocation or suspension of certification status.
- 7506.2600 Preassignment or on-the-job training requirements.
- 7506.2700 Continuing education requirements.
- 7506.2900 Failure to satisfy training requirements.



# Minnesota Requirements

## Statutes For Private Detective and Protective Agent Services

Definitions MNS§326.32

Employees of license holders MNS§326.336

- Background check
- ID card
- Failure to return property
- Confidentiality

Training MNS§326.3361

- Rules
- Required content
- Use of weapons
- Full-time peace officers

Persons as Private Detectives or Protective Agents MNS§326.338

- Private Detective
- Protective Agent

Exemptions MNS§326.3341

Licenses MNS§326.3381

- Prohibition
- Application procedures
- Disqualification
- Business entry applicant
- Nonresident applicant

Application for license MNS§326.3382

- Application form
- Documents accompanying application
- Proof of insurance (Bond and proof of financial responsibility)
- License disqualification
- Special protective agent classification

License Re issuance MNS§326.3383

- Requirements
- Appearance
- Bond and proof of financial responsibility

Prohibited Acts MNS§326.3384

- Prohibition
- Penalty

Conditions of Licensing MNS§326.3385

- Notice of address change
- Notice of successor
- Surrender of license
- Penalty

Fees MNS§326.3386

Disciplinary Action MNS§326.3387

Administrative Penalties MNS§326.3388

Licenses Nontransferable MNS§326.3389

Violations; Penalty MNS§326.339

# Iowa Regulations



## Iowa Requirements Private Investigators and Security Agents

Iowa requires a license to operate in the state. The license packets are available for \$15 by mail or \$10 at the door.

Employees of an agency are to obtain an employee ID card and must meet the same standards as the license holder.

Iowa does have mandatory CEUs of 12 hours accumulated during a 2 year period or the license will not be renewed. Credits gained from other states are transferrable. 50 minutes minimum equal 1 hour. 100 minutes equal 2 hours. 99 minutes equal 1 hour.

A program qualifies if:

- Outline is prepared in advance
- Lasts at least 50 minutes
- Is presented by a qualified instructor, background and experience documented.
- A record of attendance is maintained.

There is no examination process to obtain a license.

Most current count is 255 investigators and 120 security.

A 2 year license is issued at a cost of \$100 and an ID card cost is \$10. Fingerprinting and background check is \$30.

The ID card is issued with the name of an agency. So working for more than one agency, (which is permitted), would require more than one ID card. You have to carry the ID all the time you are working. Failure can result in suspension. The card belongs to the state. For what ever reason you are no longer in business, the card is to be surrendered.



Renewal of the license has to be applied for with 2 new fingerprint cards., 30 days before the expiration. If received after expiration of the license, apparently the state wants you to start over again.

Iowa offers reciprocity with other states that have similar requirements. A temporary permit is issued for a period of 90 days. But to note, the cost of the 90 day permit is the same as a 2 year license.

Iowa does require insurance in the name of the agency on the application.

Iowa does require a bond of \$5000 issues by a bond company licensed to work in Iowa. If more than one service, i.e.: Detective and Security, the bond is bumped up to \$10,000.

Uniforms, badges hats, and patches are not permitted without written approval from the commissioner.

Written reports have to be submitted to every client unless a signed waiver is possessed. Reports are to kept for at least 3 years.

Carrying a weapon while working must meet Iowa Admin code 661 chapter 4.

Application Packet Check List

Iowa Code 80A

Administrative Rules



## Indiana Requirements Private Investigators and Security Agents

Indiana has a few things in common with states listed above and a couple things that are unique. The requirements are mostly historical:

- Requires at least 4,000 hours of experience. (2 years full time employ.)
- Background check back 7 years, state, local and fed.
- Errors and Omission liability insurance of \$100,000
- Academic transcripts for those who have a cert in criminal justice
- DD 214 from military service
- Corporate filing paper work for those who are not sole proprietors.

Application fee is \$300. \$150 if the expiration date is less than one year from application. Renewal is the same \$300. Late fee of \$50 and an additional \$10 for a wall or packet card.

Unless you spend the \$10 for the certificate, there is no personal carry license unless you make your own. The same rules apply as others, no seals or words that imply state agency affiliation.

Application

License expires every 4 years on October 1st. (Next is 2015.)

The license holder in an agency is licensed but the employees are not. It is the responsibility of the agency to regulate the activities of the employees.

There is 488 agencies licensed as investigators and 381 as security.

The state requires no test nor CEUs.

An out of state agency no longer needs to keep an office within the borders.

A licensee shall maintain a record, relative to the licensee's employees, containing the following information:

- A picture taken within thirty (30) days of the date that the employee commences employment with the licensee.
- A full set of fingerprints of both hands of the employee.
- A licensed private investigator firm shall, at the board's request, provide the board with a roster of all unlicensed individuals employed by the private investigator firm.

The link below will give you the long version if you want all the details.

Licensure Law and Regulations



# Michigan Requirements

## Michigan Regulations Private Investigators and Security Agents.

In Michigan the age of licensure is 25, must have a GED or better. As with all, no felonies but then carries it further than most by adding no misdemeanors involving dishonesty, fraud, (which is redundant), controlled substances, 2 or more alcohol related offenses, or carrying a firearm, impersonating a LEO or divulge information or evidence.

If currently law enforcement, must have written permission from their boss.

Must have 3 years experience to get a license.

There is no exam for the license nor CEUs required.

A new twist is 5 notarized Personal Reference Forms from individuals that can attest to you being a good and honest person.

The application fee is \$150 and an initial fee of \$600.

A bond is required for \$10,000 or

Insurance is required for, (a little more detailed):

- \$10,000 Property Damage
- \$100,000 Injury or death
- \$200,000 If more than one person involved

Fees are \$750 for everyone, no matter what business status. But the paperwork for the corporate and partnership is a little more work than the sole proprietor.

The license is valid for 3 years. Beyond the “hang on the wall” certificate, Michigan does issue a picture ID that must be carried by each licensed individual. The license is issued to the sole proprietor, partners or corporate members.

Other investigators on staff would not have an ID issued by the state but can have one from a vendor that meets the criteria of, no state seals or wording that sounds like state issue.

The recent count is 580 PIs and 277 Security Agents.

The Director of the State Department has to report the count of licenses accepted or denied by December 1st.

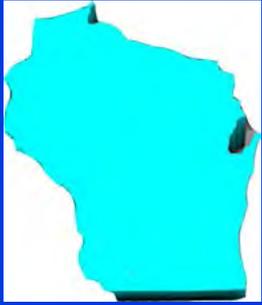
Application forms



# Michigan Requirements

## Michigan Requirements Professional Investigator Licensure Act

|                 |   |
|-----------------|---|
| Section 338.821 | Section Short title.  |
| Section 338.822 | Section Definitions.  |
| Section 338.823 | Section License required; investigation of prohibited activities; civil or criminal action; violation; penalty.   |
| Section 338.824 | Section Exemptions from act.  |
| Section 338.825 | Section License; issuance, duration.  |
| Section 338.826 | Section License; qualifications; reciprocal agreements.   |
| Section 338.827 | Section Application for license; notarized statement as to qualifications investigation of applicant.   |
| Section 338.828 | Section Application for license by corporation; contents; copy of incorporation certificate.  |
| Section 338.829 | Section License; conditions of issuance; fee; duration; suspension or revocation; bonds; filing completed application; issuance of license within certain time period; report; "completed application" defined. |
| Section 338.830 | Section License; suspension or revocation; grounds; surrendering license and identification card; noncompliance as misdemeanor.   |
| Section 338.831 | Section License fee; refund; conditions.  |
| Section 338.832 | Section License; posting.   |
| Section 338.833 | Section Reporting name or location change in agency; new license.   |
| Section 338.834 | Section Identification card; issuance; form and contents; maintenance, custody, and control; duplicates.  |
| Section 338.835 | Section Non assignability of license.   |
| Section 338.836 | Section Display of unauthorized badge, shield, identification card, or license; violation; penalties.   |
| Section 338.837 | Section Licensees; employment of assistants; records; false state ments; fingerprints.  |
| Section 338.838 | Section Hiring of person convicted of certain felonies or misdemeanors prohibited; refusal to surrender license or identification card.   |
| Section 338.839 | Section Carrying deadly weapon; license required.   |
| Section 338.840 | Section Divulging of information; willful sale of or furnishing false infor mation; penalty; privileged communications; notice and hearing.   |
| Section 338.841 | Section Violation of act; report of conviction by prosecuting attorney.   |
| Section 338.842 | Section Advertising; contents; misleading advertising; notice.  |
| Section 338.843 | Section Trade names; approval by department.  |
| Section 338.844 | Section Record of business transaction and reports; retention.  |
| Section 338.845 | Section Investigation of applicants; complaints; subpoenas; fees; fail ure to obey; penalty; testimony under oath.  |
| Section 338.846 | Section License; renewal; fee; bond.  |
| Section 338.847 | Section Death of licensee; carrying on business; notice to department; sale of business.  |
| Section 338.848 | Section Employment of agents; rules.  |
| Section 338.849 | Section Application of act as to license applications and renewals.   |
| Section 338.850 | Section Repeals.  |
| Section 338.851 | Section Violation; penalty.   |



# Wisconsin Requirements

## Wisconsin Requirements Professional Investigators and Security Agents

Last but not least is our state. Most will have known enough to get you through the test in the first place. And some will have learned a little more along the way. Wisconsin does not have continuing education, so it is possible that picking up things along the way might take longer than desired.

Of course PAWLI has come to the rescue for those who want to know more than the minimum: Check out the info on the upcoming conference.

Most of the following, everyone who is reading this, knows because you have already done it. But there are those searching the information so I have to fill in the blanks.

Now, the part that takes all the information from the other states and compares that data to what Wisconsin requires.

As with the other states, if you are going to advertise and do the work of an investigator, you need a license. The exceptions are:

- If you work for one law firm only
- An off duty LEO with written permission from the boss.

Can't have "no stinking badges".

Unlike most of the others, "Don't need no experience."

Pass a fingerprint background and a written test.

The test is 100 questions covering Wis Statutes and administrative codes relevant to PIs. The Statutes are linked below and the codes link given came up with a "no page". Went to the page with all the professional codes and the PIs were not listed. So the best I can find are search results covering some interesting things.

No felonies without a pardon

Can have misdemeanor under departments discretion.

Unlike most that require an agency and then a few hours to get to work, Wisconsin requires you to get a license personally. Then work for a licensed agency.

The full 118 pages of statutes are in a PDF.

But what pertains is found at 440.26 Subchapter II

For those of you working on or helping others, I'll toss in the forms.

And the instructions for the packet.

Renewal Fee is \$115 both PIs and Security and \$107 for agencies.

Last is insurance, requiring general liability or, (get this) a \$2000 bond.

No exacting numbers are known for the licensee count, but it is some where around 750.

### Epilog

It is no secret that I have continued the effort of presidential predecessors by lobbying for CEUs. If you have made it through this article you have read about how some states have higher requirements in some things and less in others. I, for one, and I know that all the investigators who show up for the conference agree, that Wisconsin Professional Investigators should want to be the best they can be in their profession, not just get by on the minimum or the average. And those who are just doing what they are required to do, really do harm the reputation of the rest of us. Please go to your "profile" on the PAWLI site and fill out the survey. It has a few more questions just for this occasion. A couple minutes to advance our profession.

James Greenwold  
President PAWLI

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**State of Wisconsin  
Department of Safety & Professional Services**

**AGENDA REQUEST FORM**

|   |  |  |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
|---|--|--|------|------------|--|----------------------|--|---|---------------------------|--|--|--------------------------|--|--|------|--|--|--|------|
| <b>1) Name and Title of Person Submitting the Request:</b><br><br>Ashley Horton<br><br>Department Monitor<br>Division of Legal Services and Compliance  |  | <b>2) Date When Request Submitted:</b><br><br>December 20, 2013<br><br>Items will be considered late if submitted after 4:30 p.m. and less than: <ul style="list-style-type: none"> <li>▪ 10 work days before the meeting for Medical Board</li> <li>▪ 14 work days before the meeting for all others</li> </ul> |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
| <b>3) Name of Board, Committee, Council, Sections:</b>  |  |  |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
| <b>4) Meeting Date:</b>   | <b>5) Attachments:</b><br><br><input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No   | <b>6) How should the item be titled on the agenda page?</b><br><br>Appointment of Professional Assistance Procedure (PAP)<br>Liaison   |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
| <b>7) Place Item in:</b><br><br><input checked="" type="checkbox"/> Open Session<br><input type="checkbox"/> Closed Session<br><input type="checkbox"/> Both  | <b>8) Is an appearance before the Board being scheduled?</b><br><br><input type="checkbox"/> Yes ( <a href="#">Fill out Board Appearance Request</a> )<br><input checked="" type="checkbox"/> No | <b>9) Name of Case Advisor(s), if required:</b>  |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
| <b>10) Describe the issue and action that should be addressed:</b><br><br>Appointment of 2014 PAP Liaison - see <i>Wis. Admin. Code SPS ch. 7, attached, for Liaison duties</i>   |  |  |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; vertical-align: top;"><b>11)</b></td> <td style="width: 60%; text-align: center; vertical-align: middle;"> </td> <td style="width: 30%; text-align: center; vertical-align: middle;"> <b>Authorization</b> </td> </tr> <tr> <td style="border-top: 1px solid black; border-bottom: 1px solid black;"></td> <td style="border-top: 1px solid black; border-bottom: 1px solid black; text-align: center;">                 Signature of person making this request             </td> <td style="border-top: 1px solid black; border-bottom: 1px solid black; text-align: center;">                 December 20, 2013<br/>Date             </td> </tr> <tr> <td style="border-top: 1px solid black; border-bottom: 1px solid black;"></td> <td style="border-top: 1px solid black; border-bottom: 1px solid black;"></td> <td style="border-top: 1px solid black; border-bottom: 1px solid black; text-align: center;">                 Supervisor (if required)             </td> </tr> <tr> <td style="border-top: 1px solid black; border-bottom: 1px solid black;"></td> <td style="border-top: 1px solid black; border-bottom: 1px solid black;"></td> <td style="border-top: 1px solid black; border-bottom: 1px solid black; text-align: center;">                 Date             </td> </tr> <tr> <td colspan="3" style="border-top: 1px solid black; border-bottom: 1px solid black;">                 Executive Director signature (indicates approval to add post agenda deadline item to agenda)             </td> <td style="border-top: 1px solid black; border-bottom: 1px solid black; text-align: center;">                 Date             </td> </tr> </table> |  |  |      | <b>11)</b> |  | <b>Authorization</b> |  | Signature of person making this request | December 20, 2013<br>Date |  |  | Supervisor (if required) |  |  | Date | Executive Director signature (indicates approval to add post agenda deadline item to agenda) |  |  | Date |
| <b>11)</b>  |  | <b>Authorization</b>   |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
|   | Signature of person making this request  | December 20, 2013<br>Date  |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
|   |  | Supervisor (if required)   |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
|   |  | Date   |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
| Executive Director signature (indicates approval to add post agenda deadline item to agenda)  |  |  | Date |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |
| <b>Directions for including supporting documents:</b> <ol style="list-style-type: none"> <li>1. This form should be attached to any documents submitted to the agenda.</li> <li>2. Post Agenda Deadline items must be authorized by a Supervisor and the Policy Development Executive Director.</li> <li>3. If necessary, Provide original documents needing Board Chairperson signature to the Bureau Assistant prior to the start of a meeting.</li> </ol>  |  |  |      |            |  |                      |  |   |                           |  |  |                          |  |  |      |  |  |  |      |

## Chapter SPS 7

### PROFESSIONAL ASSISTANCE PROCEDURE

|          |  |          |  |
|----------|--|----------|--|
| SPS 7.01 | Authority and intent.  | SPS 7.07 | Intradepartmental referral.  |
| SPS 7.02 | Definitions.   | SPS 7.08 | Records.   |
| SPS 7.03 | Referral to and eligibility for the procedure.                           | SPS 7.09 | Report.  |
| SPS 7.04 | Requirements for participation.  | SPS 7.10 | Applicability of procedures to direct licensing by the department. |
| SPS 7.05 | Agreement for participation.   | SPS 7.11 | Approval of drug testing programs.                                 |
| SPS 7.06 | Standards for approval of treatment facilities or individual therapists. |          |  |

**Note:** Chapter RL 7 was renumbered chapter SPS 7 under s. 13.92 (4) (b) 1., Stats., Register November 2011 No. 671

**SPS 7.01 Authority and intent.** (1) The rules in this chapter are adopted pursuant to authority in ss. 15.08 (5) (b), 15.30, 146.82, 227.11 and 440.03, Stats.

(2) The intent of the department in adopting rules in this chapter is to protect the public from credential holders who are impaired by reason of their abuse of alcohol or other drugs by promoting early identification of chemically dependent professionals and encouraging rehabilitation. This goal will be advanced by providing an option that may be used in conjunction with the formal disciplinary process for qualified credential holders committed to their own recovery. This procedure is intended to apply when allegations are made that a credential holder has practiced a profession while impaired by alcohol or other drugs or whose ability to practice is impaired by alcohol or other drugs or when a credential holder contacts the department and requests to participate in the procedure. It may be used in conjunction with the formal disciplinary process in situations where allegations exist that a credential holder has committed misconduct, negligence or violations of law, other than practice while impaired by alcohol or other drugs. The procedure may then be utilized to promote early identification of chemically dependent professionals and encourage their rehabilitation. Finally, the department's procedure does not seek to diminish the prosecution of serious violations but rather it attempts to address the problem of alcohol and other drug abuse within the enforcement jurisdiction of the department.

(3) In administering this program, the department intends to encourage board members to share professional expertise so that all boards in the department have access to a range of professional expertise to handle problems involving impaired professionals.

**History:** Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (2), Register, July, 1996, No. 487, eff. 8-1-96; CR 10-081: am. (2) Register December 2010 No. 660, eff. 1-1-11.

**SPS 7.02 Definitions.** In this chapter:

(1) "Board" means any board, examining board or affiliated credentialing board attached to the department.

(2) "Board liaison" means the board member designated by the board or the secretary or the secretary's designee as responsible for approving credential holders for the professional assistance procedure under s. SPS 7.03, for monitoring compliance with the requirements for participation under s. SPS 7.04, and for performing other responsibilities delegated to the board liaison under these rules.

(2a) "Coordinator" means a department employee who coordinates the professional assistance procedure.

(2b) "Credential holder" means a person holding any license, permit, certificate or registration granted by the department or any board. For purposes of this chapter, "credential holder" includes a person with a pending application for a credential for a period not to exceed one year from the date the application for the credential was submitted to the department.

(3) "Department" means the department of safety and professional services.

(4) "Division" means the division of enforcement in the department.

(5) "Informal complaint" means any written information submitted by any person to the division, department or any board which requests that a disciplinary proceeding be commenced against a credential holder or which alleges facts, which if true, warrant discipline. "Informal complaint" includes requests for disciplinary proceedings under s. 440.20, Stats.

(6) "Medical review officer" means a medical doctor or doctor of osteopathy who is a licensed physician and who has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result together with an individual's medical history and any other relevant biomedical information.

(7) "Procedure" means the professional assistance procedure.

(8) "Program" means any entity approved by the department to provide the full scope of drug testing services for the department.

**History:** Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (1), (2), (5), cr. (2a), (2b), r. (6), Register, July, 1996, No. 487, eff. 8-1-96; cr. (6) and (8), Register, January, 2001, No. 541, eff. 2-1-01; CR 10-081: am. (1) to (2b), (7) Register December 2010 No. 660, eff. 1-1-11; correction in (2), (3) made under s. 13.92 (4) (b) 6., 7., Register November 2011 No. 671.

**SPS 7.03 Referral to and eligibility for the procedure.**

(1) A credential holder who contacts the department and requests to participate in the procedure shall be referred to the board liaison and the coordinator for determination of acceptance into the procedure.

(2) A credential holder who has been referred to the procedure and considered for eligibility shall be provided with an application for participation.

(3) All informal complaints involving allegations of impairment due to alcohol or chemical dependency shall be screened and investigated pursuant to s. SPS 2.035. After investigation, informal complaints involving impairment may be referred to the procedure along with a summary of the investigative results in the form of a draft statement of conduct to be used as a basis for the statement of conduct under s. SPS 7.05 (1) (a) and considered for eligibility for the procedure or for formal disciplinary proceedings under ch. SPS 2. The credential holder shall be provided with a written explanation of the credential holder's options for resolution of the matter through participation in the procedure and of the formal disciplinary process pursuant to ch. SPS 2.

(4) Eligibility for the procedure shall be determined by the board liaison and coordinator who shall review all relevant materials including investigative results and the credential holder's application for participation. Eligibility shall be determined upon criteria developed by the coordinator in consultation with the disciplinary authority. The decision on eligibility shall be consistent with the purposes of these procedures as described in s. SPS 7.01 (2). Credential holders who have committed violations of law may be eligible for the procedure. The board liaison shall have

responsibility to make the determination of eligibility for the procedure.

