

98-44 NR 8/45 AUTOMATED LICENSE SYS.

State of Wisconsin
Department of Natural Resources

**NOTICE TO PRESIDING OFFICERS
OF PROPOSED RULEMAKING**

Pursuant to s. 227.19, Stats., notice is hereby given that final draft rules are being submitted to the presiding officer of each house of the legislature. The rules being submitted are:

Natural Resources Board Order No. CS-17-98

Legislative Council Rules Clearinghouse Number 98-044

Subject of Rules Implementation of the automated
license issuance system

Date of Transmittal to Presiding Officers July 7, 1998

Send a copy of any correspondence or notices pertaining to this rule to:

**Carol Turner, Rules Coordinator
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266-1959

REPORT TO LEGISLATURE

NR 8, Wis. Adm. Code
Implementation of the automated license issuance system

Board Order No. CS-17-98
Clearinghouse Rule No. 98-044

Statement of Need

The 1997-99 biennial budget implemented a new automated license issuance system (ALIS) effective January 1, 1999. The budget also authorizes the Department to promulgate rules regarding issuance of approvals under the new automated system, including parks vehicle admission receipts and hunting, fishing and trapping approvals. The rules address:

1. Which agents are authorized to issue which approvals;
2. Application, eligibility and contract requirements for license agents;
3. License agent procedures for issuing approvals;
4. Applicant signature requirements and procedures for verifying residency;
5. How stamp privileges are conferred under the automated system; and
6. Circumstances under which a person may purchase an approval for another person.

Modifications as a Result of Public Hearing

No modifications were made as a result of public hearing. However, because the rule development schedule required that the rule be drafted prior to completion of design negotiations with the ALIS contractor, the Department had to make some recent changes in the rule draft after the hearing was held. These changes are technical ones based on recent ALIS design modifications and include addition of a section allowing license sales by telephone and revising the titles and functions of the application forms for an approval.

Appearances at the Public Hearing and Their Position

No one appeared at the public hearing.

Response to Legislative Council Rules Clearinghouse Report

The comments and recommendations were accepted. In response to comment 2.b., the licenses in s. NR 8.02(4) were intentionally placed in a separate subsection because they are nonrecreational licenses.

Final Regulatory Flexibility Analysis

See attached sheet.

Small Business Analysis
Automated License Issuance System
NR 8 and NR 45

Compliance and Reporting Requirements. Under the current manual license distribution system, the Department of Natural Resources has approximately 2,000 license sales agents statewide, including county clerks. Retail agents are appointed by county clerks who are responsible for distributing approvals to the agents and collecting license sales revenue on behalf of the Department. The switch from a manual to an automated license distribution system will make some changes in license agent contracts and in how license agents report their sales and submit their revenues. The two primary changes are: (a) Retail agents will no longer be appointed by county clerks but will have a direct contractual relationship with DNR. (b) The bonding requirement for retail agents will be eliminated, and agents will be required to pay a one-time, refundable deposit for the hardware (a computer terminal and two printers). Current license agents who continue with the new system will pay a discounted security deposit of \$250, and new agents will pay the full \$500 deposit. Although not required, a few retail agents may find they need to add another phone line if they already have a high volume of other telecommunication purposes, such as FAX and credit card sales, such that the current phone line does not have the capacity to add the dial up function to connect with the point-of-sale server.

Compliance and Reporting Schedule. Under the current manual license distribution system, license agents are required to remit all revenues from license sales to the county clerk on a monthly basis. The automated system will require a weekly remittance cycle.

Can compliance and reporting requirements be consolidated or simplified? The automated license issuance system will significantly simplify the current compliance and reporting requirements. (a) License agents will no longer be required to maintain a large inventory of blank paper approvals. Licenses and backtags will be printed on the terminal printer as they are sold. (b) The weekly remittance of revenues will be done through an electronic funds transfer from the agent's bank rather than a direct payment prepared by the agent. (c) The computer will process all license transactions centrally, making it easier for agents to settle and manage their accounts. Agents will be given weekly or biweekly reports of sales, fees earned and remittance amounts due. (d) Agent terminals will be able to receive messages or bulletins that the DNR needs to share with agent locations.

Can small businesses be exempted from the requirements of the rule? Small businesses cannot be exempted from the requirements of the rule because the key function of the rule is to describe how businesses will function as license sales agents.

Initial Regulatory Flexibility Analysis. The only businesses affected by this rule are those who wish to become license sales agents for the Department of Natural Resources.

**ORDER OF THE STATE OF WISCONSIN NATURAL RESOURCES BOARD AMENDING
AND REPEALING AND RECREATING RULES**

The Wisconsin Natural Resources Board proposes an order to amend s. NR 45.12(1)(a), (c) (intro.), and (d) (intro.) and to repeal and recreate NR 8 relating to implementation of the automated license issuance system.

