

FISCAL ESTIMATE
DOA-2048 N(R10/94)

- ORIGINAL
- CORRECTED
- UPDATED
- SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
AB 029 (-2774)

Amendment No. if Applicable

Subject 11-29-95
Accessibility to Multi-Family Housing

Fiscal Effect
 State: No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

<input type="checkbox"/> Increase Existing Appropriation	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Decrease Existing Appropriation	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriation	<input type="checkbox"/> Decrease Costs	

Local: No local government costs

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5 Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected: GPR FED PRO PRS SEG SEG-S

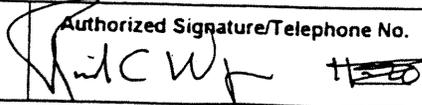
Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

Passage of this bill would neither increase nor decrease complaints before the Equal Rights Division, under the fair housing law, since no complaints relating to building standards have been received.

If this bill becomes law, minor changes to the state building code, Chapter ILHR 66, would be necessary. Such code changes would be incorporated into the ongoing code revision process.

Long-Range Fiscal Implications

Agency/Prepared by: (Name & Phone No.) DILHR/LeAnna Ware, 266-1997 /Diane Meredith, 266-8982	Authorized Signature/Telephone No. 6-6928 	Date 11-20-95
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FISCAL ESTIMATE WORKSHEET

1995 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
AB 629

Amendment No.

Subject
Accessibility to Multi-Family Housing

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

None

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$ -	\$ -
(FTE Position Changes)	(-0- FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ -0-	\$ - -0-
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$ -	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues -	Increased Rev.	Decreased Rev.
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
GPR Taxes	\$ -	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$ -0-	\$ - -0-

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS

\$ -0-

\$ -0-

NET CHANGE IN REVENUES

\$ -0-

\$ -0-

Agency/Prepared by: (Name & Phone No.)
DILHR/LeAnna Ware, 266-1997
/Diane Meredith, 266-8982

Authorized Signature/Telephone No.

(Signature) 6-6928

Date

TALKING POINTS ON ASSEMBLY BILL 629

Synopsis - What The Bill Does

- ▶ Increases from 3 to 5 the minimum number of units which a multifamily dwelling must contain before it is required to comply with handicap accessibility requirements.
- ▶ Removes the requirement that all grade-level entrances to multifamily dwellings be accessible to the disabled.
- ▶ Removes the requirement that all light switches, outlets, environmental controls, toilets, bathtubs, and the like be made accessible in every unit throughout the building. Instead, these items need be accessible only in common areas of the multifamily dwelling, as well as in units which are required to be accessible under this bill.
- ▶ It establishes a formula for the number of required accessible units: 1 accessible unit for the first fifteen units of housing, and 1 more unit for each additional unit of housing beyond the initial fifteen.

Why This Is Good Legislation

- ▶ The current law impacts negatively on small businesspeople, who build or remodel a few, three- or four-unit apartment buildings as an investment. Far from the "fat-cat" landlords often portrayed by the press, these people have limited resources for investment, and may be deterred from renovating or upgrading their properties because of the additional cost of providing excessive handicap access. This legislation exempts most of those small owners and operators.
- ▶ The current law applies to condominiums as well as apartments. As a result, the purchasers of these units, most of whom are not disabled and will not ever need to make use of the accessibility enhancements, end up paying more in the purchase price of their unit. This may serve to drive away low- and middle-income

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purchasers, for whom a condominium may be a cheaper ownership alternative to a house.

► The number of accessible units which will be required under this bill should be sufficient to address the needs of handicapped people in most multifamily housing. Under current standards, it is likely that most accessibility enhancements go unnoticed and unused by most renters and purchasers due to their overabundance.

► This bill will still require landlords to provide enhancements such as lever-style door handles to renters free of charge, upon the renter's request. It will, however, place more of the financial burden for substantial changes upon the renter or (in the case of condos) the purchaser. This is a positive development, as other renters, purchasers, and owners should not be forced to subsidize these costs.

