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# Wisconsin Legislative Council

## AMENDMENT MEMO

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**Contact:** Brian Larson, Senior Staff Attorney

**2019 Assembly Bill 605**

**Assembly Substitute  
Amendment 1**

### 2019 ASSEMBLY BILL 605

2019 Assembly Bill 605 requires the Department of Safety and Professional Services (DSPS) to prepare an occupational license report within 30 days after any bill is introduced, which creates a requirement that an individual obtain a license in order to engage in a particular profession or occupation, or a requirement that a license be obtained in order for a particular type of business to be owned or operated. The term “license” includes any permit, certificate, approval, registration, charter, or similar form of permission. DSPS is required to request information from businesses and individuals that are likely to be affected by the proposal and from any other agency that may be required to administer the license. The report must be printed as an appendix to the bill and must be distributed before any vote is taken or public hearing is held. The report must contain a number of findings regarding applicable public safety considerations, the economic effect of licensing, other states’ laws, and a determination of the “least restrictive regulation” that will effectively protect the public.

These requirements generally apply to any bill that is introduced on or after the 14th day after publication of the act.

### ASSEMBLY SUBSTITUTE AMENDMENT 1

The substitute amendment requires instead that the Legislative Audit Bureau (LAB) prepare a report within 270 days after introduction of any bill that creates a new occupational credential. The term “occupational credential” means any license, permit, certificate, approval, registration, charter, or similar form of permission that is nontransferable, is granted by an agency to an individual that meets any personal qualifications established by law, and is required by law in order to engage in a particular profession or occupation. A legislator may direct the Legislative Reference Bureau to submit a copy of a legislative proposal to LAB before the proposal is introduced.

Similar to the bill, the substitute amendment requires that the report be printed as an appendix to the bill and be distributed before any vote is taken or public hearing is held. The substitute amendment also requires LAB to request information from businesses and individuals that are likely to be affected by the proposal and allows LAB to request information from the agency that will administer the license. LAB’s report under the substitute amendment must contain a number of findings, which are similar to those required for DSPS’s report under the bill. The substitute amendment adds a few additional required findings, including that the report must specifically identify any expected harm or endangerment to the public of the unregulated practice of the profession and must describe the nature and magnitude of any negative effect of the proposal or bill.

LAB must recommend that the Legislature take no action on the proposal or bill if it determines that: (1) there is insufficient credible evidence of harm or endangerment to the public, or any harm or endangerment is remote speculative; or (2) any identified harm or endangerment is manageable or may

be eliminated by existing laws or rules or by market competition, including through any credential, accreditation, or other recognition of proficiency issued by a private organization. If harm or endangerment is present and cannot be managed or mitigated by market competition or existing laws or rules, LAB must analyze the benefits and negative effects of regulatory alternatives to the bill or proposal, in the order of least to most restrictive.

Under the substitute amendment, these requirements apply first to bills introduced on the first day of the next biennial legislative session after the act's effective date.

## **BILL HISTORY**

Representative Hutton introduced 2019 Assembly Bill 605 on October 15, 2019, and offered Assembly Substitute Amendment 1 on January 27, 2020. On January 30, 2020, the Assembly Committee on Regulatory Licensing Reform recommended adoption of the amendment on a vote of Ayes, 5; Noes, 1; and passage of the bill, as amended, on a vote of Ayes, 6; Noes, 0.

BL:jal