

2007 DRAFTING REQUEST

Senate Substitute Amendment (SSA-SB194)

Received: 10/03/2007

Received By: rkite

Wanted: As time permits

Identical to LRB:

For: Spencer Coggs (608) 266-2500

By/Representing: Adam Plotkin

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.Coggs@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Delete licensing of contractors and references to firestop products

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>
/?	rkite 10/04/2007	jdyer 10/05/2007		_____			
/1			rschluet 10/05/2007	_____	mbarman 10/05/2007	mbarman 10/05/2007	
/2	rkite 11/20/2007	jdyer 11/20/2007	rschluet 11/20/2007	_____	sbasford 11/20/2007	sbasford 11/20/2007	
/3	rkite	lkunkel	rschluet	_____	lparisi	lparisi	

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	11/27/2007	11/27/2007	11/27/2007 _____		11/27/2007	11/27/2007	

FE Sent For:

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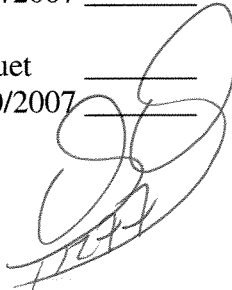
Instructions:

See Attached

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/2	rkite 11/20/2007	jdyer 11/20/2007	rschluet 11/20/2007	_____ _____	sbasford 11/20/2007	sbasford 11/20/2007	

B/mk 11/27



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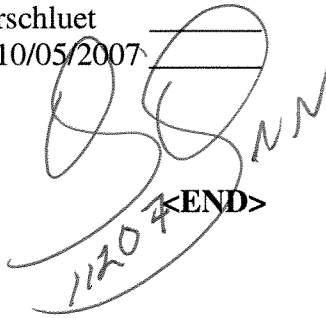
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/1			rschluet 10/05/2007		mbarman 10/05/2007	mbarman 10/05/2007	

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For: **Spencer Coggs (608) 266-2500**

By/Representing: **Adam Plotkin**

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

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May Contact:

Addl. Drafters:

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Extra Copies:

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Handwritten signatures and initials:
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Below it, the number "1657" is written.

FE Sent For:

<END>

Kite, Robin

From: Plotkin, Adam
Sent: Tuesday, October 02, 2007 7:39 PM
To: Kite, Robin
Cc: Knight, Eric
Subject: New Sub amdt. for SB 194

Attachments: SB 194 Changes, 9_27_07.doc



SB 194 Changes,
9_27_07.doc (2...

Robin,

Following the committee hearing, and in consultation with some people who offered testimony there, Sen. Coggs would like to draft a new substitute amendment to SB 194.

Please see the attached memo. If you have any questions, please feel free to contact me. I will be out of the office on Thursday and Friday, but will check e-mail occasionally.

If it would be possible to have the draft ready by next Tuesday, I'd appreciate it.

Thank you,
Adam

Adam Plotkin
Clerk, Committee on Labor, Elections, and Urban Affairs Office of Senator Spencer Coggs
phone, 608-266-2500 fax, 608-282-3546

To: Robin Kite
From: Sen. Spencer Coggs
Re: Proposed Changes to Senate Substitute Amendment to SB 194
(LRBs0119/4)
Date: September 27, 2007

Thanks once again for your work on this legislation. The Senate Substitute Amendment to SB 194 (LRBs0119/4) was the subject of a hearing before the Senate Labor Committee on August 28, 2007. As a result of comments submitted at that hearing, and of meetings with interested parties held since that hearing, I would like to make the following changes to the legislation.

1. The license called for in this legislation is focused on mechanics who install **thermal system insulation** on certain defined mechanical systems. It has caused unnecessary confusion and concern to include **fire-stop products** in the legislation. Therefore, I wish to remove "**fire-stop product**" from the legislation completely.
 - This will mean changing the name of the Council created under Section 1 on page 3 of the legislation to: the Thermal System Insulation Council.
 - It will result in the state inspector created under this legislation being named the "state thermal system insulation inspector" on lines 19 and 20 of page 5.
 - It will result in the deletion of the definition of "fire-stop product" on lines 12 to 15 on page 5
 - It will result in the deletion of the words "fire stop products" wherever else they appear in the current legislation.
 - It will result in the deletion of the exceptions to the licensing requirement which currently are delineated on lines 24 and 25 on page 10, and lines 1 to 6 on page 11.

2. I have also determined that the purpose of the legislation will be served if we simply license **mechanics** and not the **contractors** who employ those mechanics. Therefore, I wish to delete all references in the legislation to the licensing of contractors.
 - This will result in deleting the definition of "contractor" on lines 6 to 10 on page 5.
 - This will result in deleting lines 7 to 14 on page 9.
 - This will result in deleting lines 10 to 19 on page 10.
 - This will result in the deletion of the word "contractor" wherever else it may appear in the legislation.

3. I have determined that there is a need to allow maintenance people (other than licensed mechanics) to perform “minor repairs” on thermal system insulation in heating, ventilation, cooling, plumbing, and refrigeration systems. Therefore, we need to create and define an exception to the absolute requirement of using a licensed mechanic for “maintenance” of thermal system insulation.

The exception would be referenced on page 8, line 23, where we now have a reference to the exception for installing fire-stop product. Since that exception will now be deleted, we will insert this new exception, which will state:

- (6) (a) 1. Except as provided in sub. (fill in new sub number), beginning on....

The exception itself should read: “This section shall not apply to people making minor repairs to the thermal system insulation in heating, ventilating, cooling, plumbing, and refrigeration systems.”

Please call with any questions.

Wanted Tues. a.m 10/9

LRBs 0144/1
RNK: jld/lmk/kjf
LRBs 0119/4
RNK: jld/lmk/kjf

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2007 - 2008 LEGISLATURE

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SENATE SUBSTITUTE AMENDMENT **1**

TO 2007 SENATE BILL 194

August 22, 2007 - Offered by Senator COGGS.

Regen

1 **AN ACT to amend** 20.143 (3) (j), 101.02 (20) (a) and 101.02 (21) (a); and **to create**
 2 15.157 (15) and 101.136 of the statutes; **relating to:** the licensing and
 3 regulation of thermal system insulation and fire-stop product mechanics and
 4 ~~contractors~~; creating a thermal system insulation and fire-stop council;
 5 requiring the employment of a state inspector; establishing standards for
 6 installing and maintaining thermal system insulation and fire-stop products;
 7 providing an exemption from rule-making procedures; requiring the exercise
 8 of rule-making authority; and providing a penalty.