(5) The credential holder shall obtain a comprehensive assessment for chemical dependency from a treatment facility or individual therapist approved under s. [SPS 7.06](#). The credential holder shall arrange for the treatment facility or individual therapist to file a copy of its assessment with the board liaison or coordinator. The board liaison and the credential holder may agree to waive this requirement. The obtaining of the assessment shall not delay admission into the procedure.

(6) If a credential holder is determined to be ineligible for the procedure, the credential holder may be referred to the division for prosecution.

(7) A credential holder determined to be ineligible for the procedure by the board liaison or the department may, within 10 days of notice of the determination, request the credentialing authority to review the adverse determination.

**History:** Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (2) to (6), Register, July, 1996, No. 487, eff. 8-1-96; CR 10-081: renum. (1) and (3) to (6) to be (3) to (7) and am. (3) to (6), cr. (1), am. (2) Register December 2010 No. 660, eff. 1-1-11; correction in (3), (4), (5) made under s. [13.92 \(4\) \(b\) 7., Stats., Register November 2011 No. 671.](#)

**SPS 7.04 Requirements for participation. (1)** A credential holder who participates in the procedure shall:

- (a) Sign an agreement for participation under s. [SPS 7.05](#).
- (b) Remain free of alcohol, controlled substances, and prescription drugs, unless prescribed for a valid medical purpose.
- (c) Timely enroll and participate in a program for the treatment of chemical dependency conducted by a facility or individual therapist approved pursuant to s. [SPS 7.06](#).
- (d) Comply with any treatment recommendations and work restrictions or conditions deemed necessary by the board liaison or department.
- (e) Submit random monitored physiological specimens for the purpose of screening for alcohol or controlled substances provided by a drug testing program approved by the department under s. [SPS 7.11](#), as required.
- (f) Execute releases valid under state and federal law to allow access to the credential holder's counseling, treatment and monitoring records.
- (g) Have the credential holder's supervising therapist and work supervisors file quarterly reports with the coordinator.
- (h) Notify the coordinator of any changes in the credential holder's employer within 5 days.
- (i) File quarterly reports documenting the credential holder's attendance at meetings of self-help groups such as alcoholics anonymous or narcotics anonymous.

(2) If the board liaison or department determines, based on consultation with the person authorized to provide treatment to the credential holder or monitor the credential holder's enrollment or participation in the procedure, or monitor any drug screening requirements or restrictions on employment under sub. (1), that a credential holder participating in the procedure has failed to meet any of the requirements set under sub. (1), the board liaison may refer the credential holder to the division. A failure to maintain abstinence is considered a relapse and shall be reviewed by the board liaison to determine whether the credential holder should be referred to the division. The board liaison may review the complete record in making this determination.

(3) If a credential holder violates the agreement and no referral to the division occurs, then a new admission under s. [SPS 7.05 \(1\) \(a\)](#) shall be obtained for relapses and for misconduct, negligence or violations of law which are substantial. If a new admission is not obtained, then a referral to the division by the coordinator shall occur.

**History:** Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. Register, July, 1996, No. 487, eff. 8-1-96; am. (1) (e), Register, January, 2001, No. 541, eff. 2-1-01; CR 10-081: am. (1) (e), (f), (2), (3) Register December 2010 No. 660, eff. 1-1-11;

correction in (1) (a), (c), (e), (3) made under s. [13.92 \(4\) \(b\) 7., Stats., Register November 2011 No. 671.](#)

**SPS 7.05 Agreement for participation. (1)** The agreement for participation in the procedure shall at a minimum include:

(a) A statement describing conduct the credential holder agrees occurred relating to participation in the procedure and an agreement that the statement may be used as evidence in any disciplinary proceeding under ch. [SPS 2](#).

(b) An acknowledgement by the credential holder of the need for treatment for chemical dependency;

(c) An agreement to participate at the credential holder's expense in an approved treatment regimen.

(d) An agreement to submit to random monitored drug screens provided by a drug testing program approved by the department under s. [SPS 7.11](#) at the credential holder's expense, if deemed necessary by the board liaison.

(e) An agreement to submit to practice restrictions at any time during the treatment regimen as deemed necessary by the board liaison.

(f) An agreement to furnish the coordinator with signed consents for release of information from treatment providers and employers authorizing the release of information to the coordinator and board liaison for the purpose of monitoring the credential holder's participation in the procedure.

(g) An agreement to authorize the board liaison or coordinator to release information described in pars. (a), (c) and (e), the fact that a credential holder has been dismissed under s. [SPS 7.07 \(3\) \(a\)](#) or violated terms of the agreement in s. [SPS 7.04 \(1\) \(b\) to \(e\)](#) and (h) concerning the credential holder's participation in the procedure to the employer, therapist or treatment facility identified by the credential holder and an agreement to authorize the coordinator to release the results of random monitored drug screens under par. (d) to the therapist identified by the credential holder.

(h) An agreement to participate in the procedure for a period of time as established by the board.

(2) The board liaison may include additional requirements for an individual credential holder, if the circumstances of the informal complaint or the credential holder's condition warrant additional safeguards.

(3) The board or board liaison may include a promise of confidentiality that all or certain records shall remain closed and not available for public inspection and copying. Any promise is subject to s. [SPS 7.08](#) and ends upon a referral to the division. Information and records may be made available to staff within the department on an as-needed basis, to be determined by the coordinator.

**History:** Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (1) (a) to (g) and (2), Register, July, 1996, No. 487, eff. 8-1-96; am. (1) (d), Register, January, 2001, No. 541, eff. 2-1-01; CR 10-081: am. (3) Register December 2010 No. 660, eff. 1-1-11; correction in (1) (a), (d), (g), (3) made under s. [13.92 \(4\) \(b\) 7., Stats., Register November 2011 No. 671.](#)

**SPS 7.06 Standards for approval of treatment facilities or individual therapists. (1)** The board or board liaison shall approve a treatment facility designated by a credential holder for the purpose of participation in the procedure if:

(a) The facility is certified by appropriate national or state certification agencies.

(b) The treatment program focus at the facility is on the individual with drug and alcohol abuse problems.

(c) Facility treatment plans and protocols are available to the board liaison and coordinator.

(d) The facility, through the credential holder's supervising therapist, agrees to file reports as required, including quarterly progress reports and immediate reports if a credential holder withdraws from therapy, relapses, or is believed to be in an unsafe condition to practice.

(2) As an alternative to participation by means of a treatment facility, a credential holder may designate an individual therapist for the purpose of participation in the procedure. The board liaison shall approve an individual therapist who:

(a) Has credentials and experience determined by the board liaison to be in the credential holder's area of need.

(b) Agrees to perform an appropriate assessment of the credential holder's therapeutic needs and to establish and implement a comprehensive treatment regimen for the credential holder.

(c) Forwards copies of the therapist's treatment regimen and office protocols to the coordinator.

(d) Agrees to file reports as required to the coordinator, including quarterly progress reports and immediate reports if a credential holder withdraws from therapy, relapses, or is believed to be in an unsafe condition to practice.

(3) If a board liaison does not approve a treatment facility or therapist as requested by the credential holder, the credential holder may, within 10 days of notice of the determination, request the board to review the board liaison's adverse determination.

**History:** Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. Register, July, 1996, No. 487, eff. 8-1-96; r. (1) (d) and (2) (d), renum. (1) (e) and (2) (e) to be (1) (d) and (2) (d) and am., Register, January, 2001, No. 541, eff. 2-1-01.

**SPS 7.07 Intradepartmental referral.** (2) The division may refer individuals named in informal complaints to the board liaison for acceptance into the procedure.

(3) The board liaison may refer cases involving the following to the division for investigation or prosecution:

(a) Credential holders participating in the procedure who fail to meet the requirements of their rehabilitation program.

(b) Credential holders who apply and who are determined to be ineligible for the procedure where the board liaison is in possession of information indicating misconduct, negligence or a violation of law.

(c) Credential holders who do not complete an agreement for participation where the board liaison is in possession of information indicating misconduct, negligence or a violation of law.

(d) Credential holders initially referred by the division to the board liaison who fail to complete an agreement for participation.

(e) Credential holders who request early termination of an agreement for participation. In making the decision if a referral should occur, the board liaison shall consider whether the credential holder's therapist approves the early termination and whether this opinion is supported by a second therapist selected by the department who shall always be consulted and shall concur.

(4) The board liaison shall refer credential holders who relapse in the context of the work setting to the division for investigation and prosecution. A credential holder referred under this subsection who has not been dismissed from the procedure may continue to participate in the procedure.

**History:** Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (1), (3) (a) to (d), Register, July, 1996, No. 487, eff. 8-1-96; CR 10-081: r. (1), am. (3) (a), (b), (c), cr. (3) (e), (4) Register December 2010 No. 660, eff. 1-1-11.

**SPS 7.08 Records.** (1) CUSTODIAN. All records relating to the procedure including applications for participation, agreements for participation and reports of participation shall be maintained in the custody of the department secretary or the secretary's designee.

(2) AVAILABILITY OF PROCEDURE RECORDS FOR PUBLIC INSPECTION. Any requests to inspect procedure records shall be made to the custodian. The custodian shall evaluate each request on a case by case basis using the applicable law relating to open records and giving appropriate weight to relevant factors in order to determine whether public interest in nondisclosure outweighs the public interest in access to the records, including the reputational interests of the credential holder, the importance of confidentiality to the functional integrity of the procedure, the existence of any promise of confidentiality, statutory or common law rules which

accord a status of confidentiality to the records and the likelihood that release of the records will impede an investigation. The fact of a credential holder's participation in the procedure and the status of that participation may be disclosed to credentialing authorities of other jurisdictions.

(3) TREATMENT RECORDS. Treatment records concerning individuals who are receiving or who at any time have received services for mental illness, developmental disabilities, alcoholism, or drug dependence which are maintained by the department, by county departments under s. 51.42 or 51.437, Stats., and their staffs and by treatment facilities are confidential under s. 51.30, Stats., and shall not be made available for public inspection.

(4) PATIENT HEALTH CARE RECORDS. Patient health care records are confidential under s. 146.82, Stats., and shall not be made available to the public without the informed consent of the patient or of a person authorized by the patient or as provided under s. 146.82 (2), Stats.

**History:** Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (2), Register, July, 1996, No. 487, eff. 8-1-96; CR 10-081: am. (2) Register December 2010 No. 660, eff. 1-1-11.

**SPS 7.09 Report.** The board liaison or coordinator shall report on the procedure to the board at least twice a year and if requested to do so by a board.

**History:** Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. Register, July, 1996, No. 487, eff. 8-1-96.

**SPS 7.10 Applicability of procedures to direct licensing by the department.** This procedure may be used by the department in resolving complaints against persons licensed directly by the department if the department has authority to discipline the credential holder. In such cases, the department secretary shall have the authority and responsibility of the "board" as the term is used in the procedure and shall designate an employee to perform the responsibilities of the "board liaison."

**History:** Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. Register, July, 1996, No. 487, eff. 8-1-96.

**SPS 7.11 Approval of drug testing programs.** The department shall approve drug testing programs for use by credential holders who participate in drug and alcohol monitoring programs pursuant to agreements between the department or boards and credential holders, or pursuant to disciplinary orders. To be approved as a drug testing program for the department, programs shall satisfactorily meet all of the following standards in the areas of program administration, collection site administration, laboratory requirements and reporting requirements:

(1) Program administration requirements are:

(a) The program shall enroll participants by setting up an account, establishing a method of payment and supplying pre-printed chain-of-custody forms.

(b) The program shall provide the participant with the address and phone number of the nearest collection sites and shall assist in locating a qualified collection site when traveling outside the local area.

(c) Random selection of days when participants shall provide specimens shall begin upon enrollment and the program shall notify designated department staff that selection has begun.

(d) The program shall maintain a nationwide toll-free access or an internet website that is operational 24 hours per day, 7 days per week to inform participants of when to provide specimens and is able to document the date and time of contacts by credential holders.

(e) The program shall maintain and make available to the department and treatment providers through an internet website data that are updated on a daily basis verifying the date and time each participant was notified after random selection to provide a specimen, the date, time and location each specimen was collected, the results of drug screen and whether or not the participant complied as directed.

(f) The program shall maintain internal and external quality of test results and other services.

(g) The program shall maintain the confidentiality of participants in accordance with s. 146.82, Stats.

(h) The program shall inform participants of the total cost for each drug screen including the cost for program administration, collection, transportation, analysis, reporting and confirmation. Total cost shall not include the services of a medical review officer.

(i) The program shall immediately report to the department if the program, laboratory or any collection site fails to comply with this section. The department may remove a program from the approved list if the program fails to comply with this section.

(j) The program shall make available to the department experts to support a test result for 5 years after the test results are released to the department.

(k) The program shall not sell or otherwise transfer or transmit names and other personal identification information of the participants to other persons or entities without permission from the department. The program shall not solicit from participants presently or formerly in the monitoring program or otherwise contact participants except for purposes consistent with administering the program and only with permission from the department.

(L) The program and laboratory shall not disclose to the participant or the public the specific drugs tested.

**(2)** Collection site administration requirements are:

(a) The program shall locate, train and monitor collection sites for compliance with the U.S. department of transportation collection protocol under 49 CFR 40.

(b) The program shall require delivery of specimens to the laboratory within 24 hours of collection.

**(3)** Laboratory requirements are:

(a) The program shall utilize a laboratory that is certified by the U.S. department of health and human services, substance abuse and mental health services administration under 49 CFR 40. If the laboratory has had adverse or corrective action, the department shall evaluate the laboratory's compliance on a case by case basis.

(b) The program shall utilize a laboratory capable of analyzing specimens for drugs specified by the department.

(c) Testing of specimens shall be initiated within 48 hours of pickup by courier.

(d) All positive drug screens shall be confirmed utilizing gas chromatography in combination with mass spectrometry, mass spectrometry, or another approved method.

(e) The laboratory shall allow department personnel to tour facilities where participant specimens are tested.

**(4)** The requirements for reporting of results are:

(a) The program shall provide results of each specimen to designated department personnel within 24 hours of processing.

(b) The program shall inform designated department personnel of confirmed positive test results on the same day the test results are confirmed or by the next business day if the results are confirmed after hours, on the weekend or on a state or federal holiday.

(c) The program shall fax, e-mail or electronically transmit laboratory copies of drug test results at the request of the department.

(d) The program shall provide a medical review officer upon request and at the expense of the participant, to review disputed positive test results.

(e) The program shall provide chain-of-custody transfer of disputed specimens to an approved independent laboratory for retesting at the request of the participant or the department.

**History:** Cr. Register, January, 2001, No. 541, eff. 2-1-01; CR 10-081: am. (1) (d), (e) Register December 2010 No. 660, eff. 1-1-11.

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**State of Wisconsin  
Department of Safety & Professional Services**

**AGENDA REQUEST FORM**

|  |   |   |  |
|--|---|---|--|
| 1) Name and Title of Person Submitting the Request:<br><br>Ashley Horton<br><br>Department Monitor<br>Division of Legal Services and Compliance  |   | 2) Date When Request Submitted:<br><br>December 20, 2013<br><br>Items will be considered late if submitted after 4:30 p.m. and less than: <ul style="list-style-type: none"> <li>▪ 10 work days before the meeting for Medical Board</li> <li>▪ 14 work days before the meeting for all others</li> </ul> |  |
| 3) Name of Board, Committee, Council, Sections:  |   |   |  |
| 4) Meeting Date:   | 5) Attachments:<br><br><input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No   | 6) How should the item be titled on the agenda page?<br><br>Monitoring: Appointment of Monitoring Liaison and Delegated Authority Motion  |  |
| 7) Place Item in:<br><br><input checked="" type="checkbox"/> Open Session<br><input type="checkbox"/> Closed Session<br><input type="checkbox"/> Both  | 8) Is an appearance before the Board being scheduled?<br><br><input type="checkbox"/> Yes ( <a href="#">Fill out Board Appearance Request</a> )<br><input checked="" type="checkbox"/> No | 9) Name of Case Advisor(s), if required:  |  |
| 10) Describe the issue and action that should be addressed:<br><br>1. Appointment of 2014 Monitoring Liaison<br><br>2. Delegated Authority Motion:<br><br><i>“_____ moved, seconded by _____ to adopt/reject the Roles and Authorities Delegated to the Monitoring Liaison and Department Monitor document as presented in today’s agenda packet.”</i>   |   |   |  |
| 11) <span style="float: right;">Authorization</span><br><br><div style="display: flex; justify-content: space-between;"> <div style="width: 30%; text-align: center;">  </div> <div style="width: 30%; text-align: center;">             December 20, 2013           </div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Signature of person making this request</div> <div style="width: 20%; text-align: center;">Date</div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Supervisor (if required)</div> <div style="width: 20%; text-align: center;">Date</div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Executive Director signature (indicates approval to add post agenda deadline item to agenda)</div> <div style="width: 20%; text-align: center;">Date</div> </div> |   |   |  |
| Directions for including supporting documents:<br>1. This form should be attached to any documents submitted to the agenda.<br>2. Post Agenda Deadline items must be authorized by a Supervisor and the Policy Development Executive Director.<br>3. If necessary, Provide original documents needing Board Chairperson signature to the Bureau Assistant prior to the start of a meeting.   |   |   |  |

## **Roles and Authorities Delegated to the Monitoring Liaison and Department Monitor**

The Monitoring Liaison is a board designee who works with department monitors to enforce the Board's orders as explained below.

### **Current Authorities Delegated to the Monitoring Liaison**

The Liaison may take the following actions on behalf of the Board:

1. Grant a temporary reduction in random drug screen frequency upon Respondent's request if he/she is unemployed and is otherwise compliant with Board order. The Department Monitor will draft an order and sign on behalf of the Liaison. The temporary reduction will be in effect until Respondent secures employment in the profession.
2. Grant a stay of suspension if Respondent is eligible per the Board order. The Department Monitor will draft an order and sign on behalf of the Liaison.
3. Remove the stay of suspension if there are repeated violations or a substantial violation of the Board order. The Department Monitor will draft an order and sign on behalf of the Liaison.
4. Grant or deny approval when Respondent proposes continuing/remedial education courses, treatment providers, mentors, supervisors, change of employment, etc. unless the order specifically requires full-Board approval. The Department Monitor will notify Respondent of the Liaison's decision.
5. Grant a maximum 90-day extension, if warranted and requested in writing by Respondent, to complete Board-ordered CE, pay proceeding costs, and/or pay forfeitures upon Respondent's request.

### **Current Authorities Delegated to the Department Monitor**

The Department Monitor may take the following actions on behalf of the Board, draft an order and sign:

1. Grant full reinstatement of licensure if CE is the sole condition of the limitation and Respondent has submitted the required proof of completion for approved courses.
2. Suspend the license if Respondent has not completed Board-ordered CE and/or paid costs and forfeitures within the time specified by the Board order. The Department Monitor may remove the suspension and issue an order when proof completion and/or payment have been received.

### **Clarification**

1. In conjunction with removal of any stay of suspension, the Liaison may prohibit Respondent from seeking reinstatement of the stay for a specified period of time. (This is consistent with current practice.)



**THE APPRAISAL FOUNDATION**

*Authorized by Congress as the Source of Appraisal  
Standards and Appraiser Qualifications*

***Voluntary Disciplinary Action Matrix  
Based on the 2014-15 edition of USPAP***

***\*\*This is voluntary guidance intended to assist state appraiser regulatory agencies in enforcement cases.\*\****

**Developed by the Consistent Enforcement Task Force  
of The Appraisal Foundation Board of Trustees**

**Joseph Traynor, Task Force Chair**

**John Brennan, Director of Appraisal Issues, The Appraisal Foundation**

**David Bunton, President, The Appraisal Foundation**

**Larry Disney, Kentucky Real Estate Appraisal Board**

**Roberta Ouellette, North Carolina Appraisers Board**

**Alice Ritter, Appraisal Subcommittee**

**Jenny Tidwell, Appraisal Subcommittee**

**The Appraisal Foundation**

**1155 15<sup>th</sup> Street NW ★ Suite 1111 ★ Washington, DC 20005 ★ [www.appraisalfoundation.org](http://www.appraisalfoundation.org)**

**Updated Summer 2013**

## PURPOSE AND NATURE OF SANCTIONS

The purpose of appraiser discipline is to protect the public from appraisers who have not or will not ethically and competently perform their duties to their clients. The ultimate disposition of appraiser discipline should be public in cases of revocation, suspension and reprimand. Only in cases of minor misconduct should private discipline be imposed.

### SANCTIONS

#### Revocation

Revocation terminates a person's status as a credentialed appraiser. Generally considered permanent, some states and jurisdictions may allow individuals with revoked credentials to reapply at some point in the future.

#### Suspension

The temporary removal of an appraiser's credential for a specified period of time.

- Short suspension: up to two months
- Medium suspension up to one year
- Significant suspension: more than one year

#### Formal Reprimand or Censure

A form of public discipline which declares the conduct of the appraiser improper, but does not limit the appraiser's right to work.

