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Jim Doyle, Governor
Mary P. Burke, Secretary

Gary Poulson
Assistant Revisor of Statutes
Suite 800
131 West Wilson Street
Madison, Wisconsin 53703-3233

Dear Mr. Poulson:

**TRANSMITTAL OF WRITTEN NOTICE OF HEARING
AND LEGISLATIVE COUNCIL REVIEW**

RULE NO.: Chapters Comm 5 and 20

RELATING TO: Dwelling Contractor Certification

AGENCY UNIT RESPONSIBLE: Safety and Buildings Division

PUBLIC HEARING REQUIRED: YES NO

CONTACT PERSON: James Quast TITLE: Program Manager

TELEPHONE: (608) 266-9292 EMAIL: jim.quast@wisconsin.gov

Pursuant to sections 227.14 (4m) and 227.17, Stats., agencies are required to transmit a written notice of submittal of proposed rules to the Legislative Council and a written notice of hearing to the Revisor of Statutes, for publication in the Administrative Register.

On the date on this letter the department is submitting proposed rules to the Legislative Council and is submitting the following material to you:

1. Notice of Public Hearing or 30-Day Notice of Proposed Rulemaking.
2. Fiscal Estimate.
3. Initial Regulatory Flexibility Analysis.
4. Draft of Proposed Rules.

Respectfully submitted,

Mary P. Burke
Secretary

STATE OF WISCONSIN
DEPARTMENT OF COMMERCE

**NOTICE OF
PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that pursuant to ss. 101.63 and 101.645 Stats., as affected by 2005 Wisconsin Act 200 the Department of Commerce will hold a public hearing on proposed rules under chapters Comm 5 and 20 relating to certification of dwelling contractors and affecting small businesses.

The public hearing will be held as follows:

Date and Time:

February 27, 2007
10:00 a.m.

Location:

Conference Room 3C
Thompson Commerce Center
201 West Washington Avenue
Madison

Interested persons are invited to appear at the hearing and present comments on the proposed rules. Persons making oral presentations are requested to submit their comments in writing. Persons submitting comments will not receive individual responses. The hearing record on this proposed rulemaking will remain open until March 9, 2007, to permit submittal of written comments from persons who are unable to attend the hearing or who wish to supplement testimony offered at the hearing. Written comments should be submitted to James Quast, at the Department of Commerce, P.O. Box 2689, Madison, WI 53701-2689, or Email at jim.quast@wisconsin.gov.

This hearing is held in an accessible facility. If you have special needs or circumstances that may make communication or accessibility difficult at the hearing, please call (608) 266-8741 or (608) 264-8777 (TTY) at least 10 days prior to the hearing date. Accommodations such as interpreters, English translators, or materials in audio tape format will, to the fullest extent possible, be made available upon a request from a person with a disability.

The proposed rules and an analysis of the proposed rules are available on the Internet at the Safety and Buildings Division Web site at www.commerce.wi.gov/SB/. Paper copies may be obtained without cost from Roberta Ward, at the Department of Commerce, Program Development Bureau, P.O. Box 2689, Madison, WI 53701-2689, or Email at roberta.ward@wisconsin.gov, or at telephone (608) 266-8741 or (608) 264-8777 (TTY). Copies will also be available at the public hearing.

The small business regulatory coordinator for the Department of Commerce is Carol Dunn, who may be contacted at telephone (608) 267-0297, or Email at carol.dunn@wisconsin.gov.



State of Wisconsin \ Department of Commerce

HEARING DRAFT of PROPOSED RULES

Rule No.:

Chapters Comm 5 and 20

Relating to:

Dwelling Contractor Certification

INITIAL REGULATORY FLEXIBILITY ANALYSIS

Department of Commerce

RULE NO.: Chapters Comm 5 and 20

RELATING TO: Dwelling Contractor Certification

1. Types of small businesses that will be affected by the rules.

As required under 2005 Wisconsin Act 200 beginning on January 1, 2008 all certified contractors needing to obtain building permits to undertake work on a one- and two- family dwellings will have had to fulfill educational course work unless grandfathered. The renewal of their certifications will be contingent upon the fulfillment of continuing education obligations. The type of businesses affected by the Act and the proposed administrative rules include builders, remodelers and roofers.