Analysis by the Legislative Reference Bureau

The Department of Commerce (Commerce) administers various laws, including building codes, that promote safety in public and private buildings and in the subsystems of those buildings. To that end, Commerce issues various licenses, permits, registrations, and other credentials (licenses) to persons engaged in the construction trades, such as electricians and plumbers. Commerce also administers and issues licenses in connection with the administration of other laws relating to public safety, such as those regulating fireworks and the storage of flammable liquids.

thermal system

most

This substitute amendment requires Commerce to regulate the business of installing and maintaining thermal system insulation and fire stop products (insulation products) in commercial and industrial buildings and in residential buildings that contain four or more residential units. The substitute amendment defines thermal system insulation as a product used in a heating, ventilating, cooling, plumbing, or refrigeration system (heating or cooling system) to insulate any hot or cold surface on or in a building. The substitute amendment defines a fire stop product as a product used in a heating or cooling system to prevent the spread of fire or smoke and that is installed on or around a pipe, duct, wire, or other penetration through a floor, ceiling, or wall of a building. The substitute amendment requires Commerce to license persons who install and maintain insulation products in heating and cooling systems (mechanics) and persons who are in the business of contracting to provide services for installing and maintaining insulation products in heating and cooling systems (contractors). The substitute amendment also requires Commerce to employ a state thermal system insulation and fire stop inspector (state inspector). The substitute amendment establishes a thermal system insulation and fire stop council (council). The council is responsible for recommending rules to Commerce that establish standards for the installation and maintenance of insulation products. The council must also provide other advice to Commerce including recommending training and continuing education requirements for persons who install or maintain thermal insulation or fire stop products. *system*

Under the substitute amendment, the state inspector must have at least ten years of experience as a mechanic and must have successfully completed a four-year apprenticeship in the trade of heat and frost insulation. The state inspector must inspect buildings to determine whether the buildings comply with standards established by Commerce for the installation and maintenance of insulation products (state standards). The state inspector must also keep complete and accurate records of all inspected buildings and give notice of noncompliance to the owner of every building who fails to comply with state standards. The substitute amendment authorizes the state inspector to enter and inspect buildings and to issue orders requiring the owner of a building to make repairs or alterations that are necessary for the building to comply with state standards.

The substitute amendment establishes minimum licensing requirements for insulation product mechanics and contractors. Under the substitute amendment, a person may not obtain a mechanic's license unless he or she has met requirements established by Commerce by rule and has either completed 160 hours of training and passed a written examination approved by Commerce or has successfully completed an approved apprenticeship program. The substitute amendment also provides that a person may install or maintain fire stop products, but not thermal system insulation, without obtaining a license from Commerce if the person has successfully completed at least 40 hours of training or has successfully completed an approved apprenticeship program.

The substitute amendment specifies that, in order to be licensed as a contractor, a person must meet requirements established by Commerce by rule, must be registered with the Department of Workforce Development as a contractor that

NO

The licensing requirement under the substitute amendment does not apply to a person who makes only minor repairs to thermal system insulation.

~~employs and trains apprentices, and be skilled in the installation of insulation products.~~ The substitute amendment allows Commerce to waive any licensing requirement for ~~contractors or~~ mechanics for a person who is licensed in another state in which the standards for licensure are at least as strict as the requirements under the substitute amendment. It also allows Commerce to waive any licensing requirement for experienced mechanics who submit evidence satisfactory to Commerce that the mechanic is qualified for licensure. The substitute amendment also provides that Commerce may not renew a license issued to a mechanic unless the mechanic completes a continuing education course during the previous license period that is approved by Commerce.

The substitute amendment authorizes Commerce to directly assess a forfeiture by issuing an order against any person who installs, or contracts to install, insulation products without a license or who fails to comply with an order issued by the state inspector.

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

1 **SECTION 1.** 15.157 (15) of the statutes is created to read:

2 15.157 (15) THERMAL SYSTEM INSULATION ~~AND FIRE-STOP~~ COUNCIL. There is
3 created in the department of commerce a thermal system insulation ~~and fire-stop~~
4 council consisting of the state thermal system insulation ~~and fire-stop~~ inspector ^{STET} who
5 shall serve as a nonvoting secretary of the council, the secretary of commerce or his
6 or her designee, and the following members appointed for 3-year terms:

7 (a) Two members who represent major insulation companies.

8 (b) One member who is an architect licensed to do business in this state with
9 work experience in the area of indoor air quality.

10 (c) Two members who are mechanics with at least 10 years of experience in the
11 area of heat and frost insulation.

12 (d) One member who is a general contractor in this state.

13 **SECTION 2.** 20.143 (3) (j) of the statutes is amended to read:

1 20.143 (3) (j) *Safety and building operations*. The amounts in the schedule for
2 the purposes of chs. 101, 145, and 168 and ss. 236.12 (2) (a), 236.13 (1) (d) and (2m),
3 and 236.335. All moneys received under ch. 145, ss. 101.136 (4) (b), 101.177 (4) (a)
4 4., 101.178, 101.19, 101.63 (9), 101.654 (3), 101.73 (12), 101.82 (4), 101.955 (2),
5 101.973 (7), and 236.12 (7), except moneys received under s. 101.9208 (2m), and all
6 moneys transferred under 2005 Wisconsin Act 45, section 76 (6), shall be credited to
7 this appropriation.

8 **SECTION 3.** 101.02 (20) (a) of the statutes, as affected by 2005 Wisconsin Act
9 456, is amended to read:

10 101.02 (20) (a) For purposes of this subsection, “license” means a license,
11 permit or certificate of certification or registration issued by the department under
12 ss. 101.09 (3) (c), 101.122 (2) (c), 101.136, 101.143 (2) (g), 101.15 (2) (e), 101.17,
13 101.177 (4) (a), 101.178 (2) or (3) (a), 101.63 (2) or (2m), 101.653, 101.73 (5) or (6),
14 101.82 (2), 101.87, 101.935, 101.95, 101.951, 101.952, 101.985 (1) to (3), 145.02 (4),
15 145.035, 145.045, 145.15, 145.16, 145.165, 145.17, 145.175, 145.18 or 167.10 (6m).

16 **SECTION 4.** 101.02 (21) (a) of the statutes, as affected by 2005 Wisconsin Act
17 456, is amended to read:

18 101.02 (21) (a) In this subsection, “license” means a license, permit or
19 certificate of certification or registration issued by the department under s. 101.09
20 (3) (c), 101.122 (2) (c), 101.136, 101.143 (2) (g), 101.15 (2) (e), 101.17, 101.177 (4) (a),
21 101.178 (2) or (3) (a), 101.63 (2), 101.653, 101.73 (5) or (6), 101.82 (2), 101.87, 101.935,
22 101.95, 101.951, 101.952, 101.985 (1) to (3), 145.02 (4), 145.035, 145.045, 145.15,
23 145.16, 145.165, 145.17, 145.175, 145.18 or 167.10 (6m).

24 **SECTION 5.** 101.136 of the statutes is created to read:

insulation

1 **101.136 Regulation of thermal system installation.** (1) DEFINITIONS. In
2 this section:

3 (a) "Building" means a commercial, industrial, or residential building,
4 structure, or facility, as defined by the department by rule, but does not include a
5 residential building, structure, or facility that contains 3 or fewer residential units.