#### Letter of Warning

Also called an admonition or a private reprimand. It is a form of non-public discipline which informs the appraiser that the conduct was improper, not warranted or otherwise unacceptable. It does not limit the appraiser's right to work.

### **Fines; Assessment of costs; Restitution**

Some states may allow fines or assessment of costs to be imposed as a form of sanction. Generally the fines/costs are sent to the state. Restitution is typically provided to the harmed party or parties.

- Fine: A sum of money required to be paid as a penalty for a violation.  
Small, Moderate and Large
- Costs of enforcement activities.
- Restitution is payment to those harmed by the appraiser's actions

### **Corrective or remedial education**

Education aimed to correct or improve deficient skills in a specific area.

### **Probation**

A period of time during which the appraiser and/or the appraiser's work may be more closely scrutinized.

- short probation: up to six months
- medium probation: up to one year
- significant probation: more than one year

### **Monitoring**

A period of time in which an appraiser's work is subject to additional review by the State Appraiser Regulatory Agency.

### **Restriction on scope of practice**

A period of time in which an appraiser is prohibited from performing certain types of appraisal assignments. The discipline could also include a restriction on supervising other appraisers.

### Levels of Sanctions

| LEVEL | VIOLATION  | SANCTION   |
|-------|--|--|
| I     | Minor violations that do not involve the Ethics Rule or Competency Rule.   | Letter of warning or equivalent; censure; corrective education (CE or QE); small fine; or any combination of above.  |
| II    | Technical errors or carelessness where appraiser would benefit from education and that do not involve the Ethics Rule or Competency Rule.            | Formal Reprimand or equivalent; corrective education (CE or QE that cannot be used for CE for renewal); short probation; monitoring; small to moderate fine; or any combination of above.  |
| III   | Minor violations of the Ethics Rule and/or Competency Rule. Other violations that rise to the level of affecting the creditability of an assignment. | Formal Reprimand or equivalent; corrective education (QE that cannot be used for CE for renewal); short suspension; medium probation; monitoring; restriction on scope of practice, area of practice or ability to supervise; moderate fine; payment of restitution and/or costs; or any combination of above.   |
| IV    | Significant violations, including violations of the Ethics Rule and/or Competency Rule.  | Formal Reprimand or equivalent; significant amount of corrective education (QE that cannot be used for CE for renewal); significant suspension; significant probation; monitoring; restriction on scope of practice, area of practice or ability to supervise; large fine; down grade of credential; successful completion of national exam; payment of restitution and/or costs; or any combination of above. |
| V     | Significant Ethics Rule and/or Competency Rule violations or willful violations.   | Revocation or Voluntary Surrender in lieu of disciplinary action with or without large fine, payment of restitution and/or costs.  |

**NOTES:**

- *This chart is intended to be used in conjunction with the attached Aggravating and Mitigating Circumstances.*
- *The potential Sanction in the chart is an average sanction where aggravating and mitigating circumstances balance each other.*
- *Where aggravating circumstances outweigh mitigating circumstances, the level of sanction will increase, and vice versa.*

## AGGRAVATING AND MITIGATING CIRCUMSTANCES

### AGGRAVATING CIRCUMSTANCES

An aggravating circumstance is any factual information or evidence regarding the appraiser or the violation that might result in an increased sanction. Aggravating circumstances include:

- Prior disciplinary history
- Number of appraisals involved in the case
- Number of total violations involved in the case
- Pattern of similar violations
- Significant financial harm to a lending institution, a consumer or others
- Refusal to reissue a corrected appraisal report when warranted
- Evidence that the violation was willful or intentional
- Evidence that the violation was grossly negligent
- Failure to exercise due diligence in the supervision of others
- Refusal to acknowledge violation
- Lack of cooperation with investigation
- Submission of false statements or evidence, or other deceptive practices (e.g., creating or adding to work file after complaint filed)
- Intimidation of or threats to witnesses or others involved with the investigation

### MITIGATING CIRCUMSTANCES

A mitigating circumstance is any information or evidence regarding the appraiser or the violation that might result in a decreased sanction. Mitigating circumstances include:

- Length of time since the date of violation
- No prior disciplinary history
- No other complaints currently pending against licensee
- No pattern of similar offenses
- No evidence that the violation was willful or intentional
- No evidence that the violation was grossly negligent
- License level at the time of violation
- Licensee was under the supervision of another appraiser at the time (e.g., trainees)
- Additional education taken and/or experience gained after violation occurred
- Cooperation with investigation
- Little or no financial harm to consumer or others

- Timely mitigation of financial loss
- Reissuance of a corrected appraisal report before the complaint was filed
- Understanding and acknowledgement of violation
- Personal problems such as physical, mental or emotional problems at the time of the violation that have since been addressed

## EXAMPLE OF THE APPLICATION OF LEVELS AND AGGRAVATING AND MITIGATING CIRCUMSTANCES

The following are generic examples of how to apply sanction levels and aggravating and mitigating circumstances.

*When determining an appropriate sanction, the highest level of sanction should be considered unless substantial mitigating circumstances exist.*

### Example 1:

An appraiser accepted an appraisal assignment in an area where he is not geographically competent, failed to notify the client that he was not geographically competent and failed to take the necessary steps to become competent. As a result, he produced an appraisal that was not supported by market data.

With no aggravating or mitigating circumstances, the sanction would be Level III.

### Example 1A:

Assume in the above scenario that there are no aggravating circumstances and that the following **mitigating** circumstances exist:

- a. The appraisal was done 3 years ago and the appraiser now has achieved competency in that market and others.
- b. The appraiser has no prior disciplinary history.
- c. The appraiser cooperated with the investigation.
- d. Since the appraisal was completed, the appraiser has taken additional education that will help him avoid this issue in the future.

Based on these circumstances, the sanction would be Level I or Level II.

### Example 1B:

Assume in the above scenario that there are no mitigating circumstances and that the following **aggravating** circumstances exist:

- a. The appraiser has been disciplined for similar conduct in the past.
- b. The appraiser had already taken education designed to address this issue before he did the appraisal in question.
- c. As a result of the violation, there was significant financial harm to the lender and the consumer.

Based on these circumstances, the sanction would be Level IV or Level V.

**Example 2:**

An appraiser performs an appraisal where she used inappropriate comparable sales with inadequate and unsupported adjustments, resulting in an inflated opinion of value. This is one of several appraisals she has performed for a lender where all properties were sold by the same investor.

With no aggravating or mitigating circumstances, the sanction would be Level IV.

**Example 2A:**

Assume in the above scenario that there are no aggravating circumstances and that the following **mitigating** circumstances exist:

- a. The appraiser was under severe emotional stress at the time the appraisals were performed due to the illness of a child.
- b. The appraiser had been licensed for only 8 months when she did the assignments.

Based on these circumstances, the sanction would be Level II or Level III.

**Example 2B:**

Assume in the above scenario that there are no mitigating circumstances and that the following **aggravating** circumstances exist:

- a. There are 10 appraisals involved in this case.
- b. The appraiser altered the engagement letters in her work files before sending them the state regulatory agency by removing the “value needed” from them.
- c. The appraiser did not cooperate with the investigation, refusing to meet with the investigator or to provide more information when requested.

Based on these circumstances, the sanction would be Level V.

### Example 3:

An appraiser states in his certification on an appraisal that he inspected the interior and exterior of the subject property, when in fact he only drove by the property. As a result, he stated that the subject property was in average condition when it was actually in poor condition and essentially uninhabitable. He did not use any extraordinary assumptions or hypothetical conditions in the assignment. He knew that the lender required an interior inspection.

With no aggravating or mitigating circumstances, the sanction would be Level IV.

### Example 3A:

Assume in the above scenario that there are no aggravating circumstances and that the following **mitigating** circumstances exist:

- a. The appraiser took the 15-hour National USPAP course after the appraisal was done but before the complaint was received.
- b. The appraiser cooperated with investigation and acknowledged his error.
- c. The loan never went through, so there was little or no financial harm to the consumer or others.

Based on these circumstances, the sanction would be Level III.

### Example 3B:

Assume in the above scenario that there are no mitigating circumstances and that the following **aggravating** circumstances exist:

- a. The violation was intentional.
- b. The appraiser has been licensed since 1991.
- c. When confronted with the issue by the lender, the appraiser refused to inspect the subject property and reissue a new appraisal report.

Based on these circumstances, the sanction would be Level V.

### Example 3C:

Assume in the above scenario that there are **both** the mitigating circumstances in Example 3A and the aggravating circumstances in Example 3B. The sanction, therefore, would be anywhere from Level III to Level V.

Based on these circumstances, it would appear that the aggravating circumstances are more serious and outweigh the mitigating circumstances, thus the sanction would be Level IV or Level V.

#### Example 4:

An appraiser values the subject property at \$120,000. Among the findings:

- The subject had sold one month prior to the effective date of the appraisal for \$80,000, but the appraisal stated that the property had not sold within the past thirty six months.
- The appraisal states that the subject property contains 2400 square feet of gross living area when it actually has only 1200 square feet of finished area and an unfinished, below grade basement.
- The appraiser used comparable sales that contained 2300 – 2800 square feet, which resulted in an inflated appraised value.
- The photographs of the subject property in the appraisal report were of a ranch with a fully finished basement. The appraiser states that his trainee sent the wrong photos with the appraisal.
- Although the trainee did most of the work on the assignment, the appraiser did not mention the trainee's assistance in the report.
- The workfile, which was kept electronically, contained only a copy of the engagement letter and the invoice. The appraiser could not find the appraisal or any of the supporting documentation.

#### Discussion:

In this scenario, there are several violations of the Ethics Rule, such as conduct and record keeping, and violations of Standards 1 and 2. In determining an appropriate sanction, one would start at the lowest level violation (Level II for record keeping) and consider the highest level violation (Level V for preparing a fraudulent appraisal or communicating results in a misleading or fraudulent manner).

#### Example 4A:

Assume in the above scenario that there are no aggravating circumstances and that the following **mitigating** circumstances exist:

- a. There are no other complaints pending or previous disciplinary actions against the appraiser and there is no indication that there has been a pattern of similar offenses.
- b. It appears that the trainee altered the report after the appraiser signed it. It also appears that the trainee deleted the appraisal and supporting documentation for the assignment from the work file.
- c. The appraiser acknowledged that he failed to supervise his trainee.

Based on these circumstances, the sanction would be Level IV or possibly even Level III.

**Example 4B:**

Assume in the above scenario that there are no mitigating circumstances and that the following **aggravating** circumstances exist:

- a. There were several violations in the case.
- b. The loan was made and went into foreclosure. The lender subsequently sold the property for \$65,000.
- c. His failure to supervise his trainee was grossly negligent as he knew his trainee had altered his reports in the past.

Based on these circumstances, the sanction would be Level V.

**Voluntary Disciplinary Action Matrix**  
Based on the 2014-15 edition of USPAP

|  | Type of Violation(s)  | 2014-15 USPAP Citation(s) | Examples  | SANCTION<br>(also refer to the sanction matrix and aggravating and mitigating circumstances) |             |             |
|--|---|---------------------------|---|--|-------------|-------------|
|  |   |                           |   | 1st offense  | 2nd offense | 3rd offense |
|  | <b>ETHICS RULE</b>  |                           |   |  |             |             |
|  | Failure to perform valuation services ethically while acting as an appraiser.   | Ethics Rule               | Intentionally preparing a fraudulent appraisal.   | Level V  |             |             |
|  | Misrepresentation of role.  | Ethics Rule, Conduct      |   |  |             |             |
|  |   | Example #1                | Preparing an appraisal while pursuing a listing for the subject property without proper disclosure.   | Level III  | Level IV    | Level V     |
|  |   | Example #2                | Testifying as an expert without proper experience.  | Level II   | Level III   | Level IV    |
|  |   | Example #3                | Acting as unbiased party when there is an interest in the property.   | Level IV   | Level V     |             |
|  | Willfully or knowingly fails to comply with the RECORD KEEPING RULE   | Ethics Rule               |   | Level IV   | Level V     |             |
|  | <b>Conduct Section</b>  |                           |   |  |             |             |
|  | Being an advocate for the client's interests.   | Conduct & Management      |   |  |             |             |
|  |   | Example #1                | Inflating the value to benefit a client's position in litigation.   | Level IV   | Level V     |             |
|  |   | Example #2                | Selecting only comparable sales that support the contract price when there are more appropriate sales available.  | Level III  | Level IV    | Level V     |
|  | Accepting an appraisal assignment that includes the reporting of predetermined opinions and conclusions.  | Conduct                   | Accepting an assignment when the engagement letter specifies that the value must exceed a certain amount.   | Level III  | Level IV    | Level V     |
|  | Relying upon any unsupported characteristic of race, national origin, gender, marital status, familial status, age, receipt of public assistance income, handicap, or unsupported conclusion that homogeneity of such characteristics is necessary to maximize value. | Conduct                   | Assuming that a subdivision where most of the properties are owned by individuals from a certain country will not be desirable to the general market.         | Level II   | Level III   | Level IV    |
|  | Allowing an employee or other person to communicate a misleading or fraudulent appraisal report.  | Conduct                   | Knowing that an employee will issue an appraisal report with an inflated opinion of value that is based on incorrect square footage for the subject property. | Level IV   | Level V     |             |
|  | Communicating assignment results with the intent to mislead or to defraud.  | Conduct                   |   | Level V  |             |             |
|  |   | Example #1                | Using a large portion of another appraiser's report without permission.   | Level III  | Level IV    | Level V     |

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|---------------------------|--|---------------------------|--|--|-------------|-------------|
|                           |  |                           |  | 1st offense  | 2nd offense | 3rd offense |
|                           |  | Example #2                | Intentionally leaving out the fact that the subject property is listed for sale and substantially less than the contract amount.   | Level IV   | Level V     |             |
|                           |  | Example #3                | Intentionally claiming property was inspected under false pretenses.   | Level IV   | Level V     |             |
|                           | Failure to disclose things of value in connection with the procurement of an assignment.   | Conduct                   | Failing to report any gratuity outside of the fee typically charged by the appraiser   | Level IV   | Level V     |             |
|                           | Criminal Conduct   | Conduct                   |  |  |             |             |
|                           |  | Example #1                | Being convicted of a crime that does not result in incarceration.  | Level IV   | Level V     |             |
|                           |  | Example #2                | Being convicted of a crime that does result in incarceration.  | Level V  |             |             |
|                           | Failure to disclose interest with respect to the subject property .  | Conduct                   | Issuing a report where the intended use of the appraisal assignment is for a foreclosure and the appraiser plans to bid on the property at auction.  | Level III  | Level IV    | Level V     |
|                           | Failure to disclose to the client that services were provided by the appraiser regarding the subject property within the three years immediately preceding the date of the assignment. | Conduct                   | Failing to inform a client prior to accepting an assignment that he appraiser performed an appraisal of the subject property for another client two weeks ago.                                   | Level II   | Level III   | Level IV    |
| <b>Management Section</b> |  |                           |  |  |             |             |
|                           | Failure to disclose payment of undisclosed fees, commissions, or things of value in connection with the procurement of the assignment.   | Management                | Paying a real estate broker \$50 for each appraisal assignment the broker arranges but failing to report that in the report.   | Level II   | Level IV    | Level V     |
|                           | False, deceptive or misleading advertising.  | Management                |  | Level IV   | Level V     | Level V     |
|                           |  | Example #1                | Advertising that an appraiser, who is also a real estate agent, will include an appraisal at no fee for mortgage lending purposes when a broker fee will be received from closing.               | Level II   | Level IV    | Level V     |
|                           |  | Example #2                | Advertising that an appraiser's firm guarantees the value of the client will not owe the appraiser a fee.  | Level IV   | Level V     |             |
|                           | Accepting an assignment when the employment and/or fee to be paid is contingent upon the opinion, conclusion, or valuation reached.  | Management                |  |  |             |             |
|                           |  | Example #1                | Charging a fee based upon a percentage of value conclusion.  | Level IV   | Level V     |             |
|                           |  | Example #2                | Charging a fee based upon the appraised value.   | Level IV   | Level V     |             |
|                           | Accepting an assignment based on the attainment of a stipulated result.  | Management                | Agreeing that the appraiser will not be paid unless the loan closes (in an appraisal done for refinancing) or the property taxes are reduced (in an appraisal done to challenge a reevaluation). | Level II   | Level III   | Level IV    |

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|--------------------------------|--|---------------------------|--|--|-----------------|-------------|
|                                |  |                           |  | 1st offense  | 2nd offense     | 3rd offense |
|                                | Attaching the signature of another appraiser without that appraiser's consent.   | Management                | Attaching an appraiser's signature to a report while the appraiser is on vacation without the consent of the appraiser.                                      | Level III  | Level IV        |             |
| <b>Confidentiality Section</b> |  |                           |  |  |                 |             |
|                                | Violation of Appraiser-Client Confidentiality  | Confidentiality           |  |  |                 |             |
|                                |  | Example #1                | Revealing the name of a client to a third party when the client had requested the appraiser not disclose the client name or identity.                        | Level I or II  | Level III or IV | Level V     |
|                                |  | Example #2                | Supplying a copy of an appraisal report to a borrower who was not an intended user when the lender has gone out of business.                                 | Level II   | Level III       | Level IV    |
|                                |  | Example #3                | Sending sample appraisal reports to potential clients without that client's permission and without redacting confidential information or assignment results. | Level I  | Level II        | Level III   |
| <b>RECORD-KEEPING RULE</b>     |  |                           |  |  |                 |             |
|                                | Failure to retain required work files for 5 years commencing on the date signed or 2 years after the final disposition of any litigation the appraisal or report may be involved in. | Record Keeping            | Testifying 4 years after the appraisal was signed but destroying the file 6 years after it was signed.   | Level II or III  | Level IV        | Level V     |
|                                | Failure to produce workfile when required.   | Record Keeping            |  |  |                 |             |
|                                |  | Example #1                | Failure to provide the workfile to a state enforcement agency when requested.  | Level III  | Level IV        | Level V     |
|                                |  | Example #2                | Failure to provide the workfile to someone who has provided significant professional assistance in the completion of the assignment.                         | Level III  | Level IV        | Level V     |
|                                | Failure to maintain necessary data, information, and documentation in the workfile.  | Record Keeping            |  | Level II or III  | Level IV        | Level V     |
|                                |  | Example #1                | Keeping only the last revision of an appraisal report and not the original.  | Level I  | Level II        | Level III   |
|                                |  | Example #2                | Performing an oral appraisal report by testifying in court and then failing to maintain a summary or transcript of the testimony.                            | Level II   | Level III       | Level IV    |
|                                | Willfully or knowingly fails to comply with the obligations of the RECORD KEEPING RULE   | Ethics                    |  | Level IV   | Level V         |             |
| <b>COMPETENCY RULE</b>         |  |                           |  |  |                 |             |
|                                | Failure to determine whether the appraiser is competent to perform an assignment prior to accepting the assignment.  | Competency                |  |  |                 |             |

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|--|---|---------------------------|--|--|-------------|-------------|
|  |   |                           |  | 1st offense  | 2nd offense | 3rd offense |
|  |   | Example #1                | Accepting an assignment to appraise a golf course without having the requisite competency to do so.  | Level III  | Level IV    | Level V     |
|  |   | Example #2                | Accepting an assignment to appraise a wetlands area for the EPA without the necessary knowledge or understanding of federal laws and regulations applying to restrictions on the uses of wetlands.   | Level III  | Level IV    | Level V     |
|  | Failure to disclose the lack of knowledge or experience to the client before accepting the assignment.  | Competency                | Accepting an assignment to appraise a citrus orchard without informing the client that the appraiser has never done anything similar before.   | Level III  | Level IV    | Level V     |
|  | Failure to take all the steps necessary or appropriate to complete the assignment competently.  | Competency                |  |  |             |             |
|  |   | Example #1                | Accepting an assignment in an unfamiliar market without having access to data sources for comparable sales.  | Level II   | Level III   | Level IV    |
|  |   | Example #2                | Accepting an assignment in an unfamiliar market where there are several niche markets that would be unknown to anyone outside the area.  | Level II   | Level III   | Level IV    |
|  | Failure to describe the lack of knowledge and/or experience and the steps taken to complete the assignment competently in the report.                               | Competency                | Accepting an assignment in an unfamiliar market and associating with a local appraiser, but failing to explain the process in the report.  | Level III  | Level IV    | Level V     |
|  | Failing to withdraw from an assignment when it is discovered that the appraiser lacks the required knowledge and experience to complete the assignment competently. | Competency                | Accepting an assignment with the understanding that the appraiser would be able to retain experts with knowledge and experience in a specific appraisal methodology needed but not being able to retain such experts and completing the assignment in an incompetent manner as a result. | Level IV   | Level V     |             |
|  | <b>SCOPE OF WORK RULE</b>   |                           |  |  |             |             |
|  | Failure to gather and analyze information about assignment elements that are necessary to properly identify the problem to be solved.                               | Scope of Work             |  |  |             |             |
|  |   | Example #1                | Appraising a property "subject to plans and specifications" for a property under construction when the client wants it done "as is".   | Level II   | Level III   | Level IV    |
|  |   | Example #2                | Accepting an appraisal assignment without first asking about all intended users and then failing to meet conditions imposed by those intended users.   | Level II   | Level III   | Level IV    |

