

2005 DRAFTING REQUEST

Bill

Received: **09/27/2005**

Received By: **rkite**

Wanted: **As time permits**

Identical to LRB:

For: **David Zien (608) 266-7511**

By/Representing: **Brian Deschane**

This file may be shown to any legislator: **NO**

Drafter: **rkite**

May Contact:

Addl. Drafters:

Subject: **Buildings/Safety - misc.**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Zien@legis.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Continuing education requirements for buiding contractors

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?							
/P1	rkite 10/18/2005	csicilia 10/21/2005	pgreensl 10/21/2005	_____	sbasford 10/21/2005		S&L
/1	rkite 11/18/2005	csicilia 12/05/2005	rschluet 12/05/2005	_____	lnorthro 12/05/2005	mbarman 01/10/2006	

FE Sent For: **01/09/2006.**

↳ ("1")

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/1	rkite 11/18/2005	csicilia 12/05/2005	rschluet 12/05/2005	_____	lnorthro 12/05/2005		

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<END>

"1/1" 1/9/06
Brian

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FE Sent For:

↑ gjs 12/5
05

1255

<END>

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--------------	----------------	-----------------	--------------	----------------	------------------	-----------------	-----------------

/? rkite

10/21 gjs
05

10/21
rkite

10/21
rkite

FE Sent For:

1/1

<END>

Kite, Robin

From: Deschane, Brian
Sent: Tuesday, September 27, 2005 11:31 AM
To: Kite, Robin
Subject: Continued Education drafting instructions

Attachments: drafting instructions.doc

Robin,

Attached please find the instructions the Wisconsin Builders Association has submitted re: the continued education bill Sen. Zien wishes to have drafted.

After you have had sufficient time to review the material, I will set up a meeting between yourself, Senator Zien, and the Builders to iron out the details. Please contact me before then if you have any immediate questions. Thank you in advance



drafting
instructions.doc (36 .

for your help.

Brian J. Deschane
Office of Senator Dave Zien
brian.deschane@legis.state.wi.us

**Continuing Education for Contractors
DRAFTING REQUEST
Dated September 27, 2005**

Requested by: Jerry Deschane, Wisconsin Builders Association. Contact (608) 242-5155, ext. 15 or email jdeschane@wisbuild.org.

The Wisconsin Builders Association is requesting a bill draft that requires contractors to obtain continuing education as a condition of being able to obtain a building permit in Wisconsin. This proposal would build off existing law with regard to contractor education (ss. 101.657) and certification (ss. 101.654).

The Wisconsin Builders Association seeks legislation that does all of the following:

- ✓ 1) Applies to all persons who obtain a certificate of financial responsibility under current law ss.101.654.

Background: The intent of this provision is two-fold. First, we use the existing enforcement and recordkeeping mechanism of 101.654. Second, this will encompass not just "builders," but remodelors and specialty contractors.

- ✓ 2) Requires all certified contractors to take 12 hours of continuing education every two years

Background: Self-explanatory.

- ✓ 3) Requires contractors who do not have a certificate of financial responsibility on the effective date of the bill to take 12 hours of continuing education prior to obtaining certification.
- ✓ 4) Requires the contractors described in 3) to take a prescribed set of classes, while all other contractors may choose from a variety of classes
- ✓ 5) Requires that only contractors described in 3) are required to pass a test in each class to demonstrate competency

Background: The intent of these three provisions is to establish minimum standards for persons who are new to the industry, and to "grandfather," to a limited extent, existing contractors.

- ✓ 6) Establishes a curriculum committee to certify classes. Members of the curriculum committee shall be: appointed by the secretary; hold a valid certification under 101.654; have demonstrated involvement and interest in continuing education for contractors.

- ✓ 7) The education shall be that described in 101.657 (1) and (2).

Background: These two provisions describe how the department shall establish and certify its curriculum. 7) connects the existing contractor education program to this education requirement.

- ✓ 8) Certification under 101.654 may be revoked or suspended for the following (in addition to current law): failure to complete the required number of continuing

education hours; building a home without obtaining a building permit; conviction of a crime related to the construction of homes; exhibiting a pattern of bankruptcies.

Background: Current law requires the department to suspend a certification for failure to maintain specified insurances requirements. These provisions are in addition to that law.