6 (b) "Contractor" means a person who is engaged in the business of contracting
7 to provide services for installing or maintaining thermal system insulation ~~and~~
8 ~~fire-stop products~~ in heating, ventilating, cooling, plumbing, and refrigeration
9 systems and whose business derives its principal source of income from providing
10 those services.

11 ~~(c)~~ ^(b) "Council" means the thermal system insulation ~~and fire-stop~~ council. ✓

12 (d) "Fire-stop product" means a product that is used in a heating, ventilating,
13 cooling, plumbing, or refrigeration system to prevent the spread of fire or smoke and
14 that is installed on or around a pipe, duct, wire, or any other penetration through a
15 floor, ceiling, or wall of a building.

16 ~~(e)~~ ^(c) "Mechanic" means a person who installs or maintains thermal system
17 insulation ~~and fire-stop products~~ in heating, ventilating, cooling, plumbing, and
18 refrigeration systems.

19 ~~(f)~~ ^(d) "State inspector" means the state thermal system insulation ~~and fire-stop~~
20 inspector.

21 ~~(g)~~ ^(e) "Thermal system insulation" means a product that is used in a heating,
22 ventilating, cooling, plumbing, or refrigeration system to insulate any hot or cold
23 surface including a pipe, duct, valve, boiler, flue, or tank, or equipment on or in a
24 building.

1 (2) DUTIES OF THE THERMAL SYSTEM INSULATION AND FIRE-STOP COUNCIL. (a) The
2 council shall do all of the following:

3 1. Recommend to the department rules establishing standards for the
4 installation and maintenance of thermal system insulation and fire-stop products
5 in buildings.

6 2. Recommend to the department requirements for the licensure of mechanics
7 and contractors and circumstances under which the department may take
8 disciplinary action against a mechanic or contractor including suspension and
9 revocation of a license.

10 3. Recommend to the department qualifications for the state inspector.

11 4. Recommend to the department training and continuing education
12 requirements for persons who are authorized by the department to install or
13 maintain thermal system insulation or fire-stop products.

14 (b) The council may consult with engineering authorities and other
15 organizations concerned with safety and health issues related to thermal system
16 insulation and fire-stop products and mold in performing its duties under this
17 subsection.

18 (3) STATE THERMAL SYSTEM INSULATION AND FIRE-STOP INSPECTOR. (a) The
19 department shall employ a person who has at least 10 years of experience as a
20 mechanic, and who has successfully completed a 4-year apprenticeship in the trade
21 of heat and frost insulation, as the state thermal system insulation and fire-stop
22 inspector. The state inspector shall work under the direct supervision of the
23 secretary or his or her designee.

24 (b) The state inspector shall do all of the following:

1 1. Inspect buildings constructed, or in which the mechanical systems have been
2 altered, on or after the effective date of this subdivision ... [revisor inserts date], to
3 determine whether the installation or maintenance of thermal system insulation
4 and fire-stop products in those buildings and structures complies with the standards
5 established by the department under sub. (4) (d). The state inspector shall conduct
6 the inspections on a random basis and whenever requested to do so by a local building
7 inspector.

8 2. Keep complete and accurate records of all inspected buildings including a list
9 identifying all buildings that are in compliance with the standards established by the
10 department under sub. (4) (d), a list of all buildings that are not in compliance with
11 the standards established by the department under sub. (4) (d), and a list of all orders
12 that the state inspector issues under par. (c) 2.

13 3. Give written notice of noncompliance to the owner of every building that the
14 inspector determines does not comply with the standards established by the
15 department under sub. (4) (d).

16 (c) The ^{state} inspector may do any of the following:

17 1. Enter any newly constructed or newly remodeled building in which a
18 mechanical system was altered at a reasonable hour for the purpose of inspecting,
19 or gathering information about, any thermal system insulation or fire-stop product.

20 2. Issue an order requiring the owner of a building to make repairs or
21 alterations that the ^{state} inspector determines are necessary in order for the building to
22 comply with the standards established by the department under sub. (4) (d). The
23 inspector shall issue such an order in writing.

24 (4) RULES. The department shall promulgate rules establishing all of the
25 following:

1 (a) Requirements for the licensing of mechanics ~~and contractors~~. The rules
2 shall provide that a license issued to a mechanic ~~or a contractor~~ under this section
3 is valid for 2 years and is renewable.

4 (b) License fees for mechanics ~~and contractors~~. The rules shall establish fees
5 for the licensing of mechanics ~~and contractors~~ that are not less than \$250 nor more
6 than \$1,000 for each license period.

7 (c) Training and continuing education requirements for mechanics.

8 (d) Standards for the installation and maintenance of thermal system
9 insulation ~~and fire-stop products~~ in buildings. The department shall base the
10 standards, to the extent possible, on national industry standards for installing and
11 maintaining thermal system insulation ~~and fire-stop products~~.

12 (e) Procedures governing the assessment of forfeitures under sub. ~~(1)(a)~~ (iii)
13 including the procedure for issuing an order for an alleged violation of this section,
14 the procedure for contesting an order issued for an alleged violation of this section,
15 and the procedure for contesting the assessment of a forfeiture for an alleged
16 violation of this section.

17 ~~(5) COMPLIANCE WITH INSTALLATION STANDARDS. Beginning on the first day of the~~
18 ~~18th month beginning after the effective date of this subsection, every contractor~~
19 ~~who contracts to install or maintain thermal system insulation or fire-stop products~~
20 ~~shall ensure that such installation and maintenance complies with the standards~~
21 ~~established by the department under sub. (4) (d).~~

22 ~~(5) (6) LICENSING OF MECHANICS AND CONTRACTORS. (a) 1. Except as provided in sub.~~
23 ~~(9) (b),~~ ^{subd. 2.} beginning on the first day of the 18th month beginning after the effective date
24 of this subdivision, no person may install or maintain thermal system insulation ~~or~~
25 ~~fire-stop products~~ in any building unless that person is a mechanic licensed by the

1 department under this section, is working under the direct supervision of a licensed
2 mechanic, or is serving an apprenticeship with a licensed contractor who meets the
3 requirements specified under ch. 106.

4 ~~2~~ A person wishing to obtain a mechanic's license shall apply for a license by
5 submitting an application on a form provided by the department together with the
6 applicable fee.

