



## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

<b>2005 Assembly Bill 980</b>	<b>Assembly Substitute Amendment 1</b>
<i>Memo published:</i> February 24, 2006	<i>Contact:</i> Pam Shannon, Senior Staff Attorney (266-2680) or Mary Matthias, Senior Staff Attorney (266-0932)

*Assembly Bill 980* contains a number of provisions relating to building contractors and building inspectors, as follows:

1. Requires the Department of Commerce (Commerce) to promulgate rules establishing continuing education (CE) requirements and, in certain cases, examination requirements for persons seeking to obtain a building permit. The rules must specify that a person may not obtain the permit unless the person completes at least 12 hours of approved CE courses during the two calendar years preceding the calendar year in which the person applies for the permit and attends at least one professional meeting or educational seminar designed for both building contractors and building inspectors during that two-year period. The person must furnish proof of completion of these requirements to the permit issuer.
2. Requires that a person who has not previously held a certificate of financial responsibility pass an examination developed by Commerce on the CE courses required under the bill. [Under current law, a person may not obtain a building permit unless he or she annually obtains a certificate of financial responsibility showing that the person has met certain bonding and insurance requirements.]
3. Authorizes Commerce to specify different CE requirements that apply to experienced and inexperienced permit applicants and to revoke or suspend a certificate of financial responsibility if the holder fails to comply with the CE requirements, engages in dwelling construction without a permit, is convicted of a crime related to the construction of a dwelling, or has been adjudged bankrupt at least twice.
4. Changes the name of the current Contractor Financial Responsibility Council to the Contractor Certification Council and gives the council the additional responsibilities of recommending to Commerce courses that meet CE requirements and advising Commerce on the development of course examinations.

5. Requires that a person applying for a building permit must sign the statement that a municipality is currently required to provide advising the owner that certain specified consequences might occur if the owner hires a contractor who is not bonded or insured as required under current law.
6. Provides that currently-required Commerce rules on the certification of building inspectors must specify that Commerce may suspend or revoke the certification of an inspector who knowingly authorizes the issuance of a building permit to a contractor who does not comply with financial responsibility or CE requirements.
7. Contains a delayed effective date of January 1, 2007 for all provisions of the bill.

*Assembly Substitute Amendment 1* makes the following changes to the bill:

1. Provides that the newly created CE requirements and related rules do not apply to a person who holds a current Commerce-issued license (for example, a plumber's license) at the time the person obtains a building permit, if the work the person does under the permit is work for which he or she is licensed.
2. Modifies the CE requirement in the bill (12 hours in two years) to six hours annually and specifies that the CE must be relevant to the professional area of expertise of the person seeking the building permit.
3. Removes the reference to a two-year time period in the bill's provisions requiring attendance at professional meeting or educational seminars.
4. Provides that the CE rules may not require a person to take CE courses or examinations on CE courses that are not relevant to the person's professional area of expertise.
5. Makes several nonsubstantive changes suggested by Commerce to clarify provisions and eliminate redundant language.
6. Modifies the bill's effective date (January 1, 2007), to instead provide that the bill takes effect on the day after publication, except for the provisions requiring compliance with the new CE requirement, which take effect on January 1, 2008.

### **Legislative History**

On February 9, 2006, the Assembly Committee on Housing held a public hearing on the bill. In executive session on February 22, 2006, the committee adopted Assembly Substitute Amendment 1 and recommended passage of the bill, as amended, both on votes of Ayes, 6; and Noes, 0.

PS:ksm