

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

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This version of the draft specifies, as requested, that the contractor advisory committee created in the draft, will cease to exist one year after the date on which rules are promulgated. You also requested that the draft specify that the exception to the registration requirement applies to a person who performs "his or her own" construction work. Because the draft already specifies that the exception applies to a person who performs construction work on real property owned by that person, I have not made that change. Please let me know if I have misunderstood your intent.

Under current law, certain persons licensed by the Department of Commerce (department) or by other state agencies must provide a social security number and, under certain circumstances, a federal employer identification number to the department. The department then provides this information to the Department of Revenue and the Department of Workforce Development. If the Department of Revenue determines from this information that the person is liable for delinquent taxes, or if the Department of Workforce Development determines that the person is delinquent in the payment of child support or certain other court-ordered payments, the Department of Commerce may not issue the license. In this version of the draft, I have added contractor and subcontractor registrations to the list of licenses that are subject to this restriction. Is this O.K.?

Also, under current law, the department must fix and collect fees for certain programs that equal the cost of providing certain services. See s. 101.19 (1), stats. I have added contractor and subcontractor registration fees to this list. See s. 101.19 (1) (k), as created in the draft. Is this O.K.?

As you know, the draft specifies that a contractor or subcontractor may not coerce or induce a person to falsely declare that he or she is an independent contractor. Upon further review of this provision, I would suggest that the draft define the term "independent contractor," especially given that the term "contractor" is already a defined term under the draft.

Also, the draft has a delayed effective date of approximately 18 months after the date of publication. You might want to consider extending this date in the event that the Department of Commerce is unable to complete the rule-making process by that date.

Please feel free to contact me if you have any questions with regard to this draft.

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