7 ~~(b) 1. Except as provided in sub. (9) (b), beginning on the first day of the 18th
8 month beginning after the effective date of this subdivision ... [revisor inserts date],
9 no person may contract to install or maintain thermal system insulation or fire-stop
10 products in any building unless that person is a contractor licensed by the
11 department under this subsection.~~

12 ~~2. A person wishing to obtain a contractor's license shall apply for a license from
13 the department by submitting an application on a form provided by the department
14 together with the applicable fee.~~

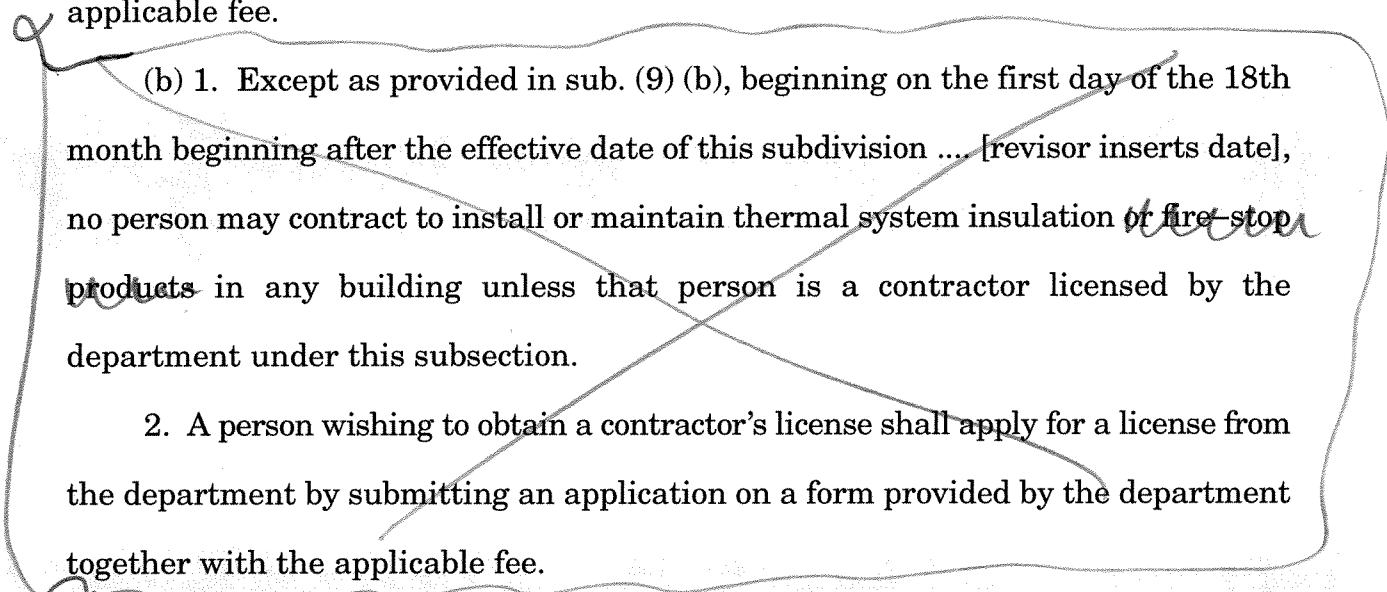
15 ~~(b)~~ ~~(6)~~ ~~(7)~~ REQUIREMENTS FOR LICENSURE OF MECHANICS. (a) Except as provided in par.
16 (b), the department may not issue a license to a mechanic unless the mechanic
17 demonstrates, in a manner satisfactory to the department, that he or she has met the
18 requirements established by the department by rule and either of the following
19 requirements:

20 1. He or she has successfully completed at least 160 hours of relevant training
21 approved by the department, upon consultation with the council, and has passed a
22 written examination approved by the department.

23 2. He or she has successfully completed an apprenticeship that meets the
24 requirements specified under ch. 106 and that includes relevant training in
25 installing and maintaining thermal system insulation and fire-stop products.

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9-3

(b) ← letter



(b) (6) (7) numbers

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1 (b) The department may waive any requirement, or any portion of a
2 requirement under par. (a) for any person with experience in installing or
3 maintaining thermal system insulation and fire-stop products upon submission of
4 evidence satisfactory to the department that the person is qualified for licensure.

5 (c) The department may not renew a license issued to a mechanic under this
6 section unless the mechanic submits a certificate to the department that
7 demonstrates that the mechanic has attended and successfully completed during the
8 previous license period a continuing education course approved by the department,
9 upon consultation with the council.

10 (8) REQUIREMENTS FOR LICENSURE OF CONTRACTORS. The department may not
11 issue a license to a contractor unless the contractor meets all of the following
12 requirements:

13 (a) The contractor is registered with the department of workforce development
14 as a contractor that employs and trains apprentices in the trade of heat and frost
15 insulation.

16 (b) The contractor is skilled in the planning, superintending, and practical
17 installation of thermal system insulation and fire-stop products.

18 (c) The contractor demonstrates, in a manner satisfactory to the department,
19 that the contractor has met the requirements established by the department by rule.

20 (7) LICENSING EXCEPTIONS. (a) The department may waive a licensing
21 requirement under sub. (7) or (8) for any person who is licensed as a mechanic or
22 contractor in another state in which the standards for licensure are at least as strict
23 as the requirements under subs. (7) or (8).

24 (b) A person may install or maintain fire-stop products without a license issued
25 under this section if either of the following applies:

1 1. The person has successfully completed at least 40 hours of training, approved
2 by the department, in consultation with the council, in installing and maintaining
3 fire-stop products.

4 2. The person has successfully completed an apprenticeship that meets the
5 requirements specified under ch. 106 and that includes relevant training in
6 installing and maintaining fire-stop products.

7 (B) (8) ~~(10)~~ TEMPORARY AND EMERGENCY LICENSES. The department may promulgate
8 rules establishing standards and procedures for the issuance of temporary and
9 emergency licenses for mechanics and contractors. The rule shall provide that a
10 temporary or emergency license issued under this subsection is valid for a period of
11 30 days.

12 (B) (9) ~~(11)~~ PROHIBITIONS. No person may do any of the following:

13 (a) Make a false statement of material fact in an application for the issuance
14 or renewal of a license under this section.

15 (b) Engage in fraud, misrepresentation, or bribery in order to obtain a license
16 under this section.

17 (c) Fail to notify the department or the owner or lessee of any building that the
18 building fails to meet the standards established by the department by rule under
19 sub. (4) (d). ✓

20 (B) (10) ~~(12)~~ PENALTIES. A person who violates this section or who fails to comply with
21 an order issued by the state inspector under this section is subject to a forfeiture of
22 not less than \$2,000 nor more than \$5,000 for each violation.

23 (B) (11) ~~(13)~~ ASSESSMENT OF FORFEITURES BY THE DEPARTMENT. (a) The department may
24 directly assess a forfeiture by issuing an order against any person who violates this

1 section or who fails to comply with an order issued by the state inspector under this
2 section.

3 (b) The department shall remit all forfeitures paid to the department under this
4 subsection to the secretary of administration for deposit in the school fund.

5 (c) All forfeitures that are not paid to the department as required under this
6 subsection shall accrue interest at the rate of 12 percent per year.

