

Bruce Hoesly, Code Editor
Legislative Reference Bureau
Suite 200
1 East Main Street
Madison, Wisconsin 53703

Dear Mr. Hoesly:

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

RULE NO.: Chapter Comm 5

RELATING TO: Building Contractor Registration

AGENCY UNIT RESPONSIBLE: Safety and Buildings Division

PUBLIC HEARING REQUIRED: YES NO

CONTACT PERSON: Jim Quast TITLE: Program Manager

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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 Legislative Reference Bureau, 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,

Richard J. Leinenkugel
Secretary

INITIAL REGULATORY FLEXIBILITY ANALYSIS

Department of Commerce

RULE NO.: Chapter Comm 5

RELATING TO: Building Contractor Registration

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

The proposed rules require the registration of individuals and entities that act as building contractors or subcontractors who are involved in the construction or modification of public buildings, places of employment and one- and 2- family dwellings and who are not already credentialed by the department. The department currently credentials several contracting trades, including dwelling contractors, HVAC contractors, electrical contractors and elevator contractors. The rules would apply to those persons and entities engaged in the business of commercial general construction, drywall, plastering, electrical wiring, finish carpentry, flooring, framing carpentry, glass and glazing, insulation, masonry and stone work, plumbing, concrete work, roofing, siding, building site preparation and/or stabilization, structural steel, tile and terrazzo, wall coverings, and other building or equipment specialties.

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

No additional reporting, bookkeeping or other procedures are required above the registration of the building construction business.

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

There are no new 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.: Chapter Comm 5

Relating to: Building Contractor Registration

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.
Chapter Comm 5
Amendment No. if Applicable

Subject

Building Contractor Registration

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

The rules require a registration credential for various building contactors who are involved in the construction or modification of public buildings and places of employment and one- and 2-family dwellings, unless the contractor already holds another type of contractor credential issued by the department. The type of contracting businesses required to be registered under the rules include commercial general construction, drywall, plastering, electrical wiring, finish carpentry, flooring, framing carpentry, glass and glazing, insulation, masonry and stone work, plumbing, concrete work, roofing, siding, building site preparation and/or stabilization, structural steel, tile and terrazzo, wall coverings, and other building or equipment specialties.

The department estimates that there would be 30,000 contracting businesses that would be required to obtain registrations. The department proposes to charge \$100 for a 4-year, building contractor registration. There is also a \$15 initial application fee that would be waived if the applicant applies and pays for the registration via the internet. The department estimates that it would realize approximately \$806,250 in revenue annually.

The department anticipates that the workload associated with this registration can be managed with information technology usage and within current staff levels associated with the administration of the commercial building code program and the one- and 2- family dwelling code program.

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