- ✓ 9) The department shall suspend or revoke the license of a building inspector licensed under ss. 101.63(2) if that building inspector knowingly issues a building permit to an uncertified contractor.
- ✓ 10) Contractors and building inspectors continuing education must include at least one joint meeting or education seminar

Background: These two provisions recognize that the policing entity (the building inspector) is responsible to make sure that uncertified contractors are not allowed to obtain a building permit. In addition, provision 10) requires builders and building inspectors to collaborate on at least one educational opportunity. The purpose of this provision is the facilitate dialogue between builders and inspectors.

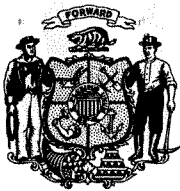
- ✓ 11) Once suspended or revoked, contractor must immediately surrender certification card or face financial penalties.

Background: Self-explanatory.

- ✓ 12) Homeowner must sign an acknowledgement of liability if they choose to take out a building permit themselves.

Background: This would be an expansion of current ss. 101.65(1r), which requires a homeowner to be made aware of his/her potential liability exposure for hiring an uncertified contractor.

- ✓ 13) Is effective January 1, 2007.



Wanted 10/21

State of Wisconsin
2005 - 2006 LEGISLATURE

RM run
PI

LRB-3739/3

RNK:.....

cjs

D-Note

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

New CRs ✓
SA ✓
+ reb ✓

gen. cat

insert

1 AN ACT ...; relating to: continuing education requirements for building
2 contractors.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version of this draft.

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

✓
Insert
1-3 →

3 SECTION 1. 101.627 of the statutes is created to read:
4 **101.627 Contractor education council; duties.** The contractor education
5 council shall recommend to the department courses that meet continuing education
6 requirements for building contractors under s. ~~101.656~~ 101.63(2r)

7 SECTION 2. 101.63 (2) of the statutes is amended to read:
8 101.63 (2) Adopt rules for the certification, including provisions for suspension
9 and revocation thereof, of inspectors for the purpose of inspecting building

specified in the rules promulgated by the department

1 construction, electrical wiring, heating, ventilating, air conditioning and other
 2 systems, including plumbing, as defined in s. 145.01 (10), of one- and 2-family
 3 dwellings under sub. (1). The rules shall specify that the department may suspend
 4 or revoke the certification of an inspector under this subsection for knowingly issuing
 5 a building permit to a contractor who is not in compliance with s. 101.654. Persons
 6 certified as inspectors may be employees of the department, a city, village, town,
 7 county or an independent inspection agency. The department may not adopt any rule
 8 which prohibits any city, village, town or county from licensing persons for
 9 performing work on a dwelling in which the licensed person has no legal or equitable
 10 interest.

11 History: 1975 c. 404; 1979 c. 221; 1981 c. 20; 1983 a. 27; 1983 a. 189 s. 329 (8); 1987 a. 343; 1993 a. 26, 126, 414; 1999 a. 9, 135; 2003 a. 90; 2005 a. 25.

12 **SECTION 3.** 101.63 (2r) of the statutes is created to read:

13 101.63 (2r) The department shall promulgate rules establishing requirements
 14 for continuing education courses for contractors under s. 101.656. The rules shall
 require all of the following:

- 15 (a) That a person who is required to hold a certificate of financial responsibility
 16 under s. 101.654 complete at least 12 hours of continuing education courses during
 17 the 2 calendar years preceding the calendar year in which the person applies for a
 18 building permit. The rules may specify different course requirements for persons
 19 who hold a certificate of financial responsibility on the effective date of this
 20 paragraph [revisor inserts date] and for ^{a persons} those who do not hold a certificate of
 21 financial responsibility on the effective date of this paragraph [revisor inserts
 22 date].

who is required to hold a certificate of financial responsibility under s. 101.654, but

1 (b) That the ~~12 hours of required~~ continuing education courses required under
2 par. (a) include at least one professional meeting or educational seminar designed for
3 both building contractors and building inspectors. ✓

4 (c) That the continuing education courses required under par. (a) include
5 courses on construction standards and inspection requirements under this
6 subchapter and under rules promulgated under this subchapter and on business
7 practices for building contractors. ✓

0.....Δ [revisor insert date],

8 (d) That a person who does not hold a certificate of financial responsibility on
9 the effective date of this paragraph pass an examination ^{on the continuing education}
_{courses required under}
_{par. (a)}

10 SECTION 4. 101.65 (1m) of the statutes is amended to read:

11 101.65 (1m) May not issue a building permit to a person who is required to be
12 certified under s. 101.654 unless that person, on applying for a building permit,
13 produces a certificate of financial responsibility issued by the department showing
14 that the person is in compliance with s. 101.654 ^{completion of the} and proof of compliance with
15 continuing education requirements under s. 101.656. 101.63(2r)

History: 1975 c. 404; 1979 c. 221 s. 2025 (12); 1979 c. 355 s. 238; 1981 c. 20; 1993 a. 126; 1999 a. 150 s. 672.