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|--|---|---------------------------|--|--|-------------|-------------|
|  |   |                           |  | 1st offense  | 2nd offense | 3rd offense |
|  | Failure to determine and perform the research and analysis necessary to develop credible assignment results.                | Scope of Work             |  |  |             |             |
|  |   | Example #1                | Using three comparable sales in the sales comparison analysis when the client required four or more.   | Level II   | Level III   | Level IV    |
|  |   | Example #2                | Performing a drive-by appraisal on an older property that has been abandoned without determining from the client what type of inspection is required for the intended use of the report.                               | Level II   | Level III   | Level IV    |
|  | Allowing assignment conditions to limit the scope of work to such a degree that the assignment results are not credible.    | Scope of Work             |  |  |             |             |
|  |   | Example #1                | Using only properties that sold within 6 months of the effective date of the assignment, per the client's instructions, even though those properties were not comparable to the subject.                               | Level III  | Level IV    | Level V     |
|  |   | Example #2                | Performing a drive-by appraisal on a newly constructed property without the use of an extraordinary assumption or hypothetical condition, per the client's instructions, when an occupancy permit has not been issued. | Level III  | Level IV    | Level V     |
|  | Allowing the intended use of an assignment or a client's objectives to cause the assignment results to be biased.           | Scope of Work             |  |  |             |             |
|  |   | Example #1                | Appraising a subject property for tax purposes then appraising it for the same party on the same effective date at three times the value of the tax appraisal for a condemnation case.                                 | Level IV   | Level V     |             |
|  |   | Example #2                | Choosing comparable sales that support the sales contract, and not sales that are most comparable to the subject.  | Level IV   | Level V     |             |
|  | Failing to disclose sufficient information in the report to allow intended users to understand the scope of work performed. | Scope of Work             |  |  |             |             |
|  |   | Example #1                | Failing to disclose that a hypothetical condition was used in an appraisal.  | Level II   | Level III   | Level IV    |
|  |   | Example #2                | Failing to disclose that the appraiser signing the appraisal did not inspect the subject property but that he relied on an inspection performed by another.  | Level III  | Level IV    | Level V     |

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|--------------------------------------|--|---------------------------|---|--|-------------|-------------|
|                                      |  |                           |   | 1st offense  | 2nd offense | 3rd offense |
| <b>JURISDICTIONAL EXCEPTION RULE</b> |  |                           |   |  |             |             |
|                                      | Failure to identify or cite the law or regulation that precludes compliance with USPAP.  | Jurisdictional Exception  | Appraising a property for a state agency that requires, by law, the appraiser to use a specific form to report the appraisal, but not citing the law that precludes compliance with Standard 2 of USPAP.      | Level II   | Level III   | Level IV    |
|                                      | Failure to comply with the law or regulation that precludes compliance with USPAP.   | Jurisdictional Exception  | Appraising a property for a federal agency that requires, by law, an appraiser to report a value on a specific form, but then sending a letter reporting value instead of the required form.                  | Level III  | Level IV    | Level V     |
| <b>STANDARD 1</b>                    |  |                           |   |  |             |             |
|                                      | Failure to comply with Standards Rule 1-1.   | SR 1-1                    |   |  |             |             |
|                                      | Failure to be aware of, understand, and correctly employ recognized methods and techniques necessary to produce credible assignment results. | SR 1-1(a)                 |   |  |             |             |
|                                      |  | Example #1                | An appraiser failed to utilize the sales comparison approach to value in appraising a single family residence in a neighborhood consisting of recent, proximate, similar comparable sale properties.          | Level III or IV  | Level V     |             |
|                                      |  | Example #2                | An appraiser developed an opinion of market value without analyzing and adjusting for sales concessions that existed in the comparable sales.   | Level III or IV  | Level V     |             |
|                                      | Committing a substantial error of omission or commission that significantly affects an appraisal.  | SR 1-1(b)                 |   |  |             |             |
|                                      |  | Example #1                | An appraiser failed to apply any discounting to account for the absorption of vacant space in a retail center which was only 15% occupied, and was not anticipated to reach stabilized occupancy for 4 years. | Level IV   | Level V     |             |
|                                      |  | Example #2                | An appraiser provided an opinion of the leasehold interest in a property, when the bundle of rights being appraised was the leased fee interest.  | Level IV   | Level V     |             |
|                                      |  | Example #3                | An appraiser miscalculates the square footage of a home, basing the opinion of value on 3,800 square feet when the home only consisted of 1,600 square feet.  | Level III or IV  | Level V     |             |

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|--|---|---------------------------|---|--|-----------------|-------------|
|  |   |                           |   | 1st offense  | 2nd offense     | 3rd offense |
|  | Rendering appraisal services in a careless or negligent manner by making a series of errors that, in the aggregate, affect the credibility of the assignment results. | SR 1-1(c)                 |   |  |                 |             |
|  | <b>Example #1</b>   |                           | An appraiser inaccurately describes the subject property's roof covering, type of windows, insulation, and type of heating. The appraiser also misstates the subject property's year built, type of foundation, and topography. | Level II or III  | Level III or IV | Level V     |
|  | Failure to comply with Standards Rule 1-2.  | SR 1-2                    |   |  |                 |             |
|  | <b>Example #1</b>   | SR 1-2(i)                 | An appraiser identifies that the appraisal is being used for mortgage finance purposes, when it is actually being used for a divorce settlement proceeding.   | Level II or III  | Level III or IV | Level V     |
|  | <b>Example #2</b>   | SR 1-2(g)                 | An appraiser fails to identify that the appraisal is based on a lot split being considered by the property owner that has not yet occurred.   | Level III or IV  | Level V         |             |
|  | <b>Example #3</b>   | SR 1-2(h)                 | An appraiser fails to perform the sales comparison approach although it was necessary for credible assignment results.  | Level IV   | Level V         |             |
|  | Failure to comply with Standards Rule 1-3.  | SR 1-3                    |   |  |                 |             |
|  | <b>Example #1</b>   | SR 1-3(a)                 | An appraiser fails to recognize that the major employer in the region has announced that it will be closing, which has resulted in declining market values for the area.  | Level III or IV  | Level V         |             |
|  | <b>Example #2</b>   | SR 1-3(b)                 | An appraiser fails to consider the subject property's zoning in developing an opinion of the highest and best use.  | Level III or IV  | Level V         |             |
|  | Failure to comply with Standards Rule 1-4.  | SR 1-4                    |   |  |                 |             |
|  | <b>Example #1</b>   | SR 1-4(b)(i)              | An appraiser develops a cost approach but does not develop an opinion of the site value using an appropriate method or technique.   | Level II or III  | Level III or IV | Level V     |
|  | <b>Example #2</b>   | SR 1-4(e)                 | In providing an opinion of seven (7) contiguous buildable lots, an appraiser simply adds together the value of the individual parcels to arrive at an overall opinion of value.   | Level II or III  | Level III or IV | Level V     |
|  | <b>Example #3</b>   | SR 1-4(g)                 | In performing an appraisal for the purchase of a hotel, an appraiser does not analyze the effect on value of the personal property included in the sale price.  | Level III or IV  | Level V         |             |

Finalized ~ Summer 2013

Page 7

\*\*This is voluntary guidance intended to assist state appraiser regulatory agencies in enforcement cases.\*\*

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|--|--|---------------------------|--|--|-----------------|-------------|
|  |  |                           |  | 1st offense  | 2nd offense     | 3rd offense |
|  | Failure to comply with Standards Rule 1-5.   | SR 1-5                    |  |  |                 |             |
|  | Example #1   | SR 1-5(a)                 | An appraiser fails to analyze the current agreement of sale on the subject property, even though it was available during the normal course of business.  | Level II or III  | Level III or IV | Level V     |
|  | Example #2   | SR 1-5(b)                 | An appraiser fails to analyze the fact that the subject property sold 18 months prior for an amount 20% above its current pending sale price.  | Level IV   | Level V         |             |
|  | Failure to comply with Standards Rule 1-6.   | SR 1-6                    |  |  |                 |             |
|  | Example #1   | SR 1-6(a)                 | In the sales comparison approach, an appraiser simply adds the adjusted value of the three comparable sales used and divides by three for an indicated value, even though some sales were far better indicators of value than others.  | Level III or IV  | Level V         |             |
|  | Example #2   | SR 1-6(b)                 | An appraiser is asked by a builder to perform an appraisal only using the sales comparison approach; however, the home is newly constructed in an area where lot sales are abundant and cost figures are readily available. Because the builder requested only a sales comparison approach, the appraiser gives no consideration to the cost approach in rendering a final opinion of value. | Level III or IV  | Level V         |             |
|  | <b>STANDARD 2</b>  |                           |  |  |                 |             |
|  | Failure to clearly and accurately set forth the appraisal in a manner that is not misleading.                                | SR 2-1(a)                 |  |  |                 |             |
|  | Example #1   |                           | Preparing a Restricted Appraisal Report knowing that there are more intended users than just the client.   | Level III  | Level IV        | Level V     |
|  | Failure to contain sufficient information to enable the intended user(s) of the appraisal to understand the report properly. | SR 2-1(b)                 |  |  |                 |             |
|  | Example #1   |                           | Preparing a cost approach solely at the client's request even though the results were not meaningful. Failing to report that the cost approach was given no weight in the final reconciliation and why.  | Level I  | Level II        | Level III   |

**Voluntary Disciplinary Action Matrix  
Based on the 2014-15 edition of USPAP**

|  | Type of Violation(s)   | 2014-15 USPAP Citation(s) | Examples   | SANCTION<br>(also refer to the sanction matrix and aggravating and mitigating circumstances) |             |             |
|--|--|---------------------------|--|--|-------------|-------------|
|  |  |                           |  | 1st offense  | 2nd offense | 3rd offense |
|  | Example # 2  |                           | An appraiser submitted a written report identified as an "Appraisal Report." The assignment agreement signed by the client and the appraiser contained a requirement that the appraiser must include a summary of each adjustment, including the paired sales analysis, applied within the sales comparison approach. However, the report contents included only a listing of each of the five adjustments for each sale without summary of analysis or reasoning. | Level I  | Level II    | Level III   |
|  | Failure to clearly and accurately disclose all assumptions, extraordinary assumptions, hypothetical conditions, and limiting conditions used in the assignment.                                  | SR 2-1(c)                 |  |  |             |             |
|  | Failure to prepare a written real property appraisal report under one of the following two options and prominently state which option is used: Appraisal Report, or Restricted Appraisal Report. | SR 2-2                    |  |  |             |             |
|  | Example # 1  |                           | An appraiser submitted the results of an appraisal assignment on a form listed as "Multi-Purpose Appraisal Assignment Report." Although the depth of reported information was summarized, there was no identification of the reporting option used.  | Level I  | Level II    | Level III   |
|  | Example # 2  |                           | An appraiser sent a text message to his client notifying him of his final value conclusion. No other information was included.   | Level III  | Level IV    | Level V     |
|  | In an Appraisal Report, failure to include content consistent with the intended use of the report.   | SR 2-2(a)                 |  |  |             |             |
|  | In an Appraisal Report, failure to state the identity of the client and any intended users by name or type.  | SR 2-2(a)(i)              |  |  |             |             |
|  | Example # 1  |                           | An appraiser was engaged by a local attorney to complete an appraisal assignment for use in litigation. The appraiser submitted a report, labeled as an Appraisal Report, to the judge and identified "Court" as the client and named no intended users.   | Level II   | Level III   | Level IV    |
|  | In an Appraisal Report, failure to state the intended use of the report.   | SR 2-2(a)(ii)             |  |  |             |             |

**Voluntary Disciplinary Action Matrix**  
Based on the 2014-15 edition of USPAP

|  | Type of Violation(s)   | 2014-15 USPAP Citation(s) | Examples  | SANCTION<br>(also refer to the sanction matrix and aggravating and mitigating circumstances) |             |             |
|--|--|---------------------------|---|--|-------------|-------------|
|  |  |                           |   | 1st offense  | 2nd offense | 3rd offense |
|  | In an Appraisal Report, failure to summarize information sufficient to identify the real estate involved in the appraisal, including the physical and economic property characteristics relevant to the assignment.  | SR 2-2(a)(iii)            |   |  |             |             |
|  | <b>Example # 1</b>   |                           | An appraiser was engaged to develop an opinion of market value for a property that included a building that had been partially destroyed by a recent fire. The engagement agreement requested an Appraisal Report that would be used for insurance settlement purposes. The insurance company requested that the appraiser describe the "as-is" condition of the building interior. The appraiser delivered a report containing only a statement that the building interior exhibited significant damage. | Level I  | Level II    | Level III   |
|  | In an Appraisal Report, failure to state the real property interest appraised.   | SR 2-2(a)(iv)             |   |  |             |             |
|  | In an Appraisal Report, failure to state the type and definition of value and its source.  | SR 2-2(a)(v)              |   |  |             |             |
|  | In an Appraisal Report where development of a reasonable exposure time is required, failure to state that opinion of exposure time.  | SR 2-2(a)(v)              |   |  |             |             |
|  | In an Appraisal Report, failure to state the effective date of the appraisal and the date of the report.   | SR 2-2(a)(vi)             |   |  |             |             |
|  | In an Appraisal Report, failure to summarize the scope of work used to develop the appraisal.  | SR 2-2(a)(vii)            |   |  |             |             |
|  | <b>Example # 1</b>   |                           | An Appraisal Report of a strip take in an eminent domain proceeding did not include the scope of work used to develop the appraisal.  | Level I  | Level II    | Level III   |
|  | In an Appraisal Report, failure to summarize the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions. Failure to explain exclusion of any of the approaches to value. | SR 2-2(a)(viii)           |   |  |             |             |

**Voluntary Disciplinary Action Matrix**  
Based on the 2014-15 edition of USPAP

|  | Type of Violation(s)  | 2014-15 USPAP Citation(s) | Examples  | SANCTION<br>(also refer to the sanction matrix and aggravating and mitigating circumstances) |             |             |
|--|---|---------------------------|---|--|-------------|-------------|
|  |   |                           |   | 1st offense  | 2nd offense | 3rd offense |
|  | In an Appraisal Report, failure to state the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal.   | SR 2-2(a)(ix)             |   |  |             |             |
|  | In an Appraisal Report, when an opinion of highest and best use was developed by the appraiser, failure to summarize the support and rationale for that opinion.  | SR 2-2(a)(x)              |   |  |             |             |
|  | <b>Example # 1</b>  |                           | An Appraisal Report of a tract of land with a large commercial building did not include the support and rationale for the highest and best use opinion of multi-family residential development. | Level II   | Level III   | Level IV    |
|  | In an Appraisal Report, failure to clearly and conspicuously:<br><br>• state all extraordinary assumptions and hypothetical conditions; and<br>• state that their use might have affected the assignment results.   | SR 2-2(a)(xi)             |   |  |             |             |
|  | In an Appraisal Report, failure to include a signed certification in accordance with Standards Rule 2-3.  | SR 2-2(a)(xii)            |   |  |             |             |
|  | In a Restricted Appraisal Report, failure to include content consistent with the intended use of the report.  | SR 2-2(b)                 |   |  |             |             |
|  | In a Restricted Appraisal Report, failure to state the identity of the client by name or type. Failure to state a prominent use restriction that limits use of the report to the client and warns that the appraiser's opinions and conclusions set forth in the report may not be understood properly without additional information in the appraiser's work file. | SR 2-2(b)(i)              |   |  |             |             |

**Voluntary Disciplinary Action Matrix**  
Based on the 2014-15 edition of USPAP

|  | Type of Violation(s)   | 2014-15 USPAP Citation(s) | Examples   | SANCTION<br>(also refer to the sanction matrix and aggravating and mitigating circumstances) |             |             |
|--|--|---------------------------|--|--|-------------|-------------|
|  |  |                           |  | 1st offense  | 2nd offense | 3rd offense |
|  | Example # 1  |                           | An appraiser was requested by a Judge to complete an assignment of market value for property settlement purposes with instructions that the Judge would be the client and there would be two additional intended users. Upon completion of the assignment a written report was submitted that was labeled "Restricted Appraisal Report." The report did not include a prominent use restriction. | Level III  | Level IV    | Level V     |
|  | In a Restricted Appraisal Report, failure to state the intended use of the report. | SR 2-2(b)(ii)             |  |  |             |             |

**Voluntary Disciplinary Action Matrix  
Based on the 2014-15 edition of USPAP**

|  | Type of Violation(s)   | 2014-15 USPAP Citation(s) | Examples   | SANCTION<br>(also refer to the sanction matrix and aggravating and mitigating circumstances) |             |             |
|--|--|---------------------------|--|--|-------------|-------------|
|  |  |                           |  | 1st offense  | 2nd offense | 3rd offense |
|  | In a Restricted Appraisal Report, failure to state information sufficient to identify the real estate involved in the appraisal.   | SR 2-2(b)(iii)            |  |  |             |             |
|  | In a Restricted Appraisal Report, failure to state the real property interest appraised.   | SR 2-2(b)(iv)             |  |  |             |             |
|  | In a Restricted Appraisal Report, failure to state the type of value and cite the source of its definition.  | SR 2-2(b)(v)              |  |  |             |             |
|  | In a Restricted Appraisal Report where development of a reasonable exposure time is required, failure to state that opinion of exposure time.  | SR 2-2(b)(v)              |  |  |             |             |
|  | In a Restricted Appraisal Report, failure to state the effective date of the appraisal and the date of the report.   | SR 2-2(b)(vi)             |  |  |             |             |
|  | In a Restricted Appraisal Report, failure to state the scope of work used to develop the appraisal.  | SR 2-2(b)(vii)            |  |  |             |             |
|  | In a Restricted Appraisal Report, failure to state the appraisal methods and techniques employed, state the value opinion(s) and conclusion(s) reached, and reference the work file. Failure to explain the exclusion of an approach to value. | SR 2-2(b)(viii)           |  |  |             |             |
|  | <b>Example # 1</b>   |                           | A Restricted Appraisal Report on a new residential dwelling was delivered to a client. The cost approach to value was not reported and there was no explanation for its exclusion. | Level I  | Level II    | Level III   |
|  | In a Restricted Appraisal Report, failure to state the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal.  | SR 2-2(b)(ix)             |  |  |             |             |

**Voluntary Disciplinary Action Matrix**  
Based on the 2014-15 edition of USPAP

|  | Type of Violation(s)  | 2014-15 USPAP Citation(s) | Examples   | SANCTION<br>(also refer to the sanction matrix and aggravating and mitigating circumstances) |             |             |
|--|---|---------------------------|--|--|-------------|-------------|
|  |   |                           |  | 1st offense  | 2nd offense | 3rd offense |
|  | In a Restricted Appraisal Report, when an opinion of highest and best use was developed by the appraiser, failure to state that opinion.  | SR 2-2(b)(x)              |  |  |             |             |
|  | In a Restricted Appraisal Report, failure to clearly and conspicuously:<br>• state all extraordinary assumptions and hypothetical conditions; and<br>• state that their use might have affected the assignment results. | SR 2-2(b)(xi)             |  |  |             |             |
|  | <b>Example # 1</b>  |                           | Although the Restricted Appraisal Report included an extraordinary assumption that a building could be placed upon the site and a hypothetical condition that zoning approval must be obtained to do so, there was no statement that the assumption and the condition might have affected the assignment results developed.                                | Level II   | Level III   | Level IV    |
|  | In a Restricted Appraisal Report, failure to include a signed certification in accordance with Standards Rule 2-3.  | SR 2-2(b)(xii)            |  |  |             |             |
|  | Failure to include in each written appraisal report a signed certification with content similar to the one in SR 2-3.   | SR 2-3                    |  |  |             |             |
|  | <b>Example # 1</b>  |                           | A certified appraiser failed to include in the certification a statement regarding significant real property assistance. A Trainee provided significant real property assistance on the report.  | Level II   | Level III   | Level IV    |
|  | In an oral appraisal report, failure to address to the extent possible and appropriate, the substantive matters set forth in SR 2-2(a).   | SR 2-4                    |  |  |             |             |
|  | <b>Example # 1</b>  |                           | An appraiser reported an opinion of value verbally to his client with no other documentation. The state appraiser regulatory agency investigator was informed by the appraiser that the assignment was considered ongoing and not complete, therefore, there was no requirement to create workfile documentation until the client acknowledged completion. | Level III  | Level IV    | Level V     |

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**AARO Spring Conference**  
**2014**