7 (d) The attorney general may bring an action in the name of the state to collect
8 any forfeiture imposed by the department, or interest accrued, if the forfeiture or
9 interest has not been paid after the exhaustion of all administrative and judicial
10 reviews.

11 **SECTION 6. Nonstatutory provisions.**

12 (1) COUNCIL. Notwithstanding the length of terms of the members of the
13 thermal system insulation ~~and fire-stop~~ council specified in section 15.157 (15) (a)
14 to (d) of the statutes, as created by this act, the initial members shall be appointed
15 for the following terms:

16 (a) Two members for a term that expires on July 1, 2010.

17 (b) Two members for a term that expires on July 1, 2011.

18 (c) Two members for a term that expires on July 1, 2012.

19 (2) SUBMISSION OF PROPOSED RULES. No later than the first day of the 18th month
20 beginning after the effective date of this subsection, the department of commerce
21 shall submit in proposed form the rules required under section 101.136 (4) and (10)
22 of the statutes, as created by this act, to the legislative council staff under section
23 227.15 (1) of the statutes. Notwithstanding section 227.137 (2) of the statutes, the
24 secretary of administration may not require the department of commerce to prepare

1 an economic impact report for the rules required under section 101.136 (4) ~~and (10)~~
2 of the statutes, as created by this act.

3 (3) EMERGENCY RULES. Using the procedure under section 227.24 of the statutes,
4 the department of commerce shall promulgate as emergency rules the rules required
5 under section 101.136 (4) ~~and (10)~~ of the statutes, as created by this act.
6 Notwithstanding section 227.24 (1) (c) and (2) of the statutes, the emergency rules
7 promulgated under this subsection may remain in effect until the date on which the
8 permanent rules required under section 101.136 (4) ~~and (10)~~ of the statutes, as
9 created by this act, take effect. Notwithstanding section 227.24 (1) (a) and (3) of the
10 statutes, the department of commerce is not required to provide evidence that
11 promulgating rules under this subsection as emergency rules is necessary for the
12 preservation of the public peace, health, safety, or welfare and is not required to
13 provide a finding of emergency for the rules promulgated under this subsection. The
14 department of commerce shall promulgate the rules required under this subsection
15 no later than the first day of the 18th month beginning after the effective date of this
16 subsection.

17 **SECTION 7. Fiscal changes.**

18 (1) STATE THERMAL SYSTEM INSULATION AND FIRE STOP INSPECTOR. In the schedule
19 under section 20.005 (3) of the statutes for the appropriation to the department of
20 commerce under section 20.143 (3) (j) of the statutes, as affected by the acts of 2007,
21 the dollar amount is increased by \$78,100 for fiscal year 2007–08 and the dollar
22 amount is increased by \$78,100 for fiscal year 2008–09 to increase the authorized
23 FTE positions for the department of commerce by 1.0 PR position to perform the
24 responsibilities of the state thermal system insulation and fire stop inspector.

Insert 9-3

¶ 2. Subdivision 1. ✓ does not apply to a person who makes only minor repairs to thermal system insulation. ✓

(end ins)

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

LRBs0144/1dn

RNK: ^:....

date

JLD

*to the licensing
requirement*

Please note that I have drafted the exception that you requested in this draft somewhat differently than you proposed. The draft makes an exception for persons who make "minor repairs" to thermal system insulation without referring to "heating, ventilating, cooling, plumbing, and refrigeration systems" as you suggest. This is because the definition of thermal system insulation in the draft means a product that is used in one of those systems. Consequently, this additional phrase is not necessary in the exception language.

Also, because the draft does not describe the kind of repairs that might be considered "minor repairs" it may not always be clear when a person who does this type of work must be licensed. Do you want the draft to require the Department of Commerce to promulgate rules on what types of repairs are minor and do not, therefore, require a person performing them to be licensed? *

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

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

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

LRBs0144/1dn
RNK:jld:rs

October 5, 2007

Please note that I have drafted the exception that you requested in this draft somewhat differently than you proposed. The draft makes an exception to the licensing requirement for persons who make "minor repairs" to thermal system insulation without referring to "heating, ventilating, cooling, plumbing, and refrigeration systems" as you suggest. This is because the definition of thermal system insulation in the draft means a product that is used in one of those systems. Consequently, this additional phrase is not necessary in the exception language.

Also, because the draft does not describe the kind of repairs that might be considered "minor repairs," it may not always be clear when a person who does this type of work must be licensed. Do you want the draft to require the Department of Commerce to promulgate rules on what types of repairs are minor and do not, therefore, require a person performing them to be licensed?

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

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

Kite, Robin

From: Kite, Robin
Sent: Wednesday, November 14, 2007 11:31 AM
To: Plotkin, Adam
Subject: thermal insulation bill

Adam:

As we discussed on the phone yesterday, the language in LRBs0144 currently requires the Department of Commerce to promulgate rules establishing standards for the installation and maintenance of thermal system insulation. The substitute amendment gives Commerce 18 months (quite a long time) to submit these proposed rules to the legislative council. But the sub also requires inspection of buildings, using these standards, beginning on the effective date of the bill, which is the day after publication. The sub gives Commerce emergency rule-making authority but does not specify a date on which that authority expires. To further complicate the issue, Bob DuPont from the Department of Commerce tells me that these standards are already established in Commerce's rules. In summary, I think that the rule-making part of the sub as currently drafted is confusing. So, I think that there are several ways to proceed that would improve this part of the substitute amendment:

1. Delay the effective date of the entire bill so that the bill does not take effect for 18 (or perhaps 12) months. Then the bill would not have to specify a date on which Commerce would have to submit proposed rules because, presumably, 18 (or 12) months should be a sufficient time for Commerce to promulgate rules. Also, Commerce would then not need emergency rule-making authority.
2. Require Commerce to submit proposed rules within a shorter period of time, say 4 months, but give Commerce limited emergency rule making authority so that the bill can take effect immediately.
3. Delete the provision in the sub that requires Commerce to promulgate a rule establishing standards for the installation and maintenance of thermal system insulation in buildings given that Commerce has already promulgated such a rule and wouldn't change it based on this bill. Then the bill could take effect immediately because inspections would not be dependent on the promulgation of a new rule. The problem with this option is that if Commerce for some reason decided to repeal the current rule (although this is really unlikely) then there would be nothing in the law requiring Commerce to establish the standards.

If you would like to discuss these (or other) approaches in more detail, let me know. It seems to me that the simplest approach would be to delay the effective date of the entire bill as described under option 1 but you may prefer a different approach. You might also want to talk to Bob DuPont on this issue. Keep in mind that none of these options affects the provision of the sub that delays the licensing requirement for 48 months. I will wait to hear from you before finishing the draft.

Robin

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

*go with this option
per Adam*

Kite, Robin

From: Plotkin, Adam
Sent: Friday, November 09, 2007 8:40 AM
To: Kite, Robin
Subject: FW: change to apprecticeship standard

Here's the language Tim suggested.

