

# Wisconsin wants building contractors to register

By Tom Daykin of the Milwaukee Journal Sentinel Mar. 21, 2009

Starting July 1, Wisconsin home and commercial building contractors must register with the state Department of Commerce under a new rule designed to help weed out fly-by-night operators.

The idea is to ensure contractors - especially home builders and remodelers - are legitimate, said department spokesman Tony Hozeny. "We think it will increase the comfort level," he said.

The rule also will help prevent unethical contractors from falsely classifying employees as subcontractors.

By doing so, the companies have evaded paying worker's compensation premiums and payroll taxes, such as Social Security contributions, Hozeny said. Those actions hurt workers by denying them benefits, while also giving the dishonest contractors a way to underbid companies that follow the rules, he said.

Finally, having a list of registered contractors will help the department communicate with companies more effectively about such things as building code changes, Hozeny said.

The rule was supported by Wisconsin AFL-CIO, an umbrella group of labor unions.

However, the Wisconsin Builders Association says the rule could duplicate proposals that the state Department of Workforce Development are considering, said Brad Boycks, an association lobbyist. "You could have the playing field change again," said Boycks, who said enforcement of current laws would be a more effective way of dealing with unethical contractors.

The association's 7,500 members, dominated by home builders, are going through financial struggles because of the big drop in demand for new housing, Boycks said. The group objects to the registration fee, which is \$100 for four years. "We don't want more taxes," Boycks said. "A \$100 here, a \$1,000 that all adds up." . . . there

Hozeny, however, said the registration fee is nominal. He said registration can be done through the Internet to make the process convenient.