CS-17-98

Analysis Prepared by the Department of Natural Resources

Statutory authority: ss. 27.01(7)(e), 27.01(7m)(c), 27.01(8m)(c), 29.09(3m)(a), 29.09(3r)(c) & (d), Stats.

Statutes interpreted: ss. 27.01(7)(e), 27.01(7m)(c), 27.01(8m)(c), 29.09(1m), 29.09(3m)(a), 29.09(3r)(c) & (d), 29.102(1)(a), 29.1025(1)(a), Stats.

In this order:

Section 1. Standards and procedures for the automated license issuance system - defines which license agents are eligible to sell which recreational approvals and vehicle admission receipts, how persons become approved license agents, required procedures for license agents, signature requirements for Chapter 29 approvals, conditions under which a person can purchase a Chapter 29 approval for another person, and how stamp privileges are displayed.

Section 2. Methods of displaying the vehicle admission receipt - describes how the vehicle admission receipt is to be displayed.

SECTION 1. Chapter NR 8 is repealed and recreated to read:

Chapter NR 8

**STANDARDS AND PROCEDURES FOR THE AUTOMATED LICENSE
ISSUANCE SYSTEM**

NR 8.01 Definitions. In this chapter, (1) "Approval" means any type of approval or authorization issued by the department under ch. 29, Stats., through the automated license issuance system, including any license, permit, certificate, card, stamp, tag, purchase receipt or customer identification number, unless the context requires a different meaning.

(2) "Automated license issuance system" means a network of computer terminals at license agents that provide for the issuance of licenses and other approvals.

(3) "County clerk" means a county clerk as defined in s. 59.20, Stats., who has accepted an appointment as an agent of the department pursuant to s. 29.09(3r)(a)2, Stats., to issue approvals.

(4) "License agent" means a person who is not an employe of the department but who is appointed pursuant to s. 29.09(3r), Stats., to issue approvals.

(5) "Retail agent" means a person who is not a county clerk and not an employe of the department but who is appointed pursuant to s. 29.09(3r)(a)3, Stats., to issue approvals.

(6) "Service provider" means the business firm to which the department has awarded a contract to develop, test and operate the automated license issuance system.

NR 8.02 Authorization to issue approvals. (1) All license agents shall issue daily vehicle admission receipts and annual vehicle admission receipts under s. 27.01(7)(d), Stats.

(2) All license agents shall issue all recreational fishing and hunting licenses and stamps in ch. 29, Stats., except:

(a) *Issued only by the department and county clerks.* The following licenses shall be issued only by the department and county clerks:

1. Disabled fishing license under s. 29.145(1c), Stats.
2. Veteran's disabled fishing license under s. 29.145(1c)(c), Stats.
3. Duplicate senior citizen recreation card under s. 29.095, Stats.
4. Military fishing license under s. 29.09(12)(b), Stats.
5. Military small game license under s. 29.09(12)(c), Stats.

(b) *Issued only by the department.* Class A bear hunting licenses under s. 29.1085(2)(bg), Stats., shall be issued only by the department.

(3) All license agents shall issue the following approvals: antlerless bonus deer permits under s. 29.1075, Stats.; trapping licenses under s. 29.13, Stats.; wild rice harvest license under s. 29.544, Stats.; and ginseng harvest license under s. 29.547, Stats.

(4) Only county clerks and department offices shall issue slat net licenses under s. 29.343, Stats.; set or bank pole licenses under s. 29.36, Stats.; and set line licenses under s. 29.37, Stats.

NR 8.03 License agent application; eligibility; and contract. (1) **APPLICATION FORMS.** (a) Any person or county clerk wishing to become a license agent shall submit a written application to the department on forms provided by the department. The department shall review the application and determine whether the applicant shall be appointed as a license agent.

Note: License agent application forms are available from the Department of Natural Resources Bureau of Customer Service and Licensing, 101 South Webster, P.O. Box 7924, Madison, Wisconsin 53707.

(b) Applications to become a license agent shall be accepted at any time during the year.

(2) **ELIGIBILITY CRITERIA.** (a) Pursuant to s. 29.09(3r), Stats., all county clerks are eligible to become license agents.

(b) All persons who were license agents on December 31, 1998 are eligible to become a license agent if they submit an application to the department no later than June 30, 1999.

(c) All license agent applicants not included in par. (a) or (b) shall be considered for approval by the department. Factors which may be considered for approval of an application include, but are not limited to the following:

1. Need for a license vendor in the area.
2. Convenience of location of the establishment.
3. Potential sales volume.
4. Amount and timing of hours open for business.
5. Stability of the business and personal and financial standing of the applicant.

(d) License agent applications that are denied shall be retained for a period of 2 years and reconsidered if another license agent is needed in that area. Applications shall also be reconsidered at the request of the applicant after a 6-month waiting period.