**Tentative Agenda- as of 1-21-14**

**FRIDAY, APRIL 11, 2014**

**12:00p – 1:00p REGISTRATION**

**1:00p -1:30p OPENING SESSION**

Larry Disney-AAARO President

Elizabeth Seaters -Ambassador to San Francisco, CA

**1:30p – 3:00p ASC & TAF UPDATES**

ASC - Jim Park

Appraisal Foundation- David Bunton

AQB-Wayne Miller

ASB-Barry Shea

APB-Rick Baumgardner

**3:00p - 3:15p BREAK**

**3:15p -4:30p ADVISORY COUNCIL MEETINGS**

ASC Advisory-Amy McClellan

Qualifications Advisory -Maria Brown

USPAP Advisory -Larry Disney

AMC Advisory Council-Fran Oreto

Appraiser Profession Organizations

Advisory Council – Tad Bolton

**SATURDAY, APRIL 12, 2014**

**8:00a – 4:00p REGISTRATION**

**7:45a – 8:30a CONTINENTAL BREAKFAST**

**8:30a – 10:00a CRIMINAL HISTORY REPORTS AND  
BACKGROUND CHECKS – DEFENSIBLE DECISIONS**

Anne Petit – Ohio

Alec Stone – California

**10:00a – 10:15a BREAK**

**10:30a – 12:00p**

**REDUCING COMPLAINT PROCESSING TIMES:  
SUCCESSFUL COMPLAINT REDUCTIONS PLANS  
AND ASC REVIEW FINDINGS**

Mark Mrnak – Texas

Danitra Kourkounakis – Ohio

Elizabeth Seaters – California

**12:00p – 1:00p LUNCH**

**1:15p - 3:00p MORTGAGE FRAUD INVESTIGATION**

Rachel Dollar – Mortgage Fraud Blog (case study)

**3:00p – 3:15p BREAK**

**3:15p - 4:30p COMMITTEE MEETINGS**

Policy & Planning- Maria Brown

Nominating- Sherry Bren

Budget and Finance-Dave Campbell

Program – Nikole Avers

**6:00p – 8:00p PRESIDENT’S RECEPTION**

**SUNDAY, APRIL 13, 2013**

**7:45a – 8:30a CONTINENTAL BREAKFAST**

**8:30a – 10:15a SUPERVISOR/TRAINEE COURSE  
DEVELOPMENT AND MAINTENANCE**

**10:00a – 10:15a BREAK**

**10:30 a – 12:00 p CFPB – UPDATES ON THE RULES**

**12:00p – 1:00p LUNCH**

**1:15p - 2:30p TECHNOLOGY AS TOOLS FOR  
REGULATORS**

**2:30p - 3:00p CONFERENCE WRAP-UP**  
Larry Disney, AARO President

**3:15p – 4:00P BOARD OF DIRECTORS MEETING**  
All Members Welcome

**FUTURE CONFERENCE SITES**

**Washington, DC - Oct. 18-21, 2014**

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STATE OF WISCONSIN  
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

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IN THE MATTER OF RULEMAKING : PROPOSED ORDER OF THE  
PROCEEDINGS BEFORE THE : DEPARTMENT OF  
DEPARTMENT OF SAFETY AND : SAFETY AND PROFESSIONAL  
PROFESSIONAL SERVICES : SERVICES  
: ADOPTING RULES  
: (CLEARINGHOUSE RULE )  
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PROPOSED ORDER

An order of the Department of Safety and Professional Services to repeal SPS 80.03 (2), (8a) and (8d), 81.02 (8), 81.05 (intro.), 82.01 (6), 83.01 (3) (e), (3) (g), and (3)(g) (Note), 83.01 (4) (c), 83.02 (7), 84.03 (1) (b) 1. to 6., 84.04 (1) (b) (intro.) (Note) and 1. to 9., and 86 Appendix I; to renumber SPS 80 (title), 81 (title), 81.03 (1) to (2) (d), 81.05 (1), 81.05 (2), 81.05 (3), 82 (title), 82.02, 82.03, 82.04, 83 (title), 83.01 (1), 83.01 (1a), 83.01 (2), 84 (title), 84.02, 84.03 (1) (title) (intro) and (a), 84.03 (2) (a) to (c), 84.04 (1) (title) (intro.) and (a), 84.04 (1) (b) (intro.), 84.04 (1) (b) (intro.) (Note) and 1. to 9., 84.04 (2) and (3); to renumber and amend SPS 80.01, 80.02, 80.03, 80.03 (1) to (8), (8ag) to (8c) and (9) to (18), 81.01, 81.02 (1) to (7), 81.02 (8) (Note), 81.03 (2) (d) (Note), 82.01 (1) to (5), 83.01 (title), 83.01 (3) (intro.) (a) to (d) and (f), 83.01 (3m), 83.01 (4) (intro.) and (4) (b), 83.01 (4) (c) (Note), 83.02 (title) (1) to (6), 84.001, 84.01, 84.03 (1) (b) (intro.), 84.04 (1) (b) (intro.), 85.01; to amend SPS 87.01 (2) and (3), 87.02 (1), (2) (intro.), (b) and (c), (3)(b) and (3) (c), 86.01 (1), (4), (9) and (11); to repeal and recreate SPS 85 (title); and to create SPS 85.100 (3m) and (19), 85.240, subch. III (title), 85.330, subch. IV (title), 85.410, 85.430, subch. V (title), 85.510 (title), 85.520 (8) and (9), 85.530, 85.600 (7), 85.700 (4) (a) to (f), 85.820, 85.830, 85.840, subch. IX (title), 85.900 (7), 85.910 (2) (n) to (p), 85.810 (7) (a), related to the examination, education, and experience requirements of real estate appraisers.

Analysis prepared by the Department of Safety and Professional Services.

ANALYSIS

**Statutes interpreted:**

Sections 458.03, 458.06, 458.08, 458.085, 458.10, 458.13, Stats.

**Statutory authority:**

Sections 227.11 (2) (a), 440.03 (1), 458.03 (1) (b) and (e), 458.06 (4) (e), 458.08 (3) (e), 458.085, 458.10 (3), Stats.

**Explanation of agency authority:**

The Department of Safety and Professional Services (Department) is empowered to promulgate rules interpreting the provision of any statute it enforces or administers per s. 227.11 (2) (a), Stats. Pursuant to s. 440.03 (1), Stats., the Department may promulgate rules defining uniform procedures to be used by the Real Estate Appraisers Board. The subject of these proposed rules relate to uniform procedures with regard to education, experience, and examination requirements as well as other standard application procedures. The Department is specifically granted rule-making authority to draft these proposed rules pursuant to ss. 458.03 (1) (b) and (e), 458.06 (4) (e), 458.08 (3) (e), 458.085, 458.10 (3), Stats.

**Related statute or rule:**

There are no other statutes or rules other than those listed.

**Plain language analysis:**

The Financial Institutions Reform Recovery Act of 1989 ("FIRREA") 12 U.S.C. 3331 et seq. gives authority to the Appraiser Qualifications Board (AQB) to set minimum qualification requirements for real estate appraisers. Those minimum requirements will change as of January 1, 2015. The changes include the following. Education and experience must be completed prior to taking the National Uniform Licensing and Certification Examinations. Applicants for the certified residential and certified general credentials must have a Bachelor's degree or higher from an accredited college or university. Applicants for the licensed residential credential must successfully complete 30 semester hours of college-level education from an accredited college, junior college, community college, or university, or have an Associate's degree or higher from an accredited college, junior college, community college or university. All applicants for an initial credential must undergo a background check. A prohibition against repetitive use of continuing education within the same continuing education cycle. Clarification of the term "written examination" will be provided. The Department seeks to implement these changes via the proposed rules.

**Summary of, and comparison with, existing or proposed federal regulation:**

The Financial Institutions Reform Recovery Act of 1989, ("FIRREA") 12 U.S.C 3331, et. seq. regulates real estate appraisers on the federal level. The purpose of FIRREA "is to provide that Federal financial and public policy interests in real estate related transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision." 12 U.S.C. 3331. This federal mandate is accomplished via the Appraiser Qualification Board (AQB) and the Appraisal Subcommittee (ASC). The ASC monitors state regulation of certified and licensed appraisers and reviews each state's compliance with federal legislation.

The AQB sets the minimum qualifications of real estate appraisers. The minimum qualifications criteria established by the AQB are set forth in the *Real Property Appraiser Qualifications Criteria and Interpretations of the Criteria* ("Criteria") The AQB Criteria includes the minimum experience, examination, qualifying education, and continuing education requirements that must be satisfied by an individual in order to obtain and maintain an appraiser credential.

**Comparison with rules in adjacent states:**

**Illinois:** Illinois issues certified general, certified residential and associate real estate trainee appraiser credentials. The licensure, educational, experience and continuing education requirements set forth in 68 Il. Admin. Code 1455.10 et. seq. (2013) meet the minimum requirements set by the AQB.

**Iowa:** Iowa credentials certified residential, certified general and associate real property appraisers. The associate real property appraiser is substantially equivalent to the federal category of trainee real property appraisers. Unlike Iowa, Wisconsin does not credential trainee real property appraisers. The education, experience, and examination requirements promulgated by Iowa Admin Code 193F-4.1, 193F-5.1 (1) and 193F-6.1 (2013), meet the minimum requirements set forth by the AQB.

**Michigan:** Michigan credentials limited real estate appraisers, state licensed real estate appraisers, certified residential real estate appraisers, and certified general real estate appraisers. The state licensed real estate appraiser is similar to Wisconsin's licensed appraiser. The certified general and certified residential requirements are consistent with the AQB's minimum requirements. The limited real estate appraiser is equivalent to the trainee real property appraiser. MCLS § 339.2601 (2013).

**Minnesota:** Minnesota regulates trainee real property appraisers, licensed residential real property appraisers, certified residential real property appraisers, and certified general real property appraisers. The Licensed residential real property appraiser credential is similar to Wisconsin's licensed appraiser credential. The education, examination, and experience requirements for all classes of credentials for real estate appraisers is set forth in Minn. Stat. §§82B.11, 82B.12, 82B.13, 82B.14 (2013), and are consistent with the minimum requirements established by the AQB.

**Summary of factual data and analytical methodologies:**

The AQB minimum qualification requirements for real estate appraisers will change as of January 1, 2015. The Department has reviewed those changes in order to make a determination as to how they would impact the current rules. The Department has determined that the current rules need to be aligned with the new AQB minimum criteria for licensure of real estate appraisers. The Department has considered the suggestions of the Appraisal Subcommittee in making the necessary changes to the current rules.

**Analysis and supporting documents used to determine effect on small business or in preparation of economic impact analysis:**

This rule was posted for public comment on the economic impact of the proposed rule, including how this proposed rule may affect businesses local government units and individuals, for a period of 14 days. No comments were received relating to the economic impact of the rule.

**Fiscal Estimate and Economic Impact Analysis:**

The Fiscal Estimate and Economic Impact Analysis are attached.

**Effect on small business:**

These proposed rules do have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. and are submitted to the Small Business Regulatory Review Board for a determination on whether the rules will have a significant economic impact on a substantial number of small businesses. The Department's Regulatory Review Coordinator may be contacted by email at Tom.Engels@wisconsin.gov, or by calling (608) 266-8608

**Agency contact person:**

Shawn Leatherwood, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, Wisconsin 53708-8366; telephone 608-261-4438; email at Shancethea.Leatherwood@wisconsin.gov.

**Place where comments are to be submitted and deadline for submission:**

Comments may be submitted to Shawn Leatherwood, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, WI 53708-8366, or by email to Shancethealea.Leatherwod@wisconsin.gov. Comments must be received on or before \* to be included in the record of rule-making proceedings.

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TEXT OF RULE

SECTION 1. Chapter SPS 80 (title) is renumbered Subchapter I (title) of chapter SPS 85 [precedes SPS 85.100].

SECTION 2. SPS 80.01 to 80.02 are renumbered SPS 85.100 to 85.110 and as renumbered, are amended to read:

**SPS 85.100 Authority** The rules in chs. SPS 80 85 to 87 are adopted under the authority of ss. 227.11 and 440.03 (1), Stats., and ch. 458, Stats.

**SPS 85.110 Intent** The intent of the department in adopting chs. SPS 80 85 to 87 is to establish minimum standards for professional appraisal practice for certified and licensed appraisers which are consistent with the uniform standards of professional appraisal practice promulgated by the appraisal standards board of the appraisal foundation. It is further intended that these rules shall establish standards of competency such that persons certified or licensed as appraisers are qualified to perform appraisals for federally related transaction under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, 12 USC 3331 et seq.

SECTION 3. SPS 80.03 (intro.) is renumbered SPS 85.120 (intro.) and amended to read:

**SPS 85.120 Definitions.** (intro.) As used in chs. SPS 80 85 to 87 and in ch. 458, Stats.:

SECTION 4. SPS 80.03 (1) to (8), (8ag) to (8c), and (9) to (18) are renumbered SPS 85.120 (1) to (23) and SPS 85.120 (14) as renumbered, is amended to read:

**SPS 85.120 (14)** "Hours of appraisal experience" means 60 minutes of verifiable time spent performing tasks as identified in s. SPS 83.01 (3) (b) 85.700 (3) (b) in accordance with the uniform standards of professional appraisal practice, in effect at the time the tasks were performed.

SECTION 5. SPS 80.03 (2), (8a), and (8d) are repealed.

SECTION 6. Chapter SPS 81 (title) is renumbered Subchapter II (title) of chapter SPS 85 [precedes SPS 85.200].

SECTION 7. SPS 81.01 is renumbered SPS 85.200, and amended to read:

**SPS 85.200 Prerequisite to submitting credential application.** Prior to submitting an application for a licensed or certified real estate appraiser credential, an individual shall successfully complete the required education and experience hours required under s. SPS 84.02, 84.03, or 84.04, as appropriate.

SECTION 8. Chapter SPS 81.02 (1) to (7) are renumbered SPS 85.210 (1) to (7) and SPS 85.210 (3), SPS 85.210 (5), SPS 85.210 (5) (Note) and SPS 85.210 (7), as renumbered, are amended to read:

**SPS 85.210 (3)** Evidence of successful completion of the educational course work required in ~~ch. SPS 84~~ chs. SPS 85.320, 85.420, and 85.520 for licensure or certification.

**SPS 85.210 (5)** Evidence of successful completion of the national and state examinations as specified in ~~SPS 82.01~~ 85.600.

**SPS 85.210 (5) Note:** Applicants have up to 24 months after receiving authorization from the department to sit for the examination, to take and pass the state and national examinations required under ~~s. SPS 82.01~~ s. SPS 85.601. After passing the examination, applicants have up to 24 months to complete all other requirements for a credential.

THIS NO LONGER APPLIES.

(7) A roster of appraisal experience as required in ~~s. SPS 83.01 (4) (b)~~.

SECTION 9. SPS 81.02 (8) is repealed.

SECTION 10. SPS 81.02 (8) (Note) is renumbered SPS 85.210 (7) (Note), and as renumbered, is amended to read:

**SPS 85.210 (7) Note:** Applications for certification or licensure are available from the Department of Safety and Professional Services, Division of Professional Credentialing-Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

SECTION 11. SPS 81.03 (1) to (2) (d) are renumbered SPS 85.220 (1) to (2) (d).

SECTION 12. SPS 81.03 (2) (d) (Note) is renumbered SPS 85.220 (2) (d) (Note), and as renumbered, is amended to read:

**SPS 85.220 (2) (b) Note:** Applications for temporary registration are available from the Department of Safety and Professional Services, Division of Professional Credentialing-Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

SECTION 13. SPS 81.04 is renumbered SPS 85.230 and SPS 85.230 (1) (c) 2. and 3. as renumbered are amended to read:

**SPS 85.230 (1) (c) 2.** Has passed the examination on Wisconsin statutes and rules governing appraisers, as provided under ~~s. SPS 82.04~~ 85.600.

**SPS 85.230 (1) (c) 3.** Subject to ss. 111.321, 111.322 and 111.335, Stats., does not have an arrest or conviction record subject to review.

SECTION 14. SPS 81.05 (intro.) is repealed.

SECTION 15. SPS 81.05 (1) is renumbered SPS 85.300.

SECTION 16. SPS 81.05 (2) is renumbered SPS 85.400.

SECTION 17. SPS 81.05 (3) is renumbered SPS 85.500

SECTION 18. Chapter SPS 82 (title) is renumbered Subchapter VI (title) of chapter SPS 85 [precedes SPS 85.600].

SECTION 19. SPS 82.01 (1) to (5) are renumbered SPS 85.600 (1) to (5) and SPS 85.600 (5) (b) as renumbered, is amended to read:

SPS 85.600 (5) (b) Pay the fees required under s. ~~SPS 81.02(4)~~ SPS 85.210 (1).

SECTION 20. SPS 82.01 (6) is repealed.

SECTION 21. SPS 82.02 is renumbered SPS 85.610.

SECTION 22. SPS 82.03 is renumbered SPS 85.620.

SECTION 23. SPS 82.04 is renumbered SPS 85.630.

SECTION 24. Chapter SPS 83 (title) is renumbered Subchapter VII (title) of chapter SPS 85 [precedes SPS 85.700].

SECTION 25. SPS 83.01 (title) is renumbered SPS 85.310 (title) and amended to read:

**SPS 85.310 (title) Proof of experience for certified and licensed general appraisers.**

SECTION 26. SPS 83.01 (1) is renumbered SPS 85.310.

SECTION 27. SPS 83.01 (1a) is renumbered SPS 85.410.

SECTION 28. SPS 83.01 (2) is renumbered SPS 85.510.

SECTION 29. SPS 83.01 (3) (intro.), (a) to (d), and (f) are renumbered 85.700 (3) (intro), (a) to (d) and (f), and SPS 85.700 (3) (intro.), as renumbered, is amended to read:

**SPS 85.700 (3) Proof of Experience.** (intro.) The work claimed under subs. ~~(1)~~, ~~(1a)~~ and ~~(2)~~ ss. SPS 85.310, 85.410 and 85.510 for appraisal experience credit shall be approved by the department and shall accomplish all of the following:

SECTION 30. SPS 83.01 (3) (e), (3) (g), and (3) (g) (Note) are repealed.

SECTION 31. SPS 83.01 (3m) is renumbered SPS 85.700 (3m) and as renumbered is amended to read:

~~SPS 85.700 (3m) An applicant who fails to complete the appropriate hours of All experience required under sub. (1), (1a) or (2), under subch. SPS 85.310, 85.410 and 85.510, as appropriate, must be acquired before January 1, 2008, may claim only those experience hours acquired after January 30, 1989.~~

SECTION 32. SPS 83.01 (4) (intro.) and (4) (b) are consolidated, renumbered SPS 85.700 (4) (intro.) and amended to read:

~~SPS 85.700 (4) (intro.) An applicant applying for certification or licensure under subs. (1), (1a) and (2) ss. SPS 85.310, 85.410 and 85.510 shall submit on forms provided by the department: (b) A roster of appraisal experience that contains all of the following:~~

SECTION 33. SPS 83.01 (4) (c) is repealed.

SECTION 34. SPS 83.01 (4) (c) (Note) is renumbered SPS 85.700 (4) (Note) and as renumbered, is amended to read:

~~SPS 85.700 (4) Note: Application forms required for certification or licensure may be obtained from the Department of Safety and Professional Services, Division of Professional Credentialing-Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.~~

SECTION 35. SPS 83.02 (title) (1) to (6) are renumbered SPS 85.710 (title) (1) to (6) and SPS 85.710 (4) as renumbered, is amended to read:

~~SPS 85.710 (4) Copies of any appraisal listed in the documentation of experience required under s. SPS 83.01 (4) (b) 85.700 (4). The department may contact any person listed on the application to obtain additional information about the experience of the applicant.~~

SECTION 36. SPS 83.02 (7) is repealed.

SECTION 37. Chapter SPS 84 (title) is renumbered Subchapter VIII (title) of chapter SPS 85 [precedes SPS 85.800].

SECTION 38. SPS 84.001 is renumbered SPS 85.100 (4r) and amended to read:

~~SPS 85.100 (4r) Definition. In this chapter "CLEP" means college level examination program.~~

SECTION 39. SPS 84.01 is renumbered SPS 85.810 and SPS 85.810 (7) (e), as renumbered, is amended to read:

**SPS 85.810 (7) (c)** If applying to teach the 15-hour national USPAP course, or its equivalent, be a certified residential or general appraiser, and be certified by the appraiser qualifications board of the appraisal foundation as an instructor to teach that course. Course equivalency shall be determined through the AQB course approval program or by an alternate method established by the AQB.

SECTION 40. SPS 84.02 is renumbered SPS 85.520.

SECTION 41. SPS 84.03 (1) (title), (intro.), and (a) are renumbered SPS 85.420 (1) (title), (intro.), and (a).

SECTION 42. SPS 84.03 (1) (b) (intro.) is renumbered SPS 85.420 (1) (b) and amended to read:

~~SPS 85.420 (1) (b) An associate degree~~ A Bachelors degree or higher in any field of study, or equivalent education from an accredited college or university. Equivalent education shall consist of at least 21 semester credit hours successfully completed at an accredited college or university, or completed through the CLEP, that covers all of the following subjects: The college or university must be a degree-granting institution accredited by the commission on colleges, a national regional accreditation association or by an accrediting agency that is recognized by the U.S. secretary of education.

SECTION 43. SPS 84.03 (1) (b) 1. to 6. are repealed

SECTION 44. SPS 84.03 (2) (a) to (c) are renumbered SPS 85.420 (2) (a) to (c).