► The plethora of accessibility requirements discourages originality in design. It simply becomes cheaper, in many cases, to re-use a state-approved design over and over again than to create a new design for different buildings because of the added expense of compliance with government regulations. This leads to the oft-heard complaint that all new multifamily housing "looks the same." Our bill will lighten some of that burden, and will thus enhance the housing choices of all consumers.

Potential Objections

► *This bill will put Wisconsin out of compliance with the federal Fair Housing standards:* Wisconsin's standards in this area have been more stringent than federal standards for several years now. Where federal law places requirements for accessibility on multifamily housing containing 4 units or better, Wisconsin law has placed such a burden on housing of 3 units or more. It is true that, as a practical matter, builders and renovators will still have to abide by the federal 4-unit requirement under this bill. However, our change will make way for federal changes which may occur in the near future. We may consider an amendment to change the 5-unit requirement to a 4-unit requirement.

► *This bill is a setback for the disabled of Wisconsin:* There are still state and federal standards for the provision of adequate housing for the disabled. Furthermore, disabled persons will still

be at liberty to make changes to their housing so that it meets their needs. Further, there are any number of accessible units in the market that are not even being utilized by disabled people now. There is no reason to expect that the choice of housing for the disabled will "dry up" with this bill.

► *It is more expensive to make a unit accessible later than to do so "up front."* It is common for new condominium units to remain largely unfinished on the inside until the time of purchase, to allow a prospective buyer the choice of various amenities. Under current law, the buyer might be forced to pay for accessibility enhancements at purchase, even if he or she doesn't need them, so that the building as a whole meets accessibility standards. Such a situation will be less likely under our bill, while those buyers requiring such accessibility enhancements could request that they be installed at the time of purchase.

Benrud Realty

3311 Golf Road
Eau Claire, WI 54701
(715) 833-1900



MICHAEL K. BENRUD
Owner

November 17, 1996

Rep. Robin G. Kreibich
Room 413 100 North Hamilton St.
P.O. Box 8952
Madison, WI 53703

Dear Representative Kreibich,

Thank you for your support in signing on to bill LRB 2774 as proposed by Glenn Grothman. The bill that exempts any residential rental of less than five units from the handicapped construction requirements.

As a Realtor of 23 years, I can tell you that the one type of housing in greatest demand and in shortest supply, is family rentals consisting of 3 bedrooms. This problem is growing rapidly because of A.D.A. and DILHR.

In past years, our company built 4 unit condo rentals consisting of 1450 sq. ft., 3 bedrooms, 2 baths, 2 car attached garage, oak trim, gas heat, patio doors, deck, etc. These units rent for \$650-\$750 per month. The reason these very special units are buildable and rentable at a modest price, is because they are of a split foyer design using part of the 4 foot exposed lower level for two of the bedrooms.

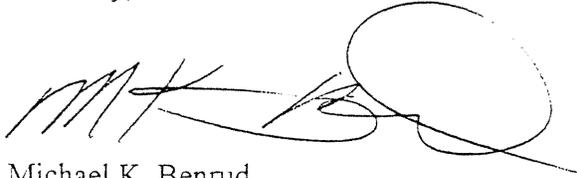
Wisconsin's DILHR has interpreted the A.D.A. requirement so as to now outlaw the construction of these units. The alternative design required by DILHR results in greatly expanded building costs resulting in rents of approximately \$1000.00 per month per family for a similar unit. The net result is that families are being priced out of the rental market and dramatically fewer family units are being built in our area since DILHR's recent new interpretation of the regulations.

Our firm is very sensitive to the needs of the handicapped and will make special provisions for their needs. But, ironically, out of the approximately 170 units we are involved with, only one physically impaired individual has ever requested occupancy, even though we have many 2 bedroom, one floor level duplexes. (That individual chose a unit which has two full flights of stairs.)