16 SECTION 5. 101.65 (1r) (intro.) of the statutes is amended to read:

17 101.65 (1r) (intro.) Shall ~~provide~~ require an owner who applies for a building
18 permit with to sign a statement advising the owner that if the owner hires a
19 contractor to perform work under the building permit and the contractor is not
20 bonded or insured as required under s. 101.654 (2) (a), the following consequences
21 might occur:

History: 1975 c. 404; 1979 c. 221 s. 2025 (12); 1979 c. 355 s. 238; 1981 c. 20; 1993 a. 126; 1999 a. 150 s. 672.

22 SECTION 6. 101.654 (5) of the statutes is created to read:

23 101.654 (5) (a) The department may revoke or suspend a certificate of financial
24 responsibility if any of the following apply:

specified in the rules promulgated by the department

1 1. The holder fails to ~~comply with~~ ^{complete} the continuing education requirements under
 2 s. ~~101.656~~ ^{101.63(2r)}

3 2. The holder engages in the construction of a dwelling without a permit
 4 required ~~by the department~~ ^{under this chapter or under rules promulgated}

5 3. The holder is convicted of a crime related to the construction of a dwelling.

6 4. The holder has been adjudged bankrupt on 2 or more occasions.

7 (b) A person whose certificate of financial responsibility is revoked or
 8 suspended shall surrender the certificate to the department upon revocation or
 9 suspension.

10 SECTION 7. 101.656 of the statutes is created to read:

11 **101.656 Contractor continuing education.** No person who is required to
 12 hold a certificate of financial responsibility under s. 101.654 may obtain a building
 13 permit unless the person furnishes to the issuer of the permit proof of completion of
 14 the continuing education requirements specified in the rules promulgated by the
 15 department under s. 101.63 (2r).

16 SECTION 8. Effective date.

17 (1) This act takes effect on January 1, 2007. ✓

18 (END)

specified in the rules promulgated by the department ✓

**2005-2006 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3739/Pins.
RNK:.....

✂
INSERT 1-3

SECTION 1. 15.157 (5) of the statutes is created to read:

15.157 (5) CONTRACTOR EDUCATION COUNCIL. There is created in the department of commerce a contractor education council consisting of 3 members who are building contractors holding certificates of financial responsibility under s. 101.654 and who are involved in, or who have demonstrated an interest in, continuing education for building contractors. The members shall be appointed by the secretary of commerce for 3-year terms.

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

PI
LRB-3739/7dn

RNK:.....
/

gs

As requested, I have prepared this draft in preliminary form to give you an opportunity to make revisions before the draft is prepared in final form.

Please note that in accordance with your instructions, the draft specifies that the Department of Commerce may revoke or suspend a building inspector's certification if the inspector knowingly issues a building permit to a contractor who does not have a certificate of financial responsibility. I think that this provision will need to be revised in the next version of the draft because under current law a municipality or the department actually issues the permit, not the inspector.

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

Robin N. Kite
Legislative Attorney
Phone: (608) 266-7291
E-mail: robin.kite@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3739/P1dn
RNK:cjs:pg

October 21, 2005

As requested, I have prepared this draft in preliminary form to give you an opportunity to make revisions before the draft is prepared in final form.

Please note that in accordance with your instructions, the draft specifies that the Department of Commerce may revoke or suspend a building inspector's certification if the inspector knowingly issues a building permit to a contractor who does not have a certificate of financial responsibility. I think that this provision will need to be revised in the next version of the draft because under current law a municipality or the department actually issues the permit, not the inspector.

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

Robin N. Kite
Legislative Attorney
Phone: (608) 266-7291
E-mail: robin.kite@legis.state.wi.us

11-1-05

meeting w/ Jerry Deschane
& Brian Deschane @
Sen Zien's office

Put financial responsibility + new
requirements in one provision

can call -

Ron Bucholy at
Dept. Commerce

Wisconsin Builders Association
PROPOSED CHANGES TO LRB 3739/P1
Education requirements for building contractors
November 1, 2005

LRB 3739 requires all persons who are required to be certified under 101.654 to obtain 12 hours of continuing education every two years. This document suggests changes to the draft. This document was prepared by the Wisconsin Builders Association for consideration by State Senator Dave Zien. If you have questions about this document, contact Jerry Deschane at the Wisconsin Builders Association (608-242-5155, ext. 15 or email jdeschane@wisbuild.org).