SECTION 45. SPS 84.04 (1), (title), (intro.) and (a) are renumbered SPS 85.320 (1) (title) (intro.) and (a).

SECTION 46. SPS 84.04 (1) (b) (intro.) is renumbered SPS 85.320 (1) (b) and amended to read:

~~SPS 85.320 (1) (b) A bachelor's degree or higher, in any field of study, or equivalent education from an accredited college or university. Equivalent education shall consist of at least 10 semester credit hours successfully completed at an accredited college or university or completed through the CLEP, that covers all of the following subject matter courses: The college or university must be a degree-granting institution accredited by the commission on colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the U.S. secretary of education.~~

SECTION 47. SPS 84.04 (1) (b) (intro.) (Note) and 1. to 9. are repealed.

SECTION 48. SPS 84.04 (2) and (3) are renumbered SPS 85.320 (2) and (3).

SECTION 49. Chapter SPS 85 (title) is repealed and recreated to read:

CHAPTER SPS 85 (title)  
APPRAISERS

SECTION 50. SPS 85.01 is renumbered SPS 85.900 of subchapter IX of chapter SPS 85, and SPS 85.900 (2), as renumbered, is amended to read:

**SPS 85.900 (2)** Continuing education class hours may be applied only to satisfy the continuing education requirements for the biennial renewal period in which the hours were acquired and may not be carried over to the next biennial renewal period.  
Appraisers may not receive credit for completion of the same continuing education course offering within a continuing education cycle.

SECTION 51. SPS 85.100 (3m) and (19) are created to read:

**SPS 85.100 (3m)** "AQB" means the appraiser qualifications board.

**(19)** "Written" means written on paper or administered electronically on a computer workstation or other device.

SECTION 52. SPS 85.240 is created to read:

**SPS 85.240 Background checks.** All candidates for licensed or certified appraiser credentials must undergo background screening in accordance with s. 440.03 (13) (c). A licensed or certified appraiser credential shall not be issued if any of the following applies:

(1) The applicant has had an appraiser licensed or certification revoked in any governmental jurisdiction within the 5 year period immediately preceding the date of application.

(2) The applicant has been convicted of, or plead guilty, or nolo contendere to a felony in a domestic or foreign court, during the 5 year period immediately preceding the application for licensure or certification or at any time preceding the date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering. The felony must be substantially related to the practice of certified or licensed real estate appraiser.

(3) The applicant has failed to demonstrate character and general fitness such as to command the confidence of the community and to warrant a determination that the appraiser will operate honestly and fairly.

(4) Subject to ss. 111.321, 111.322 and 111.335, Stats. an applicant who has a pending criminal charge or has a conviction record shall provide the department with all related information necessary for the department to determine whether the circumstances

of the pending charge or conviction substantially relate to the practice of real estate appraisal.

SECTION 53. Subchapter III (title) of chapter SPS 85 [precedes SPS 85.300] is created to read:

SUBCHAPTER III (title)

CERTIFIED GENERAL APPRAISER

SECTION 54. SPS 85.330 created to read:

**SPS 85.330 Prerequisite for examination.** The AQB-approved certified general appraiser examination must be completed. There is no alternative to successful completion of the exam. The prerequisite for taking the AQB-approved examination is the completion of all of the following:

(1) 300 creditable class hours as specified in the course requirements found in SPS 85.320 (1) (a). As part of the 300 required hours, the applicant shall complete the 15-hour national USPAP course or its AQB equivalent, and the examination. There is no alternative to successful completion of the USPAP course and examination.

(2) Completion of a bachelor's degree or higher from an accredited college or university.

(3) 3,000 hours of qualifying experience obtained no fewer than 30 months, where a minimum of 1,500 hours must be obtained in non-residential appraisal work. While the hours may be cumulative, the required number of months must accrue before **and** individual can be certified.

← AN

SECTION 55. Subchapter IV (title) of chapter SPS 85 [precedes SPS 85.400] is created to read:

SUBCHAPTER IV (title)

CERTIFIED RESIDENTIAL APPRAISER

SECTION 56. SPS 85.410 (title) is created to read:

**SPS 85.410 (title) Proof of experience for certified residential appraisers.**

SECTION 57. SPS 85.430 is created to read:

**SPS 85.430 Prerequisite for examination.** The AQB-approved certified residential real property appraiser examination must be successfully completed. The only alternative to successful completion of the certified residential examination is the successful completion of the certified general examination. The prerequisite for taking the AQB-approved examination is completion of all of the following:

(1) 200 creditable class hours as specified in the course requirements found in SPS 85.410 (1) (a). As part of the 200 required hours, applicants shall successfully complete the 15-hour national USPAP course or its AQB-approved equivalent, and the examination. There is no alternative to successful completion of the USPAP course and examination.

(2) Completion of a bachelor's degree or higher from an accredited college or university.

(3) 2,500 hours of qualifying experience obtained in no fewer than 24 months. While the hours may be cumulative the required number of months must accrue before an individual can be certified.

SECTION 58. Subchapter V (title) of chapter SPS 85 [precedes SPS 85.500] is created to read:

SUBCHAPTER V (title)

LICENSED APPRAISER

SECTION 59. SPS 85.510 (title) is created to read:

**SPS 85.510 (title) Proof of experience for licensed appraisers.**

SECTION 60. SPS 85.520 (8) and (9) are created to read:

**SPS 85.520 (8)** An individual who applies for a license as an appraiser shall successfully complete 30 semester hours of college level education, from an accredited college, junior college, community college or university. The college or university must be a degree-granting institution accredited by the commission on colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. secretary of education. If an accredited college or university accepts the CLEP and examinations and issues a transcript for the exam, showing its approval, it will be considered as a credit for the college course.

(9) Applicants holding an associate degree, or higher from an accredited college, junior college, community college, or university satisfy the 30-hour college-level education requirement.

SECTION 61. SPS 85.530 is created to read:

**SPS 85.530 Prerequisite for examination.** The AQB-approved licensed appraiser examination must be successfully completed. The only alternatives to successful completion of the licensed appraisers examination is the successful completion of the certified residential or certified general examination. The prerequisite for taking the AQB-approved examination are all of the following:

*THIS IS NOT  
CONSISTENT  
WITH APPRAISAL  
FOUNDATION  
REQUIREMENTS.*

(1) 150 creditable class hours as specified in the course requirements found in SPS 85.520.

(2) Completion of the college-level education requirements specified in SPS 85.520 (8).

(3) 2,000 hours of qualifying experience in no fewer than 12 months.

SECTION 62. SPS 85.600 (7) is created to read:

**SPS 85.600 (7)** A new applicant not currently licensed or certified and in good standing in another jurisdiction, shall have up to 24 months, after approval by the state, to take and pass an AQB approved qualifying examination for the credential. Successful completion of the examination is valid for a period of 24 months.

*THIS NO LONGER APPLIES*

SECTION 63. SPS 85.700 (4) (a) to (f) are created to read:

**SPS 85.700 (4) (a)** Type of property.

(b) The date of the report.

(c) The address of the appraised property.

(d) A description of work performed by the applicant and scope of review and supervision of the supervising appraiser.

(e) The number of actual work hours by the applicant on the assignment.

(f) The signature and state certification number of the supervising appraiser, if applicable. Separate rosters shall be maintained for each supervising appraiser.

SECTION 64. SPS 85.820 is created to read:

**SPS 85.820 Distance Education.** A distance education course is acceptable to meet class hour requirements if all of the following occur:

(1) The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor.

(2) Content approval for a distance education course is obtained from the AQB, a state appraiser regulatory jurisdiction, or an accredited college, community college, or university that offers distance education programs and is approved or accredited by the commission on colleges, a regional or a national accreditation association or by an accrediting agency that is recognized by the U.S. secretary of education. Non-academic credit college courses provided by a college shall be approved by the AQB or the state appraiser regulatory jurisdiction.

(3) Course delivery approval is obtained from one of the following sources:

(a) AQB approved organizations providing approval of course design and delivery

(b) A college or university that qualifies for content approval and that awards academic credit for the distance education course

(c) A qualifying college or university for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.

(4) Distance education courses intended for use as a qualifying education must include a written, closed-book final examination, proctored by an official approved by the

college or university, or by the sponsoring organization. Oral examinations are not acceptable.

SECTION 65. SPS 85.830 is created to read:

**SPS 85.830 Approved providers.** Credit for the class hour requirement under s. SPS 85.320, 85.420, and 85.520 may be obtained only from the following providers:

- (1) Colleges or universities.
- (2) Community or junior colleges.
- (3) Real estate appraisal or real estate related organizations.
- (4) State or federal agencies or commissions.
- (5) Proprietary schools.
- (6) Providers approved by the state certification or licensing agencies.
- (7) The appraisal foundation or its boards.

SECTION 66. SPS 85.840 is created to read:

**SPS 85.840 College degree acceptance.** (1) Credit toward qualifying education requirements may also be obtained via the completion of a degree in Real Estate from an accredited degree-granting college or university approved by the association to advance collegiate schools of business, or a regional or national accreditation agency recognized by the U.S. Secretary of Education, provided that the college or university has had its curriculum reviewed and approved by the AQB.

(2) Education may not be substituted for experience except for approved practicum courses as found in SPS 85.700 (3) (f).

SECTION 67. Subchapter IX (title) of chapter SPS 85 [precedes SPS 85.900] is created to read:

#### SUBCHAPTER IX (title)

#### CONTINUING EDUCATION

SECTION 68. SPS 85.900 (7) is created to read:

**SPS 85.900 (7)** Certified and licensed appraisers may not receive credit for completion of the same continuing education course offering within an appraiser's continuing education cycle.

SECTION 69. SPS 85.910 (2) (n) to (p) are created to read:

**SPS 85.910 (2) (n)** Developing opinions of real property value in appraisals that also include personal property or business value.

- (o) Sell concessions and impact on value.
- (p) energy efficient items and "green building" appraisals.

SECTION 70. SPS 85.910 (7) (a) is created to read:

**SPS 85.910 (7)** A distance education course intended for use as continuing education must include at least one of the following:

- (a) A written examination proctored by an official approved by the college or university, or by the sponsoring organization. Oral examinations are not acceptable.
- (b) Successful completion of prescribed course material required to demonstrate knowledge of the subject matter.

SECTION 71. Section SPS 86 Appendix I is repealed.

SECTION 72. Section SPS 87.01 (2) and (3) are amended to read:

**SPS 87.01 (2)** An appraiser granted a certificate of certification under s. 458.06 (3) or (4), 1989 Stats., may renew the certificate by satisfying the requirements in sub. (1) and by submitting evidence of completion of the educational course work required under ss. ~~SPS 84.03~~ SPS 85.420 and ~~84.04~~ 85.320, as appropriate.

**(3)** An appraiser granted a certificate of licensure under s. 458.08 (3), 1991 Stats., may renew the certificate by satisfying the requirements in sub. (1), and submitting evidence of completion of the experience or educational course work required under ss. ~~SPS 83.01~~ SPS 85.510 and ~~84.02~~ 85.520, as appropriate.

SECTION 73. Section SPS 87.02 (1), (2) (intro.), (b) and (c) (3) (b) and (3) (c) are amended to read:

**SPS 87.02 (1)** If applying less than 5 years after the renewal date, submitting proof of completion of the continuing education course work required in each biennial period under s. ~~SPS 85.04~~ SPS 85.900 and paying the renewal fees specified in s. 440.08 (2) (a) 11., 11m. and 12. and (3), Stats.

**(2)** If applying 5 years or more after the renewal date, submitting proof of completion of the continuing education course work required in each biennial period under s. ~~SPS 85.04~~ SPS 85.900; paying the renewal fees specified in s. 440.08 (2) (a) 11., 11m. and 12. and (3), Stats., and submitting proof of one or more of the following, as determined by the department to ensure protection of the public health, safety, and welfare:

- (b) Successful completion of the examination on Wisconsin statutes and rules required under s. ~~SPS 82.04~~ 85.600 for appraiser licensure or certification.
- (c) Successful completion of the national appraiser examination required under s. ~~SPS 82.04~~ 85.600 for appraiser licensure or certification.
- (3) (b)** Successful completion of the examination on Wisconsin statutes and rules required under s. ~~SPS 82.04~~ 85.600 for appraiser licensure or certification.
- (c) Successful completion of the national appraiser examination required under s. ~~SPS 82.04~~ 85.600 for appraiser licensure or certification.

Comment [MB1]: Clarify the USPAP biennial requirement.

NEED TO CLARIFY USPAP COMPONENT.

SECTION 74. SPS 86.01 (1), (4), (9) and (11) are amended to read:

**SPS 86.01 (1)** Certified and licensed appraisers shall comply with the standards of practice established by ch. 458, Stats., chs. ~~SPS 80-86~~ SPS 85-86 and the uniform standards of professional appraisal practice (USPAP). A violation of any provision in this chapter may result in disciplinary action under s.458.26, Stats.

**SPS 86.01 (4)** A licensed appraiser who is not certified under s. 458.06, Stats., shall not use the title "Wisconsin licensed appraiser" on any appraisal report or written agreement, except in conjunction with an appraisal performed within the scope of appraisal practice of a licensed appraiser as specified in s. ~~SPS 81.05~~ SPS 85.500.

**SPS 86.01 (9)** A certified or licensed appraiser shall not solicit from or knowingly disclose to any person or entity the content of an examination for appraiser certification or licensure conducted under ~~ch. SPS 82~~. SPS 85.600.

**SPS 86.01 (11)** All certified and licensed appraisers shall comply with Wisconsin and federal laws that substantially relate to the practice of real estate appraising including, but not limited to, the financial institutions reform, recovery, and enforcement act of 1989, and all appraisal related federal regulations promulgated by the federal financial institution regulatory agencies, as defined in s. ~~SPS 80.03 (8a)~~ SPS 85.120 (9).

SECTION 75. SPS 86.01 (2) (Note) is repealed.

SECTION 76. EFFECTIVE DATE. The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, pursuant to s. 227.22 (2) (intro.), Stats.

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(END OF TEXT OF RULE)  
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Dated \_\_\_\_\_ Agency \_\_\_\_\_  
Secretary  
Department of Safety and Professional Services

STATE OF WISCONSIN  
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

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IN THE MATTER OF RULEMAKING : PROPOSED ORDER OF THE  
PROCEEDINGS BEFORE THE : DEPARTMENT OF  
DEPARTMENT OF SAFETY AND : SAFETY AND PROFESSIONAL  
PROFESSIONAL SERVICES : SERVICES  
: ADOPTING RULES  
: (CLEARINGHOUSE RULE )  
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PROPOSED ORDER

An order of the Department of Safety and Professional Services to repeal SPS 80.03 (2), (8a) and (8d), 81.02 (8), 81.05 (intro.), 82.01 (6), 83.01 (3) (e), (3) (g), and (3)(g) (Note), 83.01 (4) (c), 83.02 (7), 84.03 (1) (b) 1. to 6., 84.04 (1) (b) (intro.) (Note) and 1. to 9., and 86 Appendix I; to renumber SPS 80 (title), 81 (title), 81.03 (1) to (2) (d), 81.05 (1), 81.05 (2), 81.05 (3), 82 (title), 82.02, 82.03, 82.04, 83 (title), 83.01 (1), 83.01 (1a), 83.01 (2), 84 (title), 84.02, 84.03 (1) (title) (intro) and (a), 84.03 (2) (a) to (c), 84.04 (1) (title) (intro.) and (a), 84.04 (1) (b) (intro.), 84.04 (1) (b) (intro.) (Note) and 1. to 9., 84.04 (2) and (3); to renumber and amend SPS 80.01, 80.02, 80.03, 80.03 (1) to (8), (8ag) to (8c) and (9) to (18), 81.01, 81.02 (1) to (7), 81.02 (8) (Note), 81.03 (2) (d) (Note), 82.01 (1) to (5), 83.01 (title), 83.01 (3) (intro.) (a) to (d) and (f), 83.01 (3m), 83.01 (4) (intro.) and (4) (b), 83.01 (4) (c) (Note), 83.02 (title) (1) to (6), 84.001, 84.01, 84.03 (1) (b) (intro.), 84.04 (1) (b) (intro.), 85.01; to amend SPS 87.01 (2) and (3), 87.02 (1), (2) (intro.), (b) and (c), (3)(b) and (3) (c), 86.01 (1), (4), (9) and (11); to repeal and recreate SPS 85 (title); and to create SPS 85.100 (3m) and (19), 85.240, subch. III (title), 85.330, subch. IV (title), 85.410, 85.430, subch. V (title), 85.510 (title), 85.520 (8) and (9), 85.530, 85.600 (7), 85.700 (4) (a) to (f), 85.820, 85.830, 85.840, subch. IX (title), 85.900 (7), 85.910 (2) (n) to (p), 85.810 (7) (a), related to the examination, education, and experience requirements of real estate appraisers.

Analysis prepared by the Department of Safety and Professional Services.

ANALYSIS

**Statutes interpreted:**

Sections 458.03, 458.06, 458.08, 458.085, 458.10, 458.13, Stats.,

**Statutory authority:**

Sections 227.11 (2) (a), 440.03 (1), 458.03 (1) (b) and (e), 458.06 (4) (e), 458.08 (3) (e), 458.085, 458.10 (3), Stats.

**Explanation of agency authority:**

The Department of Safety and Professional Services (Department) is empowered to promulgate rules interpreting the provision of any statute it enforces or administers per s. 227.11 (2) (a), Stats. Pursuant to s. 440.03 (1), Stats., the Department may promulgate rules defining uniform procedures to be used by the Real Estate Appraisers Board. The subject of these proposed rules relate to uniform procedures with regard to education, experience, and examination requirements as well as other standard application procedures. The Department is specifically granted rule-making authority to draft these proposed rules pursuant to ss. 458.03 (1) (b) and (e), 458.06 (4) (e), 458.08 (3) (e), 458.085, 458.10 (3), Stats.

**Related statute or rule:**

There are no other statutes or rules other than those listed.

**Plain language analysis:**

The Financial Institutions Reform Recovery Act of 1989 (“FIRREA”) 12 U.S.C. 3331 et seq. gives authority to the Appraiser Qualifications Board (AQB) to set minimum qualification requirements for real estate appraisers. Those minimum requirements will change as of January 1, 2015. The changes include the following—:

- Education and experience must be completed prior to taking the National Uniform Licensing and Certification Examinations.
- Applicants for the certified residential and certified general credentials must have a Bachelor’s degree or higher from an accredited college or university.
- Applicants for the licensed residential credential must successfully complete 30 semester hours of college-level education from an accredited college, junior college, community college, or university, or have an Associate’s degree or higher from an accredited college, junior college, community college or university.
- All applicants for an initial credential must undergo a background check.
- A prohibition against repetitive use of continuing education within the same continuing education cycle.
- Clarification of the term “written examination” will be provided.

**Comment [SWB1]:** Listing this just made it easier to see what entirely was being addressed.  
**Formatted:** List Paragraph, Bulleted + Level: 1 + Aligned at: 0.34" + Indent at: 0.59"

The Department seeks to implement these changes via the proposed rules.

**Summary of, and comparison with, existing or proposed federal regulation:**

The Financial Institutions Reform Recovery Act of 1989, (“FIRREA”) 12 U.S.C 3331, et. seq. regulates real estate appraisers on the federal level. The purpose of FIRREA “is to provide that Federal financial and public policy interests in real estate related transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision.” 12 U.S.C. 3331. This

federal mandate is accomplished via the Appraiser Qualification Board (AQB) and the Appraisal Subcommittee (ASC). The ASC monitors state regulation of certified and licensed appraisers and reviews each state's compliance with federal legislation.

Under FIRREA, the state criteria for the qualification of real estate appraisers must meet the minimum qualifications criteria established by the Appraiser Qualifications Board (AQB). The minimum qualifications criteria established by the AQB are set forth in the *Real Property Appraiser Qualifications Criteria and Interpretations of the Criteria* ("Criteria") The AQB Criteria includes the minimum experience, examination, qualifying education, and continuing education requirements that must be satisfied by an individual in order to obtain and maintain an appraiser credential.

#### **Comparison with rules in adjacent states:**

**Illinois:** Illinois issues certified general, certified residential and associate real estate trainee appraiser credentials. The licensure, educational, experience and continuing education requirements set forth in 68 Il. Admin. Code 1455.10 et. seq. (2013) meet the minimum requirements set by the AQB.

**Iowa:** Iowa credentials certified residential, certified general and associate real property appraisers. The associate real property appraiser is substantially equivalent to the federal category of trainee real property appraisers. Unlike Iowa, Wisconsin does not credential trainee real property appraisers. The education, experience, and examination requirements promulgated by Iowa Admin Code 193F-4.1, 193F-5.1 (1) and 193F-6.1 (2013), meet the minimum requirements set forth by the AQB.