Unfortunately, A.D.A. and DILHR don't address common sense, but rather, costs builders and tenants millions of dollars because the possibility exists that a handicapped individual may need access to any and all units. Fortunately, funding is available for most handicapped who purchase and retro fit a single family home. And, of course, there are thousands of units in larger complexes being built to handicapped standards.

Thousands of handicapped units, (4 plexes and smaller), are being built at tremendous extra cost which all tenants have to pay for. Certainly this is another prime example of bureaucracy and government overkill. Please help bring back common sense regulations by supporting this bill so we can again build affordable family housing.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael K. Benrud', with a large, circular flourish at the end.

Michael K. Benrud

P.S. I wish I could attend the November 30th hearing in Madison in regard to this bill, but will be out of town. Possibly, this letter could be read at the hearing.

purchasers, for whom a condominium may be a cheaper ownership alternative to a house.

► The number of accessible units which will be required under this bill should be sufficient to address the needs of handicapped people in most multifamily housing. Under current standards, it is likely that most accessibility enhancements go unnoticed and unused by most renters and purchasers due to their overabundance.

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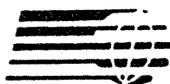
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LUTHERAN OFFICE FOR PUBLIC POLICY IN WISCONSIN

MEMORANDUM

DATE: NOVEMBER 30, 1995

TO: MEMBERS OF THE ASSEMBLY HOUSING COMMITTEE

REGARDING: ASSEMBLY BILL 629, AND ASSEMBLY BILL 662

FROM: REV. SUE MOLINE LARSON, DIRECTOR, LOPPW

In its 1993 churchwide assembly, the Evangelical Lutheran Church in America adopted a social statement on: "Freed in Christ: Race, Ethnicity, and Culture" which states that: "This church will support legislation, ordinances, and resolutions that guarantee to all persons equally: civil rights, including full protection of the law and redress under the law of discriminatory practices; (and) the right to rent, buy, and occupy housing in any place." In light of this statement, the ELCA, and its six member synods with congregations in Wisconsin, oppose the creation of exemptions for discriminatory practices in state statutes and local ordinances in regard to rental property.

The introduction to the social statement recounts humanity's enslavement to sin and the need for divine reconciliation which will put an end to the hostility of divisions based on race, ethnicity, gender and economic class. In a phone conversation on Thursday, November 29, the director of Lutheran Social Services' Refugee Resettlement program in Wisconsin spoke of the variety of rationales used by property owners to deny housing to some of the people with whom she works, usually because of misconceptions and unfounded suspicions. Acknowledging the reality of these human tendencies often to act on less than positive inclinations or motivations, the creation of additional rationales for discrimination is unwise and even irresponsible on the part of legislative policy-makers.

An additional concern in relation to A.B. 629 involves the disallowance of access to housing for those who require consideration because of physically handicapping conditions. This contradicts the mandates of the Americans with Disabilities Act, signed into law by President George Bush. The state of Wisconsin should not become a place where such mandates are watered down or contradicted. Such an effort appears to be an undemocratic attempt to reverse our tradition of providing equal protection to all people. As the legislative advocate in Wisconsin of the Evangelical Lutheran Church in America, I urge Chairperson Owens and the members of the Housing Committee to disapprove A.B. 629, and A.B. 662. If not, I ask you significantly to revise these bills by strengthening rather than weakening the statutes that define ordinances against housing discrimination. No one is well-served by the passage of legislation that permits increased discrimination of any kind for select groups of citizens in this state.

322 East Washington Avenue Madison, Wisconsin 53703-2834 608/255/7399

*Advocating justice for disempowered people and responsible stewardship of creation
A ministry of the Evangelical Lutheran Church in America
Division for Church in Society, in partnership with
Northern Great Lakes Synod Northwest Synod of Wisconsin
East-Central Synod of Wisconsin Greater Milwaukee Synod
South-Central Synod of Wisconsin La Crosse Area Synod*



printed on recycled paper



November 30, 1995

TO: Members, Assembly Committee on Housing

FROM: Tom Hlavacek, Milwaukee Office Director

RE: 1995 Assembly Bill 629

Representative Grothman has introduced a bill which would not only be a serious setback for people with disabilities and the elderly, but would also undo the work of a recent bipartisan legislative council committee, create confusion for housing developers, and put Wisconsin out of compliance with provisions of the federal Fair Housing Act.