*Adam Plotkin
Clerk, Committee on Labor, Elections, and Urban Affairs
Office of Senator Spencer Coggs
phone, 608-266-2500
fax, 608-282-3546*

From: Plotkin, Adam
Sent: Wednesday, November 07, 2007 3:13 PM
To: Knight, Eric
Subject: change to apprecticeship standard

He or she has been actively engaged in installing and maintaining thermal system insulation, in this state, working under the supervision of a licensed mechanic for a period of not less than 1000 hours per year for 4 or more consecutive years, and possess an examination approved by the department.

*Adam Plotkin
Clerk, Committee on Labor, Elections, and Urban Affairs
Office of Senator Spencer Coggs
phone, 608-266-2500
fax, 608-282-3546*

Kite, Robin

From: Plotkin, Adam
Sent: Tuesday, November 06, 2007 4:08 PM
To: Kite, Robin
Subject: final changes

- ✓ 1. On page 7, line 2, we need to delete the words "or a contractor". We are no longer calling for the licensing of contractors under our legislation.
- ✓ 2. On page 7, line 17, we want to change the effective date for the licensing provisions to begin from 18 months after the effective date of that subdivision to *48 months* after the effective date of that subdivision.
- ✓ 3. On page 7, line 21, we want to delete the words "with a licensed contractor who", and replace them with the words "in thermal system insulation which".
- ✓ 4. On page 8, lines 9 to 14 should be changed to reflect the following 2 options for licensing of mechanics:
 1. He or she has successfully completed an apprenticeship program in installing, repairing and maintaining thermal system insulation that is approved by the department and meets the requirements specified in ch. 106, or
 2. He or she has at least 48 months experience in installing, repairing and maintaining thermal system insulation, working under the supervision of a licensed mechanic, and passes an examination approved by the department.

Adam Plotkin
Clerk, Committee on Labor, Elections, and Urban Affairs
Office of Senator Spencer Coggs
phone, 608-266-2500
fax, 608-282-3546

Consecutive
must have 1000 hours experience
in each of 4 years and pass test

instead

Kite, Robin

From: Plotkin, Adam
Sent: Friday, October 19, 2007 10:15 AM
To: Kite, Robin
Subject: FW: Insulation Licensing Bill

Here's Jeff's e-mail...

*Adam Plotkin
Clerk, Committee on Labor, Elections, and Urban Affairs
Office of Senator Spencer Coggs
phone, 608-266-2500
fax, 608-282-3546*

From: Beiriger, Jeffrey J. [mailto:beiriger@cf-law.com]
Sent: Wednesday, October 17, 2007 2:11 PM
To: Rep.Newcomer; Sen.Coggs
Subject: Insulation Licensing Bill

I wanted to follow up on our meeting of last week regarding insulation licensing. It was good to talk about ways to work out some sort of limited (trade-specific) exemption for those who have or will receive training through an apprenticeship training program in another trade. There are probably ways to accommodate the training requirements through modifications to the state apprenticeship standards for each trade (if we want uniform training included in apprenticeships) or local apprenticeship committees (should they want to adopt more rigorous standards that would yield both licenses at completion).

One thing that came up from one of my plumbing contractors (who, like most, holds a master plumber license) was an inconsistency in the duration of the licenses and the cost of the insulation license. The bill contemplates a two-year license at a cost of \$250. The plumbing license is currently four years and I believe the cost is now \$500. It seems ideal to have an insulation "endorsement" added on at the same time as the four-year license is renewed rather than issue a separate, two-year license.

Keep in mind that a plumber wanting to maintain a license to do the sort of incidental insulation we described above would, under the current language, be required to pay an additional \$250 every two years or \$500 every four years to do what they are currently doing today. Although the cost would average out to \$250 per year, an individual mechanic would need to pay \$1,000 in a given year to renew both licenses. We are already hearing from plumbers who are strapped to come up with the \$500 that was the product of a move from a two-year to a four-year license. It may not be intended, but the effect would be to discourage licensed plumbers from getting and maintaining the insulation licenses if they need to pick and choose between which license to renew and which to not. The plumber who chooses to not renew an insulation license would no longer be able to legally do work they are doing today and that is problematic.

The fiscal note contemplates license fees being paid by the smaller group of those who are currently doing insulation or whose principle work is insulation. Presumably, those fees will cover the cost of the statewide inspector and the administration of the program. Adding 6,000 licensed plumbers to the mix, at \$250 each, could add potentially \$1,500,000 to the state's revenues, and that would far exceed the needs of the program. In fact, the plumbing industry would be taking on a burden far in excess of the insulation industry and that doesn't make sense. There would be little benefit for this additional expense to the plumbing industry which, I am certain, would much prefer to invest in inspection in the plumbing industry, not the insulation industry. If insulation licensing has to be, then it should be included in the plumbing licensing fee when that is renewed.

I also point out the continuing education requirement and note that the Department of Commerce, in the process

10/19/2007

of promulgating rules, should consider a standard for continuing education that is appropriate to the work that is being done. Plumbers are already doing 24 hours of continuing education in a four-year license period. To maintain a license in insulation, especially one limited in scope to their work as plumbers, education requirements should not be excessive or they will serve to discourage plumbers from renewing their license. Again, we note that all we are trying to preserve is what is going on today in the industry – plumbers are already highly-skilled mechanics trying to continue to do incidental installations of insulation that they are already doing.

At today's Assembly Labor Committee meeting, the testimony was universally supportive of the electrical licensing requirement. In part, that is due to the agreement of the safety issues. I will defer to others on the argument for the need for insulation licensing. But we also heard that the electrician licensing bill was acceptable because its proponents had made accommodations for other trades who wish to perform the work that they have historically performed. Under that bill, plumbers do not need electrical training as part of their apprenticeship program (though they do receive it), they do not need an electrician license, they do not need to pay a license fee, and they are not subject to any continuing education requirements. Instead, they are able to do the work they have historically done – the incidental hook-up of disposals, water heaters, well pumps and the like.

I'm not sure how we would come to a similar understanding as it relates to the insulation bill. By most accounts, it's easier to describe "incidental" electrical work (the first junction box) than it is to describe incidental insulation work. The definition of "incidental" seems to be the source of all of the hoops we find ourselves jumping through. We may have come across an idea in limited licensing that *might* work, but the electrician licensing demonstrates that there should be ideas out there that *will* work and that have the benefit of being much less complex.

Thanks for your continued consideration. If you have any questions, I can be reached at (414) 227-1202 or (414) 331-2059.