**Michigan:** Michigan credentials limited real estate appraisers, state licensed real estate appraisers, certified residential real estate appraisers, and certified general real estate appraisers. The state licensed real estate appraiser is similar to Wisconsin's licensed appraiser. The certified general and certified residential requirements are consistent with the AQB's minimum requirements. The limited real estate appraiser is equivalent to the trainee real property appraiser. MCLS § 339.2601 (2013).

**Minnesota:** Minnesota regulates trainee real property appraisers, licensed residential real property appraisers, certified residential real property appraisers, and certified general real property appraisers. The Licensed residential real property appraiser credential is similar to Wisconsin's licensed appraiser credential. The education, examination, and experience requirements for all classes of credentials for real estate appraisers is set forth in Minn. Stat. §§82B.11, 82B.12, 82B.13, 82B.14 (2013), and are consistent with the minimum requirements established by the AQB.

#### **Summary of factual data and analytical methodologies:**

The AQB minimum qualification requirements for real estate appraisers will change as of January 1, 2015. The Department has reviewed those changes in order to make a determination as to how they would impact the current rules. The Department has

determined that the current rules need to be aligned with the new AQB minimum criteria for licensure of real estate appraisers. The Department has considered the suggestions of the Appraisal Subcommittee in making the necessary changes to the current rules.

**Analysis and supporting documents used to determine effect on small business or in preparation of economic impact analysis:**

**This rule was posted for public comment on the economic impact of the proposed rule, including how this proposed rule may affect businesses local government units and individuals, for a period of 14 days. No comments were received relating to the economic impact of the rule.**

**Comment [SWB2]:** Has this been done, or is this form language that may be used in the future? I'm sensing this doesn't come into play until after the designated comment period has ended, especially since there is some "lead-in" to the comment period identified below.

**Fiscal Estimate and Economic Impact Analysis:**

The Fiscal Estimate and Economic Impact Analysis are attached.

**Effect on small business:**

These proposed rules do have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. and are submitted to the Small Business Regulatory Review Board for a determination on whether the rules will have a significant economic impact on a substantial number of small businesses. The Department's Regulatory Review Coordinator may be contacted by email at Tom.Engels@wisconsin.gov, or by calling (608) 266-8608.

**Agency contact person:**

Shawn Leatherwood, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, Wisconsin 53708-8366; telephone 608-261-4438; email at Shancethea.Leaherwood@wisconsin.gov.

**Place where comments are to be submitted and deadline for submission:**

Comments may be submitted to Shawn Leatherwood, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, WI 53708-8366, or by email to Shancethealea.Leaherwod@wisconsin.gov. Comments must be received on or before \* to be included in the record of rule-making proceedings.

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TEXT OF RULE

SECTION 1. Chapter SPS 80 (title) is renumbered Subchapter I (title) of chapter SPS 85 [precedes SPS 85.100].

SECTION 2. SPS 80.01 to 80.02 are renumbered SPS 85.100 to 85.110 and as renumbered, are amended to read:

**SPS 85.100 Authority** The rules in chs. SPS ~~80~~ 85 to 87 are adopted under the authority of ss. 227.11 and 440.03 (1), Stats., and ch. 458, Stats.

**SPS 85.110 Intent** The intent of the department in adopting chs. SPS ~~80~~ 85 to 87 is to establish minimum standards for professional appraisal practice for certified and licensed appraisers which are consistent with the uniform standards of professional appraisal practice promulgated by the appraisal standards board of the appraisal foundation. It is further intended that these rules shall establish standards of competency such that persons certified or licensed as appraisers are qualified to perform appraisals for federally related transaction under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, 12 USC 3331 et seq.

SECTION 3. SPS 80.03 (intro.) is renumbered SPS 85.120 (intro.) and amended to read:

**SPS 85.120 Definitions.** (intro.) As used in chs. SPS ~~80~~ 85 to 87 and in ch. 458, Stats.:

SECTION 4. SPS 80.03 (1) to (8), (8a) to (8c), and (9) to (18) are renumbered SPS 85.120 (1) to (23) and SPS 85.120 (14) as renumbered, is amended to read:

**SPS 85.120 (14)** “Hours of appraisal experience” means 60 minutes of verifiable time spent performing tasks as identified in s. SPS ~~83.01 (3) (b)~~ 85.700 (3) (b) in accordance with the uniform standards of professional appraisal practice, in effect at the time the tasks were performed.

SECTION 5. SPS 80.03 (2), (8a), and (8d) are repealed.

SECTION 6. Chapter SPS 81 (title) is renumbered Subchapter II (title) of chapter SPS 85 [precedes SPS 85.200].

SECTION 7. SPS 81.01 is renumbered SPS 85.200, and amended to read:

**SPS 85.200 Prerequisite to submitting credential application.** Prior to submitting an application for a licensed or certified real estate appraiser credential, an individual shall successfully complete all the required education and experience hours ~~required under s. SPS 84.02, 84.03, or 84.04, as appropriate.~~

SECTION 8. Chapter SPS 81.02 (1) to (7) are renumbered SPS 85.210 (1) to (7) and SPS 85.210 (3), SPS 85.210 (5), SPS 85.210 (5) (Note) and SPS 85.210 (7), as renumbered, are amended to read:

**SPS 85.210 (3)** Evidence of successful completion of the educational course work required in ~~ch. SPS 84~~ chs. SPS 85.320, 85.420, and 85.520 for licensure or certification.

**SPS 85.210 (5)** Evidence of successful completion of the national and state examinations as specified in SPS ~~82.01~~ 85.600.

**SPS 85.210 (5) Note:** Applicants have up to 24 months after receiving authorization from the department to sit for the examination, to take and pass the state and national examinations required under ~~s. SPS 82.01~~ s. SPS 85.601. After passing the examination, applicants have up to 24 months to complete all other requirements for a credential.

(7) A roster of appraisal experience ~~as required in s. SPS 83.01 (4) (b)~~.

SECTION 9. SPS 81.02 (8) is repealed.

SECTION 10. SPS 81.02 (8) (Note) is renumbered SPS 85.210 (7) (Note), and as renumbered, is amended to read:

**SPS 85.210 (7) Note:** Applications ~~for certification or licensure~~ are available from the Department of Safety and Professional Services, Division of Professional ~~Credentialing~~ Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

SECTION 11. SPS 81.03 (1) to (2) (d) are renumbered SPS 85.220 (1) to (2) (d).

SECTION 12. SPS 81.03 (2) (d) (Note) is renumbered SPS 85.220 (2) (d) (Note), and as renumbered, is amended to read:

**SPS 85.220 (2) (b) Note:** Applications ~~for temporary registration~~ are available from the Department of Safety and Professional Services, Division of Professional ~~Credentialing~~ Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

SECTION 13. SPS 81.04 is renumbered SPS 85.230 and SPS 85.230 (1) (c) 2. and 3. as renumbered are amended to read:

**SPS 85.230 (1) (c) 2.** Has passed the examination on Wisconsin statutes and rules governing appraisers, as provided under s. SPS ~~82.01~~ 85.600.

**SPS 85.230 (1) (c) 3.** Subject to ss. 111.321, 111.322 and 111.335, Stats., does not have an arrest or conviction record subject to review.

**Comment [SWB3]:** I'm not sure exactly what this means. Review by whom? Just seems too vague to me, unless it's spelled out elsewhere and I'm missing something (which is very possible).

SECTION 14. SPS 81.05 (intro.) is repealed.

SECTION 15. SPS 81.05 (1) is renumbered SPS 85.300.

SECTION 16. SPS 81.05 (2) is renumbered SPS 85.400.

SECTION 17. SPS 81.05 (3) is renumbered SPS 85.500

SECTION 18. Chapter SPS 82 (title) is renumbered Subchapter VI (title) of chapter SPS 85 [precedes SPS 85.600].

SECTION 19. SPS 82.01 (1) to (5) are renumbered SPS 85.600 (1) to (5) and SPS 85.600 (5) (b) as renumbered, is amended to read:

SPS 85.600 (5) (b) Pay the fees required under s. ~~SPS 81.02 (1)~~ SPS 85.210 (1).

SECTION 20. SPS 82.01 (6) is repealed.

SECTION 21. SPS 82.02 is renumbered SPS 85.610.

SECTION 22. SPS 82.03 is renumbered SPS 85.620.

SECTION 23. SPS 82.04 is renumbered SPS 85.630.

SECTION 24. Chapter SPS 83 (title) is renumbered Subchapter VII (title) of chapter SPS 85 [precedes SPS 85.700].

SECTION 25. SPS 83.01 (title) is renumbered SPS 85.310 (title) and amended to read:

**SPS 85.310 (title) Proof of experience for certified and licensed general appraisers.**

SECTION 26. SPS 83.01 (1) is renumbered SPS 85.310.

SECTION 27. SPS 83.01 (1a) is renumbered SPS 85.410.

SECTION 28. SPS 83.01 (2) is renumbered SPS 85.510.

SECTION 29. SPS 83.01 (3) (intro.), (a) to (d), and (f) are renumbered 85.700 (3) (intro), (a) to (d) and (f), and SPS 85.700 (3) (intro.), as renumbered, is amended to read:

**SPS 85.700 (3) Proof of Experience.** (intro.) The work claimed under ~~subs. (1), (1a) and (2)~~ ss. SPS 85.310, 85.410 and 85.510 for appraisal experience credit shall be approved by the department and shall accomplish all of the following:

SECTION 30. SPS 83.01 (3) (e), (3) (g), and (3) (g) (Note) are repealed.

SECTION 31. SPS 83.01 (3m) is renumbered SPS 85.700 (3m) and as renumbered is amended to read:

**SPS 85.700 (3m)** ~~An applicant who fails to complete the appropriate hours of~~ All experience required under sub. (1), (1a) or (2), under subch. SPS 85.310, 85.410 and 85.510, as appropriate, must be acquired before January 1, 2008, may claim only those experience hours acquired after January 30, 1989.

SECTION 32. SPS 83.01 (4) (intro.) and (4) (b) are consolidated, renumbered SPS 85.700 (4) (intro.) and amended to read:

**SPS 85.700 (4)** (intro.) An applicant applying for certification or licensure under ~~subs. (1), (1a) and (2) ss. SPS 85.310, 85.410 and 85.510~~ shall submit on forms provided by the department: ~~(b) A~~ a roster of appraisal experience that contains all of the following:

SECTION 33. SPS 83.01 (4) (c) is repealed.

SECTION 34. SPS 83.01 (4) (c) (Note) is renumbered SPS 85.700 (4) (Note) and as renumbered, is amended to read:

**SPS 85.700 (4) Note:** Application forms ~~required for certification or licensure~~ may be obtained from the Department of Safety and Professional Services, Division of Professional ~~Credentialing~~ Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

SECTION 35. SPS 83.02 (title) (1) to (6) are renumbered SPS 85.710 (title) (1) to (6) and SPS 85.710 (4) as renumbered, is amended to read:

SPS 85.710 (4) Copies of any appraisal listed in the documentation of experience required under s. SPS ~~83.01 (4) (b)~~ 85.700 (4). The department may contact any person listed on the application to obtain additional information about the experience of the applicant.

SECTION 36. SPS 83.02 (7) is repealed.

SECTION 37. Chapter SPS 84 (title) is renumbered Subchapter VIII (title) of chapter SPS 85 [precedes SPS 85.800].

SECTION 38. SPS 84.001 is renumbered SPS 85.100 (4r) and amended to read:

**SPS 85.100 (4r) Definition.** ~~In this chapter “CLEP”~~ means college level examination program.

SECTION 39. SPS 84.01 is renumbered SPS 85.810 and SPS 85.810 (7) (e), as renumbered, is amended to read:

**SPS 85.810 (7) (e)** If applying to teach the 15-hour national USPAP course, or its equivalent, be a certified residential or general appraiser, and be certified by the appraiser qualifications board of the appraisal foundation as an instructor to teach that course. Course equivalency shall be determined through the AQB course approval program or by an alternate method established by the AQB.

SECTION 40. SPS 84.02 is renumbered SPS 85.520.

SECTION 41. SPS 84.03 (1) (title), (intro.), and (a) are renumbered SPS 85.420 (1) (title), (intro.), and (a).

SECTION 42. SPS 84.03 (1) (b) (intro.) is renumbered SPS 85.420 (1) (b) and amended to read:

SPS 85.420 (1) (b) ~~An associate degree~~ A Bachelors degree or higher in any field of study, ~~or equivalent education from an accredited college or university. Equivalent education shall consist of at least 21 semester credit hours successfully completed at an accredited college or university, or completed through the CLEP, that covers all of the following subjects:~~ The college or university must be a degree-granting institution accredited by the commission on colleges, a national regional accreditation association or by an accrediting agency that is recognized by the U.S. secretary of education.

**Comment [SWB4]:** Should there be some sort of transitional rule here, seeing as currently an associate's degree would be fine? E.g., "unless licensed prior to \_\_\_\_"

SECTION 43. SPS 84.03 (1) (b) 1. to 6. are repealed

SECTION 44. SPS 84.03 (2) (a) to (c) are renumbered SPS 85.420 (2) (a) to (c).

SECTION 45. SPS 84.04 (1), (title), (intro.) and (a) are renumbered SPS 85.320 (1) (title) (intro.) and (a).

SECTION 46. SPS 84.04 (1) (b) (intro.) is renumbered SPS 85.320 (1) (b) and amended to read:

SPS 85.320 (1) (b) A bachelor's degree or higher, in any field of study, ~~or equivalent education from an accredited college or university. Equivalent education shall consist of at least 10 semester credit hours successfully completed at an accredited college or university or completed through the CLEP, that covers all of the following subject matter courses:~~ The college or university must be a degree-granting institution accredited by the commission on colleges, a national or regional accreditation

association, or by an accrediting agency that is recognized by the U.S. secretary of education.

SECTION 47. SPS 84.04 (1) (b) (intro.) (Note) and 1. to 9. are repealed.

SECTION 48. SPS 84.04 (2) and (3) are renumbered SPS 85.320 (2) and (3).

SECTION 49. Chapter SPS 85 (title) is repealed and recreated to read:

CHAPTER SPS 85 (title)  
APPRAISERS

SECTION 50. SPS 85.01 is renumbered SPS 85.900 of subchapter IX of chapter SPS 85, and SPS 85.900 (2), as renumbered, is amended to read:

**SPS 85.900 (2)** Continuing education class hours may be applied only to satisfy the continuing education requirements for the biennial renewal period in which the hours were acquired and may not be carried over to the next biennial renewal period.

Appraisers may not receive credit more than once for completion more than once of the same continuing education course offering within an appraiser's same continuing education cycle.

SECTION 51. SPS 85.100 (3m) and (19) are created to read:

**SPS 85.100 (3m)** "AQB" means the appraiser qualifications board.

**(19)** "Written" means written on paper or administered electronically on a computer workstation or other device.

SECTION 52. SPS 85.240 is created to read:

**SPS 85.240 Background checks.** All candidates for licensed or certified appraiser credentials must undergo background screening in accordance with s. 440.03 (13) (c). A licensed or certified appraiser credential shall not be issued if any of the following applies:

**(1)** The applicant has had an appraiser licensed or certification revoked in any governmental jurisdiction within the 5 year period immediately preceding the date of application.

**(2)** The applicant has been convicted of, or plead guilty, or nolo contendere to a felony in a domestic or foreign court, during the 5 year period immediately preceding the application for licensure or certification or at any time preceding the date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering. The felony must be substantially related to the practice of certified or licensed real estate appraiser.

**Comment [SWB5]:** What if their license was revoked simply because they stopped submitting/completing continuing education in a certain state because they moved? Or if they were licensed in multiple states and simply decided to stop doing business in one of those states? Seems to be that shouldn't necessarily prevent them from being licensed somewhere else.

(3) The applicant has failed to demonstrate character and general fitness such as to command the confidence of the community and to warrant a determination that the appraiser will operate honestly and fairly.

(4) Subject to ss. 111.321, 111.322 and 111.335, Stats. an applicant who has a pending criminal charge or has a conviction record shall provide the department with all related information necessary for the department to determine whether the circumstances of the pending charge or conviction substantially relate to the practice of appraisal.

Comment [SWB6]: Bold

SECTION 53. Subchapter III (title) of chapter SPS 85 [precedes SPS 85.300] is created to read:

SUBCHAPTER III (title)  
CERTIFIED GENERAL APPRAISER

SECTION 54. SPS 85.330 created to read:

**SPS 85.330 Prerequisite for examination.** The AQB-approved certified general appraiser examination must be completed. There is no alternative to successful completion of the exam. The prerequisite for taking the AQB-approved examination is the completion of all of the following:

(1) 300 creditable class hours as specified in the course requirements found in SPS 85.320 (1) (a). As part of the 300 required hours, the applicant shall complete the 15-hour national USPAP course or its AQB equivalent, and the corresponding examination. ~~There is no alternative to successful completion of the USPAP course and examination.~~

Comment [SWB7]: The last sentence made this contradictory because the language in the preceding sentence allows an AQB equivalent, if one existed. I don't think the last sentence is needed anyway, because this already a mandatory list.

(2) Completion of a bachelor's degree or higher from an accredited college or university.

(3) 3,000 hours of qualifying experience obtained no fewer than 30 months, where a minimum of 1,500 hours must be obtained in non-residential appraisal work. While the hours may be cumulative, the required number of months must accrue before an individual can be certified.

SECTION 55. Subchapter IV (title) of chapter SPS 85 [precedes SPS 85.400] is created to read:

SUBCHAPTER IV (title)  
CERTIFIED RESIDENTIAL APPRAISER

SECTION 56. SPS 85.410 (title) is created to read:

**SPS 85.410 (title) Proof of experience for certified residential appraisers.**

SECTION 57. SPS 85.430 is created to read:

**SPS 85.430 Prerequisite for examination.** The AQB-approved certified residential real property appraiser examination must be successfully completed. The only alternative to successful completion of the certified residential examination is the successful completion of the certified general examination. The prerequisite for taking the AQB-approved examination is completion of all of the following:

(1) 200 creditable class hours as specified in the course requirements found in SPS 85.410 (1) (a). As part of the 200 required hours, applicants shall successfully complete the 15-hour national USPAP course or its AQB-approved equivalent, and the corresponding examination. ~~There is no alternative to successful completion of the USPAP course and examination.~~

Comment [SWB8]: See above.

(2) Completion of a bachelor's degree or higher from an accredited college or university.

(3) 2,500 hours of qualifying experience obtained in no fewer than 24 months. While the hours may be cumulative the required number of months must accrue before an individual can be certified.

SECTION 58. Subchapter V (title) of chapter SPS 85 [precedes SPS 85.500] is created to read:

SUBCHAPTER V (title)

LICENSED APPRAISER

SECTION 59. SPS 85.510 (title) is created to read:

**SPS 85.510 (title) Proof of experience for licensed appraisers.**

SECTION 60. SPS 85.520 (8) and (9) are created to read:

**SPS 85.520 (8)** An individual who applies for a license as an appraiser shall successfully complete 30 semester hours of college level education, from an accredited college, junior college, community college or university. The college or university must be a degree-granting institution accredited by the commission on colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. secretary of education. If an accredited college or university accepts the CLEP and examinations and issues a transcript for the exam, showing its approval, it will be considered as a credit for the college course.

(9) Applicants holding an associate degree, or higher from an accredited college, junior college, community college, or university satisfy the 30-hour college-level education requirement.

Comment [SWB9]: Should a distinction be made between associates and bachelor's degree not that a bachelor's degree is proposed to be required, as indicated by new Section 85.420(1), above? Do we want a bachelors required?

I bring this up particularly because, I imagine, not all accredited junior or community colleges grant bachelor's degrees. I think this needs to be more precise and link up better with other sections.

SECTION 61. SPS 85.530 is created to read:

**SPS 85.530 Prerequisite for examination.** The AQB-approved licensed appraiser examination must be successfully completed. The only alternatives to successful completion of the licensed appraisers examination is the successful completion of the certified residential or certified general examination. The prerequisite for taking the AQB-approved examination are all of the following:

- (1) 150 creditable class hours as specified in the course requirements found in SPS 85.520.
- (2) Completion of the college-level education requirements specified in SPS 85.520 (8).
- (3) 2,000 hours of qualifying experience in no fewer than 12 months.

SECTION 62. SPS 85.600 (7) is created to read:

**SPS 85.600 (7)** A new applicant not currently licensed or certified and in good standing in another jurisdiction, shall have up to 24 months, after approval by the state, to take and pass an AQB approved qualifying examination for the credential. Successful completion of the examination is valid for a period of 24 months.

SECTION 63. SPS 85.700 (4) (a) to (f) are created to read:

- SPS 85.700 (4)** (a) Type of property.  
(b) The date of the report.  
(c) The address of the appraised property.  
(d) A description of work performed by the applicant and scope of review and supervision of the supervising appraiser.  
(e) The number of actual work hours by the applicant on the assignment.  
(f) The signature and state certification number of the supervising appraiser, if applicable. Separate rosters shall be maintained for each supervising appraiser.