Federal law requires that multi-family housing of four or more units comply with accessibility guidelines that make the housing usable by people with disabilities and the elderly. Wisconsin law has contained similar provisions for many years, and in fact has applied access guidelines to housing of three or more units. AB 629 would increase the minimum number of units to five, putting us out of compliance with federal law, and would further weaken existing law by only requiring one of the first fifteen units in a building to be accessible and then one more for each additional eight units.

AB 629 would create a false sense of security for Wisconsin builders who, in following its provisions, would build multifamily housing that would not meet federal accessibility standards. A developer or building owner could then find themselves open to litigation and might be required to do expensive retrofitting of housing units or entire buildings.

As a member of the 1991 Legislative Council Special Committee on Fair Housing Legislation, I worked with builders and owners of multi-family housing to craft legislation that continued Wisconsin's proud tradition of creating and maintaining accessible units in our state's housing stock. The committee reviewed data that showed that creating accessible housing did not substantially increase the cost of each unit, and was far less expensive than retrofitting units later. The bill our committee advanced retained the three-unit accessibility threshold, enjoyed bipartisan support, was easily passed, and was signed by Governor Thompson. The current legislators who served on the committee were Senators Gwen Moore and Brian Rude and Representatives Rebecca Young, Steve Foti, and John Gard.

Representative Grothman's bill would undo the work of the committee, deal a significant blow to Wisconsin citizens with disabilities, create two sets of standards for builders and local building code enforcement bodies, and invite litigation.

Please oppose Assembly Bill 629.

November 30, 1995

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Please oppose Assembly Bill 629.

Glenn Grothman

STATE REPRESENTATIVE

59TH ASSEMBLY DISTRICT

Office:

Room 125 West, State Capitol • Post Office Box 8952
Madison, Wisconsin 53708 • (608) 264-8486
E-Mail: uswlsswk@ibmmail.com • Toll-Free: 1 (800) 362-9472

Home:

111 South 6th Avenue
West Bend, Wisconsin 53095
(414) 338-8061

MEMORANDUM

TO: Members, Assembly Housing Committee

FROM: Representative Glenn Grothman

DATE: March 6, 1996

RE: Housing Accessibility, AB 629

Tomorrow morning, you will be asked to recommend Assembly Bill 629 for passage. I am asking for your support on that motion, for the following reasons:

● *The Bill Has Undergone Much Fine-Tuning Since the Public Hearing:* Many legitimate concerns about the impact of the original legislation were raised at the public hearing. In light of those suggestions and comments, I have met repeatedly with personnel from DILHR who specialize in housing accessibility. The substitute amendment to this bill is the culmination of those efforts; it brings Wisconsin law and federal law together, while protecting the needs of the disabled to accessible housing.

● *The Legislation Will Encourage Urban Renewal:* According to architects who were asked to review the substitute amendment, the removal of properties to be renovated from the requirements of the law will result in the upgrading of older properties. This is particularly true in the downtown areas of our major urban centers and in our rural communities, where the housing stock is oldest and in greatest need of renovation.

● *Input Has Been Solicited From Advocacy Groups:* Subsequent to the originally-scheduled executive session on this bill, I have asked for input from the Wisconsin Council on Physical Disabilities, Independence First, Coalition for Advocacy, and the Department of Industry, Labor, and Human Relations. Only one organization has responded. Their suggestions, as it turns out, had been considered during the drafting process on the substitute amendment.

I have attached a letter of support from the Wisconsin Builders Association, as well as a copy of the comparison and talking points for the substitute amendment. If you have any questions which I can clarify for you, please do not hesitate to contact me.