General

- ✓ 1) The draft treats contractor education and contractor financial responsibility as two separate programs. Our intent was to add the education programming to the existing contractor financial responsibility requirements. We will identify specific sections of the bill that need to be modified to accomplish this.
- ✓ 2) Throughout the draft, the term "dwelling" is used, but in current law, the term is "one- and 2-family dwellings." It should be consistent.

no - see 101.61(1)

Relating clause

- ✓ 3) Change the relating clause to "certification requirements for one- and two-family building contractors." The bill deals with more than "continuing education requirements."

fix

Section 1

- ✓ 4) This section creates the contractor education council. No changes recommended, but see Sections 2 and 8. In light of those sections, perhaps it would be more appropriate to rename this the contractor certification council.

Section 2

- ✓ 5) This section defines the duties of the contractor education council. Our intent is to *merge* the existing contractor financial responsibility statute with contractor education (See Section 8). That makes the contractor financial responsibility council redundant. Therefore, we recommend (and the Commerce department agrees) that 15.157(4) and 101.625 be deleted, and the duties of the contractor financial responsibility council be added to Section 2 as additional duties of the contractor education council.

repeal old council

Section 3 and October 21 Drafter's Note

- ✓ 6) The drafter is correct that municipalities are responsible for the issuance of building permits. Therefore, the proposed language in this section must be modified. We recommend the new language read as follows:

"The rules shall specify that the department may suspend or revoke the certification of an inspector under this subsection for knowingly issuing a building permit, conducting an inspection, or conducting a final inspection on a building if the inspector is aware that the contractor is not in compliance with 101.654."

authorizing the issuance of

Redraft as / 1

7) NOTE: We need to make sure that this provision does not apply to an inspection of any other type of building than those covered by the Uniform Dwelling Code. its OK

Section 4

ask about this

I think this is clear try to make better

8) Is it clear that this is an *ongoing* education requirement, or should the language at the bottom of page two be "tweaked"?

this may be considered so far but allow for recipi.

9) The course language on page 3, lines 8-11 is more complicated than necessary. We recommend revising it to read: "(c) That the continuing education courses required under par. (a) include courses established under 101.657 and under rules promulgated under this subchapter."

but 101.657 does not establish courses → new law

OK

NOTE: The department needs flexibility to address issues such as reciprocity with Michigan and Minnesota contractor education programs. *and other programs*

this will give dept authority

10) Paragraph (d) on page 3, lines 12-15 needs to more clearly state that these are requirements for initially-certified contractors only (including the exam). OK

11) This section of the bill should also specify that the development of the examination for initially-certified contractors is the job of the department under the advice of the contractor education council.

12) The draft must be explicit that persons who have a certificate prior to the effective date of the bill are NOT required to take an examination. This must be stated, either in statutes or in a note in the bill file. This is OK in bill

13) The draft should give the department the ability to establish different requirements for a person who has been certified in the past but whose certification has lapsed. need new provision for this - sub(e)

Section 5

I think this is still needed

14) This Section of the bill is not necessary if Section 8 is revised as a merger into the existing contractor financial responsibility requirements (See Section 8 below).

15) (Whether this Section is removed from the bill or not) Modify the language of 101.65(1m) to give the department the flexibility to come up with an alternative method of compliance assurance (for example, some states verify compliance through the use of an on-line database) other than producing a certificate.

give flexibility for prov by other means - e.g. online certification

16) Delete the word "continuing" from line 21 on page 3 and elsewhere. *Wagner*

Section 6

17) This is the homeowner signature provision. No changes required. The department is comfortable with this provision.

no change needed

Section 7

- 18) If we merge the education requirements with contractor financial responsibility, the language on lines 7-8 of page 4 needs to be modified. *OK*
- 19) Delete the language of page 4, lines 13-15 requiring the surrender of a certificate. *OK*

Section 8

- 20) Instead of creating a new subsection, we would like to make education one of the requirements of 101.654 (Contractor financial responsibility) You would probably then re-name contractor financial responsibility something along the lines of "Contractor Certification." *OK*

Section 9

- 21) There need to be two effective dates; one for the department to establish the council and begin certifying classes, and a later date by which contractors need to comply with the certification requirement. The department's "normal" procedure when a new credential is created is to defer the compliance requirement for one credential cycle. In this case, that would mean the law becomes effective 1/1/07 and contractors would have to complete their continuing education requirement by 1/1/09.