SECTION 64. SPS 85.820 is created to read:

**SPS 85.820 Distance Education.** A distance education course is acceptable to meet class hour requirements if all of the following occur:

- (1) The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor.
- (2) Content approval for a distance education course is obtained from the AQB, a state appraiser regulatory jurisdiction, or an accredited college, community college, or university that offers distance education programs and is approved or accredited by the commission on colleges, a regional or a national accreditation association or by an accrediting agency that is recognized by the U.S. secretary of education. Non-academic credit college courses provided by a college shall be approved by the AQB or the state appraiser regulatory jurisdiction.
- (3) Course delivery approval is obtained from one of the following sources:
  - (a) AQB approved organizations providing approval of course design and delivery
  - (b) A college or university that qualifies for content approval and that awards academic credit for the distance education course

(c) A qualifying college or university for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.

(4) Distance education courses intended for use as a qualifying education must include a written, closed-book final examination, proctored by an official approved by the college or university, or by the sponsoring organization. Oral examinations are not acceptable.

SECTION 65. SPS 85.830 is created to read:

**SPS 85.830 Approved providers.** Credit for the class hour requirement under s. SPS 85.320, 85.420, and 85.520 may be obtained only from the following providers:

- (1) Colleges or universities.
- (2) Community or junior colleges.
- (3) Real estate appraisal or real estate related organizations.
- (4) State or federal agencies or commissions.
- (5) Proprietary schools.
- (6) Providers approved by the state certification or licensing agencies.
- (7) The appraisal foundation or its boards.

SECTION 66. SPS 85.840 is created to read:

**SPS 85.840 College degree acceptance.** (1) Credit toward qualifying education requirements may also be obtained via the completion of a degree in Real Estate from an accredited degree-granting college or university approved by the association to advance collegiate schools of business, or a regional or national accreditation agency recognized by the U.S. Secretary of Education, provided that the college or university has had its curriculum reviewed and approved by the AQB.

(2) Education may not be substituted for experience except for approved practicum courses as found in SPS 85.700 (3) (f).

SECTION 67. Subchapter IX (title) of chapter SPS 85 [precedes SPS 85.900] is created to read:

#### SUBCHAPTER IX (title)

#### CONTINUING EDUCATION

SECTION 68. SPS 85.900 (7) is created to read:

**SPS 85.900 (7)** Certified and licensed appraisers may not receive credit more than once for completion more than once of the same continuing education course offering within an appraiser's same continuing education cycle.

SECTION 69. SPS 85.910 (2) (n) to (p) are created to read:

**Comment [SWB10]:** Is the intent to require closed book?

**Comment [SWB11]:** Is this word going to be defined? We had concerns over it at the last board meeting. Otherwise, "official" might need to be defined somehow to alleviate the concern over *who* may proctor an exam.

**SPS 85.910 (2)** (n) Developing opinions of real property value in appraisals that also include personal property or business value.

(o) Sell concessions and impact on value.

(p) energy efficient items and “green building” appraisals.

SECTION 70. SPS 85.910 (7) (a) is created to read:

**SPS 85.910 (7)** A distance education course intended for use as continuing education must include at least one of the following:

(a) A written examination proctored by an official approved by the college or university, or by the sponsoring organization. Oral examinations are not acceptable.

(b) Successful completion of prescribed course material required to demonstrate knowledge of the subject matter.

Comment [SWB12]: See questions from above.

SECTION 71. Section SPS 86 Appendix I is repealed.

SECTION 72. Section SPS 87.01 (2) and (3) are amended to read:

**SPS 87.01 (2)** An appraiser granted a certificate of certification under s. 458.06 (3) or (4), 1989 Stats., may renew the certificate by satisfying the requirements in sub. (1) and by submitting evidence of completion of the educational course work required under ss. ~~SPS 84.03~~ SPS 85.420 and ~~84.04~~ 85.320, as appropriate.

(3) An appraiser granted a certificate of licensure under s. 458.08 (3), 1991 Stats., may renew the certificate by satisfying the requirements in sub. (1), and submitting evidence of completion of the experience or educational course work required under ss. ~~SPS 83.01~~ SPS 85.510 and ~~84.02~~ 85.520, as appropriate.

SECTION 73. Section SPS 87.02 (1), (2) (intro.), (b) and (c) (3) (b) and (3) (c) are amended to read:

**SPS 87.02 (1)** If applying less than 5 years after the renewal date, submitting proof of completion of the continuing education course work required in each biennial period under s. ~~SPS 85.01~~ SPS 85.900 and paying the renewal fees specified in s. 440.08 (2) (a) 11., 11m. and 12. and (3), Stats.

(2) If applying 5 years or more after the renewal date, submitting proof of completion of the continuing education course work required in each biennial period under s. ~~SPS 85.01~~ SPS 85.900; paying the renewal fees specified in s. 440.08 (2) (a) 11., 11m. and 12. and (3), Stats., and submitting proof of one or more of the following, as determined by the department to ensure protection of the public health, safety, and welfare:

(b) Successful completion of the examination on Wisconsin statutes and rules required under s. ~~SPS 82.04~~ 85.600 for appraiser licensure or certification.

(c) Successful completion of the national appraiser examination required under s. ~~SPS 82.04~~ 85.600 for appraiser licensure or certification.

(3) (b) Successful completion of the examination on Wisconsin statutes and rules required under s. ~~SPS 82.04~~ SPS 85.600 for appraiser licensure or certification.

(c) Successful completion of the national appraiser examination required under s. ~~SPS 82.04~~ SPS 85.600 for appraiser licensure or certification.

SECTION 74. SPS 86.01 (1), (4), (9) and (11) are amended to read:

**SPS 86.01 (1)** Certified and licensed appraisers shall comply with the standards of practice established by ch. 458, Stats., chs. ~~SPS 80-86~~ SPS 85-86 and the uniform standards of professional appraisal practice (USPAP). A violation of any provision in this chapter may result in disciplinary action under s.458.26, Stats.

**SPS 86.01 (4)** A licensed appraiser who is not certified under s. 458.06, Stats., shall not use the title “Wisconsin licensed appraiser” on any appraisal report or written agreement, except in conjunction with an appraisal performed within the scope of appraisal practice of a licensed appraiser as specified in s. ~~SPS 81.05~~ SPS 85.500.

**SPS 86.01 (9)** A certified or licensed appraiser shall not solicit from or knowingly disclose to any person or entity the content of an examination for appraiser certification or licensure conducted under ~~ch. SPS 82~~. SPS 85.600.

**SPS 86.01 (11)** All certified and licensed appraisers shall comply with Wisconsin and federal laws that substantially relate to the practice of real estate appraising including, but not limited to, the financial institutions reform, recovery, and enforcement act of 1989, and all appraisal related federal regulations promulgated by the federal financial institution regulatory agencies, as defined in s. ~~SPS 80.03 (8a)~~ SPS 85.120 (9).

SECTION 75. SPS 86.01 (2) (Note) is repealed.

SECTION 76. EFFECTIVE DATE. The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, pursuant to s. 227.22 (2) (intro.), Stats.

-----  
(END OF TEXT OF RULE)  
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Dated \_\_\_\_\_ Agency \_\_\_\_\_  
Secretary  
Department of Safety and Professional Services

**From:** [Leatherwood, Shancethea N - DSPS](#)  
**To:** [Agne, Daniel - DSPS](#)  
**Subject:** Carl Clementi"s comments  
**Date:** Friday, January 17, 2014 3:36:27 PM

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See below.

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**From:** Carl Clementi [REDACTED]  
**Sent:** Wednesday, January 08, 2014 3:16 PM  
**To:** Leatherwood, Shancethea N - DSPS  
**Subject:** RE: Draft of Appraiser rule

Shawn –

If it is not too late, I have a few observations and questions regarding the ‘proposed rule’ changes.

In the .pdf you sent:

- Page 5 - SPS85.200                      If I am reading this right, an individual must complete the education and experience before submitted a credential application. This will add more time for an individual to get a license and is a significant investment for classes and appraisal work at low trainee level pay. What if an applicant is denied due not passing the new background check and has all that time and money invested? As a credential applicant, I would want to know before investing that time in education and experience. Was this change requested by Dodd-Frank? Appraisal Foundation?
- Page 10 – SPS85.900 (2)                      Underlined comment is confusing to me. Maybe something stated along the lines of : An appraiser will only get credit one time for a continuing education class taken during a two-year cycle, even if the class is taken more than once.
- Page 10 – SPS85.240                      (2) states credentials shall not be issued if the applicant is convicted of a felony only if it is substantially related to the practice of real estate appraisal. I think this is too narrow. Residential appraisers walk through homes as a part of their data gathering process. I thing a convicted pedophile would be cause for public concern if entering a home with children. Maybe that would be covered by (3) or (4). Interested in your thoughts on this.
- Page 12 (3)                                      Third paragraph – months is spelled incorrectly (moths)

Hope this helps,

***Carl N. Clementi, Real Esate Appraisal Board Member***

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

December 17, 2013

Mr. Tom Ryan, Executive Director  
Wisconsin Department of Safety and Professional Services  
Real Estate Appraisers Board  
P O Box 8935  
Madison, WI 53708-8935

RE: ASC Compliance Review of Wisconsin's Appraiser Regulatory Program

Dear Mr. Ryan:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Wisconsin appraiser regulatory program (Program) on August 19-21, 2013 to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.

The ASC considered the preliminary results of the Review and the State's response to those results. The Program is given an ASC Finding of "Needs Improvement." The final ASC Compliance Review Report (Report) is attached.

The ASC identified the following areas of non-compliance:

- States are required to take remedial action when it is determined that more than ten percent of audited appraiser's affidavits for continuing education credit claimed fail to meet the minimum AQB Criteria;<sup>1</sup> and
- States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner.<sup>2</sup>

ASC staff will confirm appropriate corrective actions have been taken during a Follow-up review in approximately 4-6 months and during the next Review. Wisconsin will remain on a two-year Review Cycle.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



Arthur Lindo  
Chairman

Attachment

cc: Mr. Dave Ross, Secretary, Department of Safety and Professional Services

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<sup>1</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; ASC Policy Statement 4.

<sup>2</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; ASC Policy Statement 7.

## ASC Findings

| ASC Finding              | Rating Criteria   | Review Cycle**                    |
|--------------------------|---|-----------------------------------|
| <b>Excellent</b>         | <ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>  | 2-year                            |
| <b>Good</b>              | <ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>  | 2-year                            |
| <b>Needs Improvement</b> | <ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>                                     | 2-year with additional monitoring |
| <b>Not Satisfactory</b>  | <ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul> | 1-year                            |
| <b>Poor*</b>             | <ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>  | Continuous monitoring             |

\* An ASC Finding of "Poor" may result in significant consequences to the State. See Policy Statement 5, *Reciprocity*; see also Policy Statement 8, *Interim Sanctions*.

\*\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

**ASC Compliance Review Report**

**ASC Finding: Needs Improvement**  
**Final Report Issue Date: December 17, 2013**

|   |                       |   |  |
|---|-----------------------|---|--|
| <b>Wisconsin Appraiser Regulatory Program (Program)</b>                             |                       |   |  |
| <b>Real Estate Appraisers Board (Board) / Advisory/Decision Making</b>              | <b>PM: J. Tidwell</b> | <b>ASC Compliance Review Date: August 19-21, 2013</b>                     | <b>Review Period: August 2011 to August 2013</b> |
| <b>Umbrella Agency: Department of Safety and Professional Services (Department)</b> |                       | <b>Number of State Credentialed Appraisers on National Registry: 1970</b> | <b>Review Cycle: Two Year with Follow-up</b>     |

| Requirement/Guidance  | Compliance (YES/NO)<br>Areas of Concern (AC) |    |    | ASC Staff Observations  | State Response   | Required State Actions  | Recommended State Actions | General Comments   |
|---|--|----|----|---|--|---|---------------------------|--|
|   | YES  | NO | AC |   |  |   |                           |  |
| <b>Wisconsin Statutes, Regulations, Policies and Procedures:</b>  | X  |    |    | No compliance issues noted.   | N/A  | None  | None                      | None   |
| <b>Temporary Practice:</b>  | X  |    |    | No compliance issues noted.   | N/A  | None  | None                      | None   |
| <b>National Registry:</b>   |  |    | X  |   |  |   |                           |  |
| States must submit all disciplinary actions to the ASC for inclusion on the National Registry. (Title XI § 1118 (a), 12 U.S.C. § 3347; Title XI § 1109 (a), 12 U.S.C. § 3338; ASC Policy Statement 3.)  |  |    |    | ASC staff determined the Department had not reported all disciplinary actions on the ASC National Registry.               | On November 5, 2013, the Department reported to ASC staff that all missing disciplinary actions were identified and reported to the ASC National Registry. The Department also created a written internal policy to report all disciplinary actions to the ASC National Registry in compliance with ASC Policy Statement 3.                                  | None  | None                      | ASC staff will return for a Follow-up Review in approximately 4-6 months and will review this area for compliance with ASC Policy Statement 3. |
| <b>Application Process:</b>   |  | X  |    |   |  |   |                           |  |
| States are required to take remedial action when it is determined that more than ten percent of audited appraiser's affidavits for continuing education (CE) credit claimed fail to meet the minimum AQB Criteria. (Title XI § 1118 (a), 12 U.S.C. § 3347; ASC Policy Statement 4.) |  |    |    | ASC staff determined that 12% of the 2009-2011 audited appraisers' continuing education (CE) failed to meet AQB Criteria. | On November 5, 2013, the Department reported that notice of the CE compliance audit for 2011-2013 was posted to the Department's CE website and added to all license renewal forms.<br><br>The Department also reported that they are working with the State appraiser associations to publish information regarding ongoing CE audits in their newsletters. | By April 30, 2014, the Department must submit to the ASC staff a sortable list of credentials audited for the 2011-2013 CE audit and the results for each. During the Follow-up Review files of all individuals audited must be available for review. | None                      | ASC staff will return for a Follow-up Review in approximately 4-6 months and will review the CE compliance audit files.                        |
| <b>Reciprocity:</b>   | X  |    |    | No compliance issues noted.   | N/A  | None  | None                      | None   |

**ASC Compliance Review Report**

ASC Finding: Needs Improvement

Final Report Issue Date: December 17, 2013

**Wisconsin Appraiser Regulatory Program (Program)**

Real Estate Appraisers Board (Board) /  
Advisory/Decision Making

PM: J. Tidwell

ASC Compliance Review Date: August 19-21, 2013

Review Period: August 2011 to August 2013

Umbrella Agency: Department of Safety and Professional Services (Department)

Number of State Credentialed Appraisers on National Registry: 1970

Review Cycle: Two Year with Follow-up

| Requirement/Guidance   | Compliance (YES/NO)<br>Areas of Concern (AC) |    |    | ASC Staff Observations   | State Response   | Required State Actions   | Recommended State Actions  | General Comments  |
|--|--|----|----|--|--|--|--|---|
|  | YES  | NO | AC |  |  |  |  |   |
| <b>Education:</b>  |  |    | X  |  |  |  |  |   |
| States must ensure that appraiser education courses are consistent with AQB Criteria. (Title XI § 1118 (a), 12 U.S.C. § 3347; AQB Real Property Appraiser Qualification Criteria; ASC Policy Statement 6.)   |  |    |    | Department staff approved education courses with content inconsistent with AQB Criteria for CE.  | On November 5, 2013, the Department reported that: <ul style="list-style-type: none"> <li>every CE course previously approved was reviewed for compliance with AQB criteria;</li> <li>approvals for 7 CE courses were revoked as of October 1, 2013;</li> <li>approval was revoked for any course in which content in real property related appraisal topics could not be substantiated with a timed outline;</li> <li>providers of all revoked courses were notified;</li> <li>revoked courses were removed from the Department's website;</li> <li>a CE review protocol was established; and</li> <li>Department's staff training manual was updated to include an emphasis on the importance of adhering to AQB criteria when reviewing courses.</li> </ul> | None   | None   | ASC staff will return for a Follow-up Review in approximately 4-6 months and will review this area for compliance with ASC Policy Statement 6.  |
| <b>Enforcement:</b>  |  | X  |    |  |  |  |  |   |
| States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner. (Title XI § 1118 (a), 12 U.S.C. § 3347; ASC Policy Statement 7.) |  |    |    | Complaints were filed against appraisers for failure to provide proof of CE, but were not processed effectively. All complaints were addressed by either dismissal or dismissal with a non-disciplinary advisory letter once the appraiser provided proof of having completed the delinquent CE. | On November 5, 2013, the Department reported to ASC staff mitigating circumstances that caused the dismissal with a non-disciplinary advisory letter of complaints filed against appraisers for failure to provide proof of CE.  | The Department must provide, within 60 days of issuance of this Report, a plan on how they will: <ol style="list-style-type: none"> <li>handle cases involving a potential false statement regarding CE completed on a renewal application; and</li> <li>ensure that statements made by respondents are investigated for support or contradiction and that documentation will be maintained in the case file for the aggravating or mitigating circumstances.</li> </ol> | To strengthen the Program, the Department should find ways to ensure that actions against CE violators are sufficient and equitable. | The Department reported that mitigating circumstances were present but the CE files reviewed contained no documentation that the Department corroborated statements made by the respondents. Case files contained evidence that CE was taken outside of the renewal cycle.<br><br>ASC staff will return for a Follow-up Review in approximately 4-6 months to review the audit files from the CE compliance audit for the 2011-2013 biennium. |



## STATE OF WISCONSIN

Department of Safety and Professional Services  
1400 E Washington Ave.  
Madison WI 53703

**Governor Scott Walker**      **Secretary Dave Ross**

Mail to:  
PO Box 8935  
Madison WI 53708-8935

Email: [dsps@wisconsin.gov](mailto:dsps@wisconsin.gov)  
Web: <http://dsps.wi.gov>  
Phone: 608-266-2112

February 4, 2014

Arthur Lindo, Chair  
Appraisal Subcommittee  
Federal Financial Institutions Examination Council  
1401 H Street, NW Suite 760  
Washington, DC 20005

**Re: December 17, 2013 ASC Compliance Review Report, Wisconsin**

Dear Mr. Lindo:

This letter responds to the following Required State Action in the December 17, 2013 ASC Compliance Review Report:

The Department must provide, within 60 days of issuance of this Report, a plan on how they will:

- (1) Handle cases involving a potential false statement regarding CE completed on a renewal application; and
- (2) Ensure that statements made by respondents are investigated for support or contradiction and that documentation will be maintained in the case file for the aggravating or mitigating circumstances.

As always, when this agency receives information suggesting that a credential holder has made a false statement regarding completion of CE on a renewal application, that information will be forwarded from our Credentialing Renewal area to our Division of Legal Services and Compliance. An example of a suspicious renewal would include one in which a credential holder has indicated on his or her renewal application that CE has been completed, but that credential holder is unable to provide proof of completion of CEs upon request of the Department. Another example would be a renewal in which documentation of CE completion is provided, but appears altered.

Upon receipt of such information in the Division of Legal Services and Compliance, the information will be tracked into our computer system and the case will be assigned to an investigator. The investigator will make contact with the credential holder, and once again request proof of compliance with CE requirements. The credential holder will be warned of the potential disciplinary consequences for failure to provide proof of CE completion and will be encouraged to contact educational organizations to request duplicate proof of completion if they are unable to locate documentation.

February 3, 2014

Page 2

If a credential holder provides documentation of completion of CE that appears to have been altered, that documentation will be forwarded to the educational organization for verification of authenticity. If a credential holder provides mitigating circumstances for a failure to provide evidence of completion of CE, the credential holder will be asked to provide substantiating evidence. For example, if the documentation was said to have been lost in a fire or flood, the credential holder would be asked to provide evidence of a fire or flood (police reports, insurance claims, news articles). The credential holder would also be asked to contact the educational provider for duplicate proof.

All contacts with credential holders, educational organizations or others will be in writing if possible. In the event that verbal communications take place, those communications will be documented by the investigator in memo format within 24 hours of said communications.

In the event that a false statement involving CE completion is substantiated (found to be more likely than not), then the case will be forwarded to a prosecuting attorney for disciplinary action. An attempt will be made to reach a stipulated resolution. If stipulation is not reached within six weeks of receipt by the attorney, the hearing process will be initiated with the filing of a formal complaint.

Each case will be judged on its own facts, but generally, it is expected that when there is clear evidence of an intentional false statement regarding CE completion a suspension of the credential is warranted for no less than 30 days, or until such time as the CE is completed, whichever is longer. An unintentional false statement (i.e., the credential holder believed they would be able to provide proof of CE completion upon request but thereafter lost said documentation, or the credential holder took CE believing it would be approved, but it wasn't approved) would generally warrant a reprimand and a limitation requiring the credential holder to complete the CE (or, if the CE were completed prior to disciplinary action, a statement of fact that CE has been completed and a reprimand). Note however that individual cases may be compromised to a lesser discipline or increased to a greater discipline in the natural course of litigation and settlement, depending on such factors as strength of proof, culpability, cooperation and remorse.

If you have any additional questions regarding our handling of false statements in the renewal process or our investigation techniques, please contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Ross", with a long horizontal flourish extending to the right.

Dave Ross, Secretary

Wisconsin Department of Safety and Professional Services

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