

State of Wisconsin



1995 Senate Bill 387

Date of enactment: **June 6, 1996**
Date of publication*: **June 20, 1996**

1995 WISCONSIN ACT 392

AN ACT *to amend* 101.615 (3), 101.654 (2) (a) 1., 101.654 (4) (a) and 101.654 (4) (b); and *to create* 101.654 (2m) of the statutes; **relating to:** the financial responsibility of persons who perform on one-family and 2-family dwellings work for which a building permit is required.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 101.615 (3) of the statutes, as created by [1993 Wisconsin Act 126](#), is amended to read:

101.615 (3) Sections 101.65 (1m) and (1r) and 101.654 apply to an application for a building permit to ~~perform work on a dwelling~~ filed on or after April 1, 1995, to perform work on a dwelling the initial construction of which was commenced before, on or after December 1, 1978.

SECTION 4m. 101.654 (2) (a) 1. of the statutes, as created by [1993 Wisconsin Act 126](#), is amended to read:

101.654 (2) (a) 1. A bond endorsed by a surety company authorized to do business in this state of not less than ~~\$25,000~~ \$5,000, conditioned upon the applicant complying with all applicable provisions of the one- and 2-family dwelling code and any ordinance enacted under s. 101.65 (1) (a) ~~and as indemnity for any loss sustained by any person because of any violation by the applicant of that dwelling code or ordinance.~~

SECTION 4r. 101.654 (2m) of the statutes is created to read:

101.654 (2m) If an applicant wishes to use a bond under sub. (2) (a) 1. of less than \$25,000 to comply with sub. (2) (a), the applicant shall agree not to perform any work on a dwelling for which the estimated cost of completion

is greater than the amount of the bond. The department shall indicate any restriction under this subsection on the certificate of financial responsibility issued under sub. (3).

SECTION 6. 101.654 (4) (a) of the statutes, as created by [1993 Wisconsin Act 126](#), is amended to read:

101.654 (4) (a) A bond or insurance policy required under sub. (2) shall ~~provide that the bond or policy may not be canceled by the person insured under the bond or policy or by the surety company or insurer except on 30 days' prior written notice served on the department in person or by certified 1st class mail or, if the cancellation is for nonpayment of premiums to the insurer, on 10 days' prior written notice served on the department in person or by 1st class mail.~~ The person insured under the bond or policy shall file with the department proof to the satisfaction of the department of a replacement bond or replacement insurance within the 30-day notice period ~~or 10-day notice period, whichever is applicable,~~ and before the expiration of the bond or policy. The department shall suspend without prior notice or hearing the certificate of financial responsibility of a person who does not file satisfactory proof of a replacement bond or replacement insurance as required by this subsection.

SECTION 6m. 101.654 (4) (b) of the statutes, as created by [1993 Wisconsin Act 126](#), is amended to read:

* Section 991.11, WISCONSIN STATUTES 1993-94: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

101.654 (4) (b) A bond under sub. (2) (a) 1. shall be executed in the name of the state for the benefit of any person who sustains a loss as ~~described in sub. (2) (a) 1. a result of the person insured under the bond not comply-~~

ing with an applicable provision of the one- and 2-family dwelling code or any ordinance enacted under s. 101.65 (1) (a), except that the aggregate liability of the surety to all persons may not exceed the amount of the bond.