Chairman:

Joint Committee for the Review
of Administrative Rules

Member:

Judiciary (Vice Chair)
Special Committee on Controlled
Substances (Vice Chair)
Labor and Employment
Law Revision
Urban Education
Welfare Reform



Wisconsin Builders Association

MEMORANDUM

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LaCrosse

Jim Walter
Kenosha

Jack Flannick
Milwaukee

Executive**Vice-President**

Bill Wendle

TO: Members of the Assembly Housing Committee

FROM: Jerry Deschane, Director of Government Affairs

DATE: March 4, 1996

RE: Housing Accessibility, AB 629

At the request of several members of the Committee, the Wisconsin Builders Association (WBA) has asked an architect to examine Assembly Bill 629 relative to its impact on housing accessibility. The legislation moves Wisconsin closer to federal Fair Housing regulations, and is a response to DILHR and consumer concerns about excessive costs to construct and remodel multifamily residential housing. Our Association supports this legislation.

The WBA supports this legislation because it will allow urban redevelopment, and will correct serious problems that were created by the passage of 1991 Wisconsin Act 295. We believe that passage of this legislation will improve, not reduce, the availability of accessible housing.

The 1991 bill passed by the Legislature has had the unintended affect of "freezing in time" apartments built in older communities. Act 295 requires a building owner who is remodeling to bring the building into compliance with modern accessibility guidelines. That is simply not possible in most cases, due to the location of plumbing, load bearing walls, stairs and hallways, etc. If remodeling is possible, the cost to move these critical building elements is far in excess of what the remodeled apartments will provide in rental income.

The result? Older housing units in central cities will be left to decay. During a time when officials at the state and local levels have been looking for ways to curb "urban sprawl," this legislation is having precisely the opposite effect.

AB 629 also moves Wisconsin to a more realistic position regarding exterior accessibility. The federal government recognized that remodeling the exterior terrain or altering the design of a building to provide full accessibility carries a tremendous cost. To meet the dual goals of accessibility and affordability, Congress and HUD compromised by requiring that at least one exterior entrance must be accessible. We believe this is a reasonable compromise.



The legislation also exempts "town houses" from accessibility guidelines. Again, this issue was discussed at great length at the federal level. HUD determined that it was both impractical and unnecessary to apply the accessibility guidelines to town houses. Wisconsin is making a popular high-density market choice very expensive and impractical, while providing no significant benefit to individuals with disabilities.

The deletion of the requirement that the property owner provide certain fixtures on demand of the renter is a question of fairness and practicality. Accessibility needs are often highly individualized, and what works for one person will not work for another. The federal government recognized this, and in the Federal Fair Housing Guidelines state clearly that such expenses should be borne by the renter.

Wisconsin needs an adequate supply of accessible housing. A critical component of accessibility is affordability. The Wisconsin Builders Association believes that the Federal Fair Housing Act, with its four-unit threshold and other requirements, provides that supply. Furthermore, we believe that AB 629, by rolling back some of the more impractical and expensive provisions of Act 295, will lead to greater affordability, and therefore greater accessibility.

We encourage your support for this legislation.

TALKING POINTS ON SUBSTITUTE AMENDMENT 1 TO ASSEMBLY BILL 629

Synopsis - What The Substitute Amendment Does

► *Increases from 3 to 4 the minimum number of units which a multifamily dwelling must contain before it is required to comply with handicap accessibility requirements:* This matches the current federal law, making compliance easier to achieve for builders and owners.

► *Removes the requirement that all grade-level entrances to multifamily dwellings be accessible to the disabled:* While preserving the requirement that at least one grade-level entrance be accessible, this change eliminates the unnecessary expense of making every entrance accessible. This strikes a balance between providing a means of ingress and egress for the disabled and holding down costs which will otherwise be passed on to other renters or buyers. This is also consistent with federal law.