Kite, Robin

From: Jerry Deschane [JDeschane@wisbuild.org]
Sent: Tuesday, November 15, 2005 10:38 AM
To: Deschane, Brian; Kite, Robin
Subject: Additional changes to LRB 3739 regarding education for contractors
Attachments: More changes to LRB 3739P1.doc

Good morning.

Last week, I met with my government affairs committee to discuss the draft that you are preparing for us. I have also had conversations with the department of commerce. As a result of both meetings, I am requesting two additional changes to the draft. The first change relates to joint builder-inspector education seminars and the second changes the renewal of contractor financial responsibility from annual to biennial.

I have called your office (Brian) to discuss the basis for this request. I will stop by some time today.

I hope that Senator Zien is willing to direct these changes be made.

Thanks for your help.

Jerry

Jerry Deschane, CAE
Deputy Executive Vice President
Wisconsin Builders Association
jdeschane@wisbuild.org
888-285-9066, x15

Visit our web site: www.wisbuild.org

If you received this email in error, or if you no longer wish to receive commercial email communications from the Wisconsin Builders Association, please [click here](#) and include in the body of the email message your name, company name and the email address to which this message was sent. ****Please note that this will remove you from ALL commercial email communications from the Wisconsin Builders Association.**** Thank you.

11-16-05

Per Brian Deschane -
make changes per above

11/15/2005

Wisconsin Builders Association
ADDITIONAL PROPOSED CHANGES TO LRB 3739/P1
Education requirements for building contractors
November 16, 2005

In a previous memo, we discussed 21 items relative to LRB 3739. Last week, the Government Affairs Committee of the Wisconsin Builders Association directed me to request two more.

This document was prepared by the Wisconsin Builders Association for consideration by State Senator Dave Zien. If you have questions about this document, contact Jerry Deschane at the Wisconsin Builders Association (608-242-5155, ext. 15 or email jdeschane@wisbuild.org).

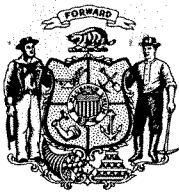
Builder-inspector training

- 22) Section 4, specifically the language on page 3, lines 5 through 7, requires the continuing education courses to include at least one "professional meeting or educational seminar designed for both building contractors and building inspectors." The language does not explicitly require the builder or the inspector to attend such a seminar; just that such a seminar must be available.

We would like the draft to state that both contractors and inspectors **MUST ATTEND** at least one such seminar as part of their continuing education requirement.

Renewal date

- 23) The draft does not affect the renewal date of contractor financial responsibility (currently dealt with in ss. 101.654(3)). The department would like, and we support, changing the renewal from annual to biennial. It appears that simply replacing the words "one year" with "two years" accomplishes this change.



2004
State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-3739/P1

1
RNK:cjs:pg

TODAY if possible

stays

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

SAV
x-1-1efsv
newCRSV

Reger cat

and certification
of building
inspectors

1 AN ACT *to amend* 101.63 (2), 101.65 (1m) and 101.65 (1r) (intro.); and *to create*
2 15.157 (5), 101.627, 101.63 (2r), 101.654 (5) and 101.656 of the statutes;
3 **relating to:** continuing education ^{and certification} requirements for building contractors.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version of this draft.

Insert
Analysis

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

Insert
1-4

4 **SECTION 1.** 15.157 (5) of the statutes is created to read:
5 15.157 (5) CONTRACTOR EDUCATION COUNCIL. There is created in the department
6 of commerce a contractor ~~education~~ ^{certification} council consisting of 3 members who are building
7 contractors holding certificates of financial responsibility under s. 101.654 and who
8 are involved in, or who have demonstrated an interest in, continuing education for
9 building contractors. The members shall be appointed by the secretary of commerce
10 for 3-year terms.