For the Plumbing Heating Cooling Contractors Association of Wisconsin,

Jeff

Jeffrey J. Beiriger, CAE
Cook & Franke SC
660 East Mason Street
Milwaukee, WI 53202-3877
Direct: (414) 227-1202
Mobile: (414) 331-2059
beiriger@cf-law.com
www.cf-law.com

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10/19/2007



Wanted - Wed. 11/21
State of Wisconsin
2007 - 2008 LEGISLATURE

RM run
Z
LRBs0144/f
RNK:jld/lmk/kjf:rs

SENATE SUBSTITUTE AMENDMENT ,
TO 2007 SENATE BILL 194

Regen

making an appropriation; ✓

1 AN ACT *to amend* 20.143 (3) (j), 101.02 (20) (a) and 101.02 (21) (a); and *to create*
2 15.157 (15) and 101.136 of the statutes; **relating to:** the licensing and
3 regulation of thermal system insulation mechanics; creating a thermal system
4 insulation council; requiring the employment of a state inspector; establishing
5 standards for installing and maintaining thermal system insulation; ~~providing~~
6 ~~an exemption from rule-making procedures~~ requiring the exercise of
7 rule-making authority; and providing a penalty.

Analysis by the Legislative Reference Bureau

The Department of Commerce (Commerce) administers various laws, including building codes, that promote safety in public and private buildings and in the subsystems of those buildings. To that end, Commerce issues various licenses, permits, registrations, and other credentials (licenses) to persons engaged in the construction trades, such as electricians and plumbers. Commerce also administers and issues licenses in connection with the administration of other laws relating to public safety, such as those regulating fireworks and the storage of flammable liquids.

This substitute amendment requires Commerce to regulate the business of installing and maintaining thermal system insulation in commercial and industrial

requirements for the licensure of mechanics ✓
thermal system ✓

buildings and in residential buildings that contain four or more residential units. The substitute amendment defines thermal system insulation as a product used in a heating, ventilating, cooling, plumbing, or refrigeration system (heating or cooling system) to insulate any hot or cold surface on or in a building. The substitute amendment requires Commerce to license most persons who install and maintain insulation in heating and cooling systems (mechanics). The substitute amendment also requires Commerce to employ a state thermal system insulation inspector (state inspector). The substitute amendment establishes a thermal system insulation council (council). The council is responsible for recommending ~~rules~~ *rules* to Commerce ~~that establish standards for the installation and maintenance of thermal system insulation.~~ The council must also provide other advice to Commerce including recommending training and continuing education requirements for ~~persons who install or maintain thermal system insulation.~~ *mechanics* ✓

Under the substitute amendment, the state inspector [✓] must have at least ten years of experience as a mechanic and must have successfully completed a four-year apprenticeship ~~in the trade of heat and frost~~ insulation. The state inspector must inspect buildings to determine whether the buildings comply with standards established by Commerce for the installation and maintenance of thermal system insulation (state standards). The state inspector must also keep complete and accurate records of all inspected buildings and give notice of noncompliance to the owner of every building who fails to comply with state standards. The substitute amendment authorizes the state inspector to enter and inspect buildings and to issue orders requiring the owner of a building to make repairs or alterations that are necessary for the building to comply with state standards. *Insert Analysis A* ✓

The substitute amendment establishes minimum licensing requirements for thermal system insulation mechanics. Under the substitute amendment, a person may not obtain a mechanic's license unless he or she has ~~met requirements established by Commerce by rule and has either completed 160 hours of training and passed a written examination approved by Commerce or has successfully completed an approved apprenticeship program.~~ *Insert Analysis B* ✓ The licensing requirement under the substitute amendment does not apply to a person who makes only minor repairs to thermal system insulation.

The substitute amendment allows Commerce to waive any licensing requirement for mechanics for a person who is licensed in another state in which the standards for licensure are at least as strict as the requirements under the substitute amendment. It also allows Commerce to waive any licensing requirement for experienced mechanics who submit evidence satisfactory to Commerce that the mechanic is qualified for licensure. The substitute amendment also provides that Commerce may not renew a license issued to a mechanic unless the mechanic completes a continuing education course during the previous license period that is approved by Commerce.

The substitute amendment authorizes Commerce to directly assess a forfeiture by issuing an order against any person who installs, or contracts to install, insulation

program in installing and maintaining thermal system ✓

products without a license or who fails to comply with an order issued by the state inspector.

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

1 **SECTION 1.** 15.157 (15) of the statutes is created to read:

2 15.157 (15) THERMAL SYSTEM INSULATION COUNCIL. There is created in the
3 department of commerce a thermal system insulation council consisting of the state
4 thermal system insulation inspector who shall serve as a nonvoting secretary of the
5 council, the secretary of commerce or his or her designee, and the following members
6 appointed for 3-year terms:

7 (a) Two members who represent major insulation companies.

8 (b) One member who is an architect licensed to do business in this state with
9 work experience in the area of indoor air quality.

10 (c) Two members who are mechanics with at least 10 years of experience in the
11 area of heat and frost insulation.

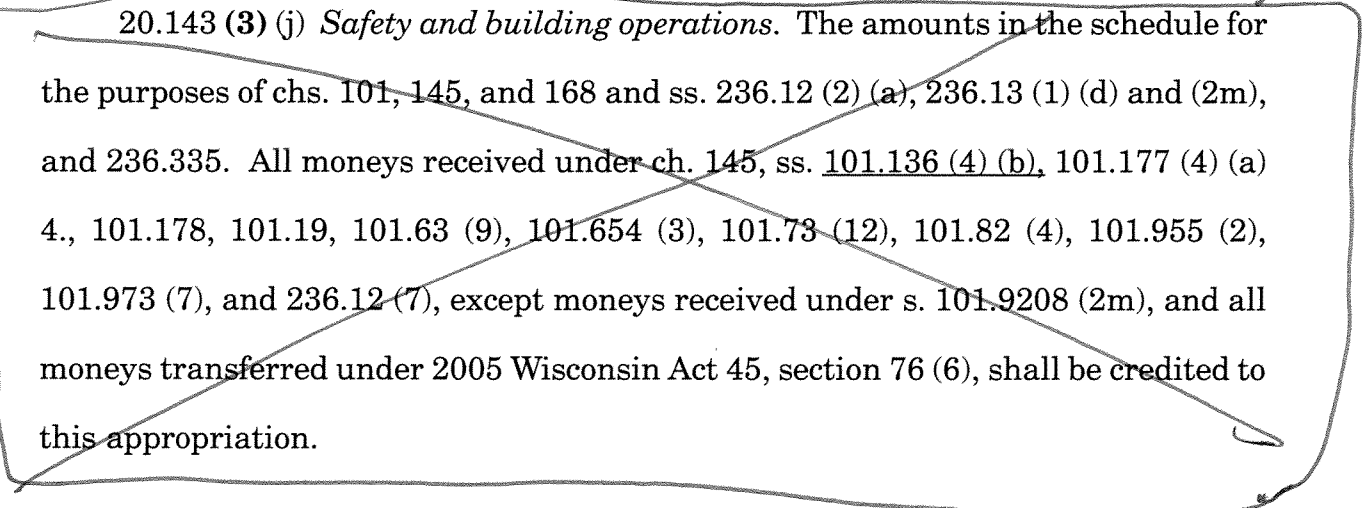
12 (d) One member who is a general contractor in this state.