► *Provides that a renter of a multifamily housing unit pay the market-rate costs of upgrading faucets, switches, and door handles if the renter needs those upgrades to use the unit:* This change continues to allow renters the freedom to make their apartments more friendly to their needs, while assuring that other renters are not forced to subsidize the costs associated with those upgrades. Landlords will be able to charge no more than market rates for the upgrades, thereby preventing the landlord from exercising a form of "constructive eviction" by charging inflated rates for upgrades.

► *Eliminates remodeling projects from the accessibility requirements:* The current law requires certain multifamily buildings to be brought into compliance with state accessibility codes if they are remodeled. This deters the owners of rental property in particular from upgrading their buildings, for fear of having to comply with all of the multitude of accessibility rules. This change is consistent with federal law.

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► *Eliminates townhouse-style (multilevel) dwelling units from the accessibility code:* While federal law is silent on the issue of accessibility standards for this type of apartment house, state law has provided a confusing mire of regulations for builders and owners. This type of multifamily dwelling typically has a garage at grade level, with a walk-up living space above it. As each unit has its own grade-level entrance from the outside, establishing accessible units of this type is virtually impossible without spending huge sums of money.

► *It reduces, from 50% to 20%, the minimum goal of exterior accessibility for dwelling units for which a accessibility code waiver is sought:* Under current law, the Department (ILHR) is empowered to grant variances after the review of proposed building plans, if it is determined that site terrain or unusual site characteristics prohibit full compliance with the law. In the cases where waivers are granted, they are to be given with the understanding that the proposed building will have a minimum percentage of accessible exterior exits. The reduction in this percentage, which is a part of this bill, makes this percentage consistent with federal law.

► *It creates a procedure by which a waiver of the accessibility code may be obtained during the initial review process of proposed building plans if site terrain or other considerations make full compliance impractical:* Under current law, a person submitting building plans for review has to wait until those plans are rejected for failure to meet the accessibility codes before he or she can seek a waiver. This is true even if the submitter knows in advance that terrain limitations or other problems make full compliance nearly impossible. This bill creates a process whereby a waiver can be sought as part of the initial review process. This saves time, both for the Department and for the builders who need department approval to proceed with their projects.

Why This Is Good Legislation

► The current law impacts negatively on small businesspeople, who build or remodel a few small apartment buildings as an investment. Far from the "fat-cat" landlords often portrayed by the press, these people have limited resources for investment, and may be deterred from renovating or upgrading their properties because of

the additional cost of providing excessive handicap access. This legislation exempts many of those small owners and operators.

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► The plethora of accessibility requirements discourages originality in design. It simply becomes cheaper, in many cases, to re-use a state-approved design over and over again than to create a new design for different buildings because of the added expense of compliance with government regulations. This leads to the oft-heard complaint that all new multifamily housing "looks the same." Our bill will lighten some of that burden, and will thus enhance the housing choices of all consumers.

Potential Objections

► *This bill erodes the rights of the disabled in Wisconsin:* There will still be state and federal standards for the provision of adequate housing for the disabled. Furthermore, disabled persons will still be at liberty to make changes to their housing so that it meets their needs. Further, there are any number of accessible units in the market that are not even being utilized by disabled people now. There is no reason to expect that the choice of housing for the disabled will "dry up" with this bill.

► *It is more expensive to make a unit accessible later than to do so "up front."* It is common for new condominium units to remain largely unfinished on the inside until the time of purchase, to allow a prospective buyer the choice of various amenities. Under current law, the buyer might be forced to pay for accessibility enhancements at purchase, even if he or she doesn't need them, so

that the building as a whole meets accessibility standards. Such a situation will be less likely under our bill, while those buyers requiring such accessibility enhancements could request that they be installed at the time of purchase.