SECTION 2. 101.627 of the statutes is created to read:

~~101.627 Contractor education council; duties. The contractor education council shall recommend to the department courses that meet continuing education requirements specified in the rules promulgated by the department under s. 101.63 (2r).~~

SECTION 3. 101.63 (2) of the statutes is amended to read:

INS
7/2/06

101.63 (2) Adopt rules for the certification, including provisions for suspension and revocation thereof, of inspectors for the purpose of inspecting building construction, electrical wiring, heating, ventilating, air conditioning and other systems, including plumbing, as defined in s. 145.01 (10), of one- and 2-family dwellings under sub. (1). The rules shall specify that the department may suspend or revoke the certification of an inspector under this subsection for knowingly issuing a building permit to a contractor who is not in compliance with s. 101.654. Persons certified as inspectors may be employees of the department, a city, village, town, county or an independent inspection agency. The department may not adopt any rule which prohibits any city, village, town or county from licensing persons for performing work on a dwelling in which the licensed person has no legal or equitable interest.

SECTION 4. 101.63 (2r) of the statutes is created to read:

101.63 (2r) Promulgate rules establishing requirements for continuing education courses under s. 101.656. The rules shall require all of the following:

~~(a) That a person who is required to hold a certificate of financial responsibility under s. 101.654 complete at least 12 hours of continuing education courses during the 2 calendar years preceding the calendar year in which the person applies for a building permit. The rules may specify different course requirements for persons~~

1 who hold a certificate of financial responsibility on the effective date of this
2 paragraph [revisor inserts date], and for persons who do not hold a certificate of
3 financial responsibility on the effective date of this paragraph [revisor inserts
4 date].

5 ~~(b) That the continuing education courses required under par (a) include~~ ^{Attendance}
6 ~~at least one~~ ^{or more} professional meeting or educational seminar ^s designed for both building
7 contractors and building inspectors. ^{during the 2 calendar years preceding the}
^{calendar year in which the person applies}
^{for a permit}

8 ~~(c) That the continuing education courses required under par (a) include~~
9 ~~courses on construction standards and inspection requirements under this~~
10 ~~subchapter and under rules promulgated under this subchapter and on business~~
11 ~~practices for building contractors.~~

12 ~~(d) That a person who is required to hold a certificate of financial responsibility~~
13 ~~under s. 101.654, but who does not hold a certificate of financial responsibility on the~~
14 ~~effective date of this paragraph [revisor inserts date], pass an examination on the~~ ^{successful completion of}
15 ~~continuing education courses required under par (a).~~ ^{s. 101.654}

Insert
3-15

16 SECTION 5. 101.65 (1m) of the statutes is amended to read:

17 101.65 (1m) May not issue a building permit to a person who is required to be
18 certified under s. 101.654 unless that person, on applying for a building permit,
19 produces a certificate of financial responsibility issued by the department showing
20 that the person is in compliance with s. 101.654 and proof of completion of the
21 continuing education requirements specified in the rules promulgated by the
22 department under s. ~~101.63(2r)~~ 101.654(1m)

23 SECTION 6. 101.65 (1r) (intro.) of the statutes is amended to read:

24 101.65 (1r) (intro.) Shall ~~provide~~ require an owner who applies for a building
25 permit with to sign a statement advising the owner that if the owner hires a

1 contractor to perform work under the building permit and the contractor is not
2 bonded or insured as required under s. 101.654 (2) (a), the following consequences
3 might occur:

Insert
4-3

4 **SECTION 7.** 101.654 (5) of the statutes is created to read:

5 101.654 (5) ~~(a)~~ The department may revoke or suspend a certificate of financial
6 responsibility if any of the following apply:

7 ~~1/~~ ^(a) The holder fails to ~~complete~~ ^{comply with} the continuing education requirements specified
8 in the rules promulgated by the department under s. ~~101.63 (2r)~~ ^{under subs. (i) and (1m)}.

9 ~~2/~~ ^(b) The holder engages in the construction of a dwelling without a permit
10 required under this chapter.

11 ~~3/~~ ^(c) The holder is convicted of a crime related to the construction of a dwelling.

12 ~~4/~~ ^(d) The holder has been adjudged bankrupt on 2 or more occasions. ✓

13 (b) A person whose certificate of financial responsibility is revoked or
14 suspended shall surrender the certificate to the department upon revocation or
15 suspension.

16 **SECTION 8.** 101.656 of the statutes is created to read:

17 **101.656 Contractor continuing education.** No person who is required to
18 hold a certificate of financial responsibility under s. 101.654 may obtain a building
19 permit unless the person furnishes to the issuer of the permit proof of completion of
20 the continuing education requirements specified in the rules promulgated by the
21 department under s. 101.63 (2r).

22 **SECTION 9. Effective date.**

23 (1) This act takes effect on January 1, 2007.