2. Reporting, bookkeeping and other procedures required for compliance with the rules.

There are no reporting or bookkeeping procedures required for compliance with the rules.

3. Types of professional skills necessary for compliance with the rules.

There are no types of professional skills necessary for compliance with the rules.

4. Rules have a significant economic impact on small businesses.

No Rules not submitted to Small Business Regulatory Review Board

Yes Rules submitted to Small Business Regulatory Review Board

NOTICE of ENVIRONMENTAL ANALYSIS

Department of Commerce

Rule No.: Chapters Comm 5 and 20

Relating to: Dwelling Contractor Certification

Notice is hereby given that the Department has considered the environmental impact of the proposed rules. In accordance with chapter Comm 1, the proposed rules are a Type III action. A Type III action normally does not have the potential to cause significant environmental effects and normally does not involve unresolved conflicts in the use of available resources. The Department has reviewed these rules and finds no reason to believe that any unusual conditions exist. At this time, the Department has issued this notice to serve as a finding of no significant impact.

FISCAL ESTIMATE
DOA-2048 (R06/99)

ORIGINAL
 CORRECTED

UPDATED
 SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
Chapters Comm 5 & 20
Amendment No. if Applicable

Subject

Dwelling Contractor Certification

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

Increase Existing Appropriation
 Decrease Existing Appropriation
 Create New Appropriation

Increase Existing Revenues
 Decrease Existing Revenues

Increase Costs - May be Possible to Absorb Within Agency's Budget Yes No

Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:

Towns Villages Cities

2. Decrease Costs
 Permissive Mandatory

4. Decrease Revenues
 Permissive Mandatory

Counties Others _____

School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

Under current rules the department issues dwelling contractor financial responsibility certifications to businesses and entities that obtain building permits to perform work on one- and two- family dwellings. The department is proposing to create a new separate certification, dwelling contractor qualifier, issued to an individual in order to fulfill the educational obligations established under 2005 Wisconsin Act 200. Currently, the department has issued 10,550 dwelling contractor financial responsibility certifications. It is anticipated that some contracting businesses and entities may desire to have more than one individual hold the qualifier certification. It is estimated that 10 percent of the businesses may employ this strategy. In light of this, the department estimates that it will issue approximately 11,600 qualifier certifications annually. The fee for the qualifier certification is proposed to be \$30. This will generate \$348,000 in annual revenue. The proposed rules will also decrease the fee for the dwelling contractor financial responsibility certifications by \$5.00. This will decrease annual revenue by \$52,000.

The department believes that the workload generated by issuing and administering the new qualifier certification can be absorbed into current staffing levels and functions.

Long-Range Fiscal Implications

No long range fiscal implications are anticipated.

Agency/Prepared by: (Name & Phone No.)
Commerce/ James Quast, 266-9292

Authorized Signature/Telephone No.

Date

FISCAL ESTIMATE WORKSHEET
 Detailed Estimate of Annual Fiscal Effect
 DOA-2047(R06/99)

ORIGINAL
 CORRECTED

UPDATED
 SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
 Chapters Comm 5 & 20

Amendment No.

Subject

Dwelling Contractor Certification

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs By Category		
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs By Category	\$	\$ -
B. State Costs By Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues- Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS	348,000	- 52,000
SEG/SEG-S		-
TOTAL State Revenues	\$ 348,000	\$ -52,000

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ 0	\$ 0
NET CHANGE IN REVENUES	\$ 296,000	\$ 0

Agency/Prepared by: (Name & Phone No.)

Commerce/ James Quast, 266-9292

Authorized Signature/Telephone No.

Date