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TALKING POINTS ON SUBSTITUTE AMENDMENT 1 TO ASSEMBLY BILL 629

Synopsis - What The Substitute Amendment Does

- ▶ *Increases from 3 to 4 the minimum number of units which a multifamily dwelling must contain before it is required to comply with handicap accessibility requirements:* This matches the current federal law, making compliance easier to achieve for builders and owners.
- ▶ *Removes the requirement that all grade-level entrances to multifamily dwellings be accessible to the disabled:* While preserving the requirement that at least one grade-level entrance be accessible, this change eliminates the unnecessary expense of making every entrance accessible. This strikes a balance between providing a means of ingress and egress for the disabled and holding down costs which will otherwise be passed on to other renters or buyers. This is also consistent with federal law.
- ▶ *Provides that a renter of a multifamily housing unit pay the market-rate costs of upgrading faucets, switches, and door handles if the renter needs those upgrades to use the unit:* This change continues to allow renters the freedom to make their apartments more friendly to their needs, while assuring that other renters are not forced to subsidize the costs associated with those upgrades. Landlords will be able to charge no more than market rates for the upgrades, thereby preventing the landlord from exercising a form of "constructive eviction" by charging inflated rates for upgrades.
- ▶ *Eliminates remodeling projects from the accessibility requirements:* The current law requires certain multifamily buildings to be brought into compliance with state accessibility codes if they are remodeled. This deters the owners of rental property in particular from upgrading their buildings, for fear of having to comply with all of the multitude of accessibility rules. This change is consistent with federal law.

Chairman:

Joint Committee for the Review
of Administrative Rules

Member:

Judiciary (Vice Chair)
Special Committee on Controlled
Substances (Vice Chair)
Labor and Employment
Law Revision
Urban Education
Welfare Reform

► *Eliminates townhouse-style (multilevel) dwelling units from the accessibility code:* While federal law is silent on the issue of accessibility standards for this type of apartment house, state law has provided a confusing mire of regulations for builders and owners. This type of multifamily dwelling typically has a garage at grade level, with a walk-up living space above it. As each unit has its own grade-level entrance from the outside, establishing accessible units of this type is virtually impossible without spending huge sums of money.

► *It reduces, from 50% to 20%, the minimum goal of exterior accessibility for dwelling units for which a accessibility code waiver is sought:* Under current law, the Department (ILHR) is empowered to grant variances after the review of proposed building plans, if it is determined that site terrain or unusual site characteristics prohibit full compliance with the law. In the cases where waivers are granted, they are to be given with the understanding that the proposed building will have a minimum percentage of accessible exterior exits. The reduction in this percentage, which is a part of this bill, makes this percentage consistent with federal law.

► *It creates a procedure by which a waiver of the accessibility code may be obtained during the initial review process of proposed building plans if site terrain or other considerations make full compliance impractical:* Under current law, a person submitting building plans for review has to wait until those plans are rejected for failure to meet the accessibility codes *before* he or she can seek a waiver. This is true even if the submitter knows in advance that terrain limitations or other problems make full compliance nearly impossible. This bill creates a process whereby a waiver can be sought as part of the initial review process. This saves time, both for the Department and for the builders who need department approval to proceed with their projects.

Why This Is Good Legislation

► The current law impacts negatively on small businesspeople, who build or remodel a few small apartment buildings as an investment. Far from the "fat-cat" landlords often portrayed by the press, these people have limited resources for investment, and may be deterred from renovating or upgrading their properties because of

the additional cost of providing excessive handicap access. This legislation exempts many of those small owners and operators.

► The current law applies to condominiums as well as apartments. As a result, the purchasers of these units, most of whom are not disabled and will not ever need to make use of the accessibility enhancements, end up paying more in the purchase price of their unit. This may serve to drive away low- and middle-income purchasers, for whom a condominium may be a cheaper ownership alternative to a house.

► The number of accessible units which will be required under this bill should be sufficient to address the needs of handicapped people in most multifamily housing. Under current standards, it is likely that most accessibility enhancements go unnoticed and unused by most renters and purchasers due to their overabundance.

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