24 (END)

2005-2006 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3739/lins.
RNK:.....

INSERT ANALYSIS

one- and two-
no space

Under current law, new one and 2 family dwellings must meet the requirements of the one and 2 family dwelling code (dwelling code) promulgated by the department of Commerce (Commerce). Current law gives cities, villages, towns, and counties (municipalities) authority to exercise jurisdiction over the construction and inspection of new one and 2 family dwellings by passing ordinances that meet the requirements of the dwelling code. In those municipalities that do not pass such an ordinance, Commerce administers and enforces the dwelling code.

Current law provides that, with certain exceptions, a person may not begin construction on a building that is subject to the dwelling code unless that person obtains a building permit from the municipality administering the code, or, where no municipality is authorized to administer the code, from Commerce. Current law also provides that a person may not obtain a building permit unless the person annually obtains from Commerce a certificate of financial responsibility showing that the person has met certain bonding and insurance requirements.

This bill establishes new continuing education requirements for persons applying for a building permit under the dwelling code. Under this bill, a person may not obtain a building permit unless the person completes certain continuing education requirements and furnishes to the issuer of the permit proof of completion of those requirements. Among those requirements is a requirement that a permit applicant complete at least 12 hours of approved continuing education courses during the 2 calendar years before the person applies for the permit. The person must also have attended at least one professional meeting or education seminar during that 2 year period. If the person has not previously held a certificate of financial responsibility, the person must also pass an examination developed by Commerce. The bill allows Commerce to specify different continuing education requirements that apply to experienced and nonexperienced permit applicants. The bill also authorizes Commerce to revoke or suspend a certificate of financial responsibility if the holder fails to comply with continuing education requirements, engages in the construction of a dwelling without a permit, is convicted of a crime related to the construction of a dwelling, or has been adjudged bankrupt on 2 or more occasions.

Under current law, the contractor financial responsibility council (Council) recommends for promulgation by commerce rules for certifying the financial responsibility of contractors. This bill renames the Council the contractor certification council and gives the Council additional responsibilities. Under the bill, the council must also recommend to Commerce courses that meet continuing education requirements for persons applying for a building permit under the dwelling code and advise Commerce on the development of course examinations for those persons required under the bill to take an examination.

Under current law, municipalities must provide an owner who applies for a building permit with a statement advising the owner that if the owner hires a contractor who is not bonded or insured as required under current law, certain

two

two-year

two

consequences might occur. Under this bill, the municipality must require the owner to sign such a statement.

Current law requires Commerce to promulgate rules for the certification of inspectors of buildings that are subject to the dwelling code. This bill requires that the rules 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 continuing education requirements.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

INSERT 1-4

SECTION 1. 15.157 (4) of the statutes is repealed.

INS 2/6

INSERT 3-15

renumbered 101.625 (intro.)
and

fix component

SECTION 2. 101.625 of the statutes is amended to read:

101.625 Contractor financial responsibility certification council;

duties. (intro.) The contractor financial responsibility council shall recommend do all of the following: certification

(1) Recommend for promulgation by the department rules for certifying the financial responsibility of contractors under s. 101.654. These rules shall include rules providing for the assessment of fees upon applicants for certification of financial responsibility under s. 101.654 and for the suspension and revocation of that certification. The amount of the fees recommended under this section subsection may not exceed an amount that is sufficient to defray the costs incurred in certifying the financial responsibility of applicants under s. 101.654.

History: 1993 a. 126.

SECTION 3. 101.625 (2) of the statutes is created to read:

101.625 (2) Recommend to the department for approval under s. 101.654 (1m)

(b) 1. courses that meet continuing education requirements.

SECTION 4. 101.625 (3) of the statutes is created to read:



101.625 (3) Advise the department on the development of course examinations for those persons who are required to pass an examination under s. 101.654 (1m) (b).

SECTION 5. 101.64 (3) of the statutes is amended to read:

INS
3-15

101.64 (3) Revise the rules under this subchapter after consultation with the dwelling code council or with the contractor ~~financial responsibility~~ certification council, as appropriate.

History: 1975 c. 404; 1993 a. 126.

INSERT 4-3

SECTION 6. 101.654 (title) of the statutes is amended to read:

101.654 (title) **Contractor financial responsibility certification; education.**

Contractor financial responsibility certification; education

History: 1993 a. 126; 1995 a. 392; 1997 a. 39.