(3) **CONTRACT AGREEMENTS.** (a) All license agent applicants are required to sign a written contract with the department in order to become a license agent. The contract shall include but is not limited to accountability, record keeping, and payment methods.

(b) All license agents are required to enter into an agreement with the service provider covering maintenance and support of the electronic license issuance equipment.

(c) The department may rescind the license agent status of any license agent who fails to comply with all provisions of the contract.

NR 8.04 Forms of approvals. (1) **APPLICATION AND APPROVAL REQUIREMENTS.** (a) An applicant shall provide appropriate identification and update all application information as indicated by the department's license issuance handbook when applying for an approval. In addition, an applicant shall sign the purchase receipt attesting to his or her residency and that his or her privileges for all approvals issued have not been revoked by a court of law.

Note: The department's license issuance handbook is available from the Department of Natural Resources' Bureau of Customer Service and Licensing, 101 South Webster, P.O. Box 7924, Madison, Wisconsin 53707.

(b) A first-time applicant through the automated license issuance system, who has not been issued a customer identification number, shall complete and sign an application for a customer identification number. The applicant shall carry the completed application when exercising privileges authorized by the approval.

(c) An applicant shall sign the issued approval, if required by the department on the approval form, before exercising any privileges authorized by the approval.

(d) Pursuant to s. 29.09(3m) and (3r), Stats., the license agent is not required to sign the approval.

(2) **STAMPS AND THEIR FACSIMILES.** (a) Privileges conferred by the purchase of a waterfowl stamp under s. 29.102, Stats., turkey stamp under s. 29.103, Stats., pheasant stamp under s. 29.1025, Stats., trout stamp under s. 29.149, Stats., or salmon stamp under s. 29.15, Stats., shall be in the form of a written authorization imprinted on the issued approval.

(b) Persons purchasing privileges conferred under par. (a) may obtain a stamp at no additional charge from the department by doing one of the following:

1. Presenting the approval in person at a department service center.

2. Mailing a written request to the department at the end of the license year which includes the expired license and a handling fee to cover mailing and handling costs as described in s. 29.09(9r), Stats., and in s. NR 19.02.

NR 8.05 Telephone issuance of approvals. (1) The department may issue approvals by telephone according to procedures described in the department's telephone license issuance manual.

Note: The department's telephone license issuance manual is available from the Department of Natural Resources' Bureau of Customer Service and Licensing, 101 South Webster, P.O. Box 7924, Madison, Wisconsin 53707.

(2) Applicants who receive a telephone issued approval shall carry the approval authorization number while lawfully exercising privileges under the approval, until receiving the printed approval in the mail.

NR 8.06 Purchasing a ch. 29, Stats., approval for another person. (1) An individual may purchase an approval for another person who is not required to complete and submit an application for a customer identification number, pursuant to s. NR 8.04(1)(b). The purchaser shall submit an application form completed and signed by the applicant. A signed purchase receipt under s. NR 8.04(1)(a) is not required.

(2) A person purchasing an approval for another person may purchase the approval from any license agent.

NR 8.07 Variances. The department may approve a variance from nonstatutory requirements of this chapter upon request when the department determines that the variance is essential to accomplish the objectives of the automated license issuance system and where special circumstances make the variances in the best interest of the program. Before granting a variance, the department shall take into account factors such as good cause and circumstances beyond the control of the requester.

Section 2. NR 45.12(1)(a), (c) (intro.) and (d) (intro.) are amended to read:

NR 45.12 Fees and charges. (1) **ADMISSION FEES.** (a) No person may operate or park any motor vehicle or trailer or semitrailer in the Bong state recreation area, in the Point Beach state forest, in developed recreational areas in other state forests as designated in par. (b), in designated use zones within recreation areas established under s. 23.091 (3), Stats., or in any state park or roadside park except those designated in par. (c) and those specified in s. 27.01 (7) (c), Stats., unless the vehicle ~~has directly and completely affixed by its own adhesive a vehicle admission sticker~~ displays a vehicle admission receipt in the manner specified by the department on the receipt or at the place of purchase.

(c) (intro.) The following areas are determined by the department as state parks in which vehicle admission ~~stickers~~ receipts are not required.

(d) (intro.) The following state parks, recreation areas and forest recreation areas are designated by the department as areas in which vehicle admission ~~stickers~~ receipts are required, except as otherwise provided, from January 1 through December 31:

The foregoing rule was approved and adopted by the State of Wisconsin Natural Resources Board on June 24, 1998.

The rule shall take effect on January 1, 1999 following publication in the Wisconsin administrative register as provided in s. 227.22(2) (intro.), Stats.

Dated at Madison, Wisconsin _____

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By _____
George E. Meyer, Secretary

(SEAL)