SECTION 7. 101.654 (1) (a) of the statutes is amended to read:

101.654 (1) (a) Subject to par. (b), no person may obtain a building permit unless the person annually obtains from the department a certificate of financial responsibility showing that the person is in compliance with sub. (2), completes continuing education requirements as provided under sub. (1m), and furnishes to the issuer of the permit proof of completion of those continuing education requirements.

the

History: 1993 a. 126; 1995 a. 392; 1997 a. 39.

SECTION 8. 101.654 (1m) of the statutes is created to read:

101.654 (1m) (a) The department shall promulgate rules establishing continuing education requirements for persons seeking to obtain a building permit.

under Sub. (1)(a)

(b) The rules promulgated under this subsection shall require all of the following:

1. That a person may not obtain a building permit unless that person has completed at least 12 hours of continuing education courses, approved by the

may not obtain a building permit unless that person

department, during the 2 calendar years preceding the calendar year in which the person applies for a building permit.

2. That a person may not obtain a building permit unless that person has attended at least one professional meeting or educational seminar designed for both building contractors and building inspectors during the 2 calendar years preceding the calendar year in which the person applies for a permit.

3. That a person who does not hold a certificate of financial responsibility on the effective date of this subdivision ...[revisor inserts date], ^{has passed} pass an examination developed by the department. ^{on the continuing education courses required under this subsection}

(c) The rules promulgated under this subsection may not require a person who holds a certificate of financial responsibility on the effective date of this paragraph ... [revisor inserts date] to take an examination on the continuing education courses required under this subsection.

(d) ^{Subject to} Notwithstanding the continuing education requirements under par. (b), the rules promulgated under par. (a) may specify different continuing education ^{course} requirements for persons who hold a certificate of financial responsibility on the effective date of this paragraph ... [revisor inserts date] and for persons who do not hold a certificate of financial responsibility on the effective date of this paragraph ... [revisor inserts date].

(e) The courses approved by the department under par. (b) 1. shall include courses offered by private organizations with whom the department contracts under s. 101.657. The department may approve courses that are offered by other states.

and except as provided under ~~blblbl~~ par. (b) 3, and (c),

Barman, Mike

From: Kite, Robin
Sent: Tuesday, January 10, 2006 8:46 AM
To: Barman, Mike
Subject: LRB-3739/1

Mike:

Please jacket LRB-3739 for Sen. Zien.

Thanks.

Robin

Robin Kite, Senior Legislative Attorney
Wisconsin Legislative Reference Bureau
1 East Main Street, Suite 200
Madison, WI 53703
(608) 266-7291

Memo

To: Senator Representative **Zien**

(The Draft's Requester)

Per your request: ... the attached fiscal estimate was prepared for your unIntroduced 2005 draft.

LRB Number: LRB **-3739**

Version: **" / 1 "**

Fiscal Estimate Prepared By: (agency abbr.) **COMM**

If you have questions about the enclosed fiscal estimate, you may contact the state agency representative that prepared the fiscal estimate. If you disagree with the enclosed fiscal estimate, please contact the LRB drafter of your proposal to discuss your options under the fiscal estimate procedure.

Entered In Computer And Copy Sent To Requester Via E-Mail: **01 / 23 / 2006**

* * * * *

To: LRB – Legal Section PA's

Subject: *Fiscal Estimate Received For An Unintroduced Draft*

> **If redrafted** ... please insert this cover sheet and attached early fiscal estimate into the drafting file ... after the draft's old version (the version that this fiscal estimate was based on), and before the markup of the draft on the updated version.

> **If introduced** ... and the version of the attached fiscal estimate is for a **previous version** ... please insert this cover sheet and attached early fiscal estimate into the drafting file ... after the draft's old version (the version that this fiscal estimate was based on), and before the markup of the draft on the updated version. Have Mike (or Lynn) get the ball rolling on getting a fiscal estimate prepared for the introduced version.

> **If introduced** ... and the version of the attached fiscal estimate is for the **current version** ... please write the draft's introduction number below and give to Mike (or Lynn) to process.

THIS DRAFT WAS INTRODUCED AS: 2005

SB 516

Barman, Mike

From: Barman, Mike
Sent: Monday, January 23, 2006 9:46 AM
To: Sen.Zien
Cc: Deschane, Brian
Subject: LRB 05-3739/1 (un-introduced) (FE by COMM - attached - for your review)

Attachments: FE_Zien.PDF



FE_Zien.PDF (387
KB)