13 **SECTION 2.** 20.143 (3) (j) of the statutes is amended to read:

14 20.143 (3) (j) *Safety and building operations.* The amounts in the schedule for
15 the purposes of chs. 101, 145, and 168 and ss. 236.12 (2) (a), 236.13 (1) (d) and (2m),
16 and 236.335. All moneys received under ch. 145, ss. 101.136 (4) (b), 101.177 (4) (a)
17 4., 101.178, 101.19, 101.63 (9), 101.654 (3), 101.73 (12), 101.82 (4), 101.955 (2),
18 101.973 (7), and 236.12 (7), except moneys received under s. 101.9208 (2m), and all
19 moneys transferred under 2005 Wisconsin Act 45, section 76 (6), shall be credited to
20 this appropriation.

INSERT
3-14

as affected by 2007
Wisconsin Act 20,



1 **SECTION 3.** 101.02 (20) (a) of the statutes, as affected by 2005 Wisconsin Act
2 456, is amended to read:

3 101.02 (20) (a) For purposes of this subsection, "license" means a license,
4 permit or certificate of certification or registration issued by the department under
5 ss. 101.09 (3) (c), 101.122 (2) (c), 101.136, 101.143 (2) (g), 101.15 (2) (e), 101.17,
6 101.177 (4) (a), 101.178 (2) or (3) (a), 101.63 (2) or (2m), 101.653, 101.73 (5) or (6),
7 101.82 (2), 101.87, 101.935, 101.95, 101.951, 101.952, 101.985 (1) to (3), 145.02 (4),
8 145.035, 145.045, 145.15, 145.16, 145.165, 145.17, 145.175, 145.18 or 167.10 (6m).

9 **SECTION 4.** 101.02 (21) (a) of the statutes, as affected by 2005 Wisconsin Act
10 456, is amended to read:

11 101.02 (21) (a) In this subsection, "license" means a license, permit or
12 certificate of certification or registration issued by the department under s. 101.09
13 (3) (c), 101.122 (2) (c), 101.136, 101.143 (2) (g), 101.15 (2) (e), 101.17, 101.177 (4) (a),
14 101.178 (2) or (3) (a), 101.63 (2), 101.653, 101.73 (5) or (6), 101.82 (2), 101.87, 101.935,
15 101.95, 101.951, 101.952, 101.985 (1) to (3), 145.02 (4), 145.035, 145.045, 145.15,
16 145.16, 145.165, 145.17, 145.175, 145.18 or 167.10 (6m).

17 **SECTION 5.** 101.136 of the statutes is created to read:

18 **101.136 Regulation of thermal system insulation installation. (1)**

19 DEFINITIONS. In this section:

20 (a) "Building" means a commercial, industrial, or residential building,
21 structure, or facility, as defined by the department by rule, but does not include a
22 residential building, structure, or facility that contains 3 or fewer residential units.

23 ~~(b)~~ ^(c) "Council" means the thermal system insulation and council.

24 ~~(c)~~ ^(d) "Mechanic" means a person who installs or maintains thermal system
25 insulation in heating, ventilating, cooling, plumbing, and refrigeration systems.

✓
insert
4-22

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~~(d)~~ ^(e) "State inspector" means the state thermal system insulation inspector.

~~(e)~~ ^(f) "Thermal system insulation" means a product that is used in a heating, ventilating, cooling, plumbing, or refrigeration system to insulate any hot or cold surface including a pipe, duct, valve, boiler, flue, or tank, or equipment on or in a building.

(2) DUTIES OF THE THERMAL SYSTEM INSULATION COUNCIL. (a) The council shall do all of the following:

1. Recommend to the department rules establishing standards for the installation and maintenance of thermal system insulation in buildings.

2. Recommend to the department requirements for the licensure of mechanics and circumstances under which the department may take disciplinary action against a mechanic including suspension and revocation of a license.

3. Recommend to the department qualifications for the state inspector.

4. Recommend to the department training and continuing education requirements for ~~persons who are authorized by the department to install or maintain thermal system insulation.~~ *mechanics* ✓

(b) The council may consult with engineering authorities and other organizations concerned with safety and health issues related to thermal system insulation and mold in performing its duties under this subsection.

~~STATE INSPECTOR~~ ^{Inspection (CS)} (a) The department shall employ a person who has at least 10 years of experience as a mechanic, and who has successfully completed a 4-year apprenticeship ~~in the trade of heat and frost insulation,~~ ^{in the trade of heat and frost insulation} as the state inspector. The state inspector shall work under the direct supervision of the secretary or his or her designee.

(b) The state inspector shall do all of the following:

program in installing and maintaining thermal system insulation ✓

first day of the 17th month
beginning after

1. Inspect buildings constructed, or in which the mechanical systems have been altered, on or after the effective date of this subdivision... [revisor inserts date], to determine whether the installation or maintenance of thermal system insulation in those buildings and structures complies with the standards established by the department under sub. (4) (d). The state inspector shall conduct the inspections on a random basis and whenever requested to do so by a local building inspector.

Keep complete and accurate records of all inspected buildings including a list identifying all buildings that are in compliance with the standards established by the department under sub. (4) (d), a list of all buildings that are not in compliance with the standards established by the department under sub. (4) (d), and a list of all orders that the state inspector issues under par. (c).

Give written notice of noncompliance to the owner of every building that the state inspector determines does not comply with the standards established by the department under sub. (4) (d).

(c) The state inspector may do any of the following:

~~1. Enter any newly constructed or newly remodeled building in which a mechanical system was altered at a reasonable hour for the purpose of inspecting, or gathering information about, any thermal system insulation.~~

2. Issue an order requiring the owner of a building to make repairs or alterations that the state inspector determines are necessary in order for the building to comply with the standards established by the department under sub. (4) (d). The inspector shall issue such an order in writing.

(4) RULES. The department shall promulgate rules establishing all of the following:

and information
2. Provide assistance to local building inspectors who inspect buildings for compliance with the standards established by the department under sub. (4) (d).

MOVE
NO #

1 (a) Requirements for the licensing of mechanics. The rules shall provide that
2 a license issued to a mechanic ~~or a contractor~~ under this section is valid for 2 years
3 and is renewable.

4 (b) License fees for mechanics. The rules shall establish fees for the licensing
5 of mechanics that are not less than \$250 nor more than \$1,000 for each license period.

6 (c) Training and continuing education requirements for mechanics.

7 (d) Standards for the installation and maintenance of thermal system
8 insulation in buildings. The department shall base the standards, to the extent
9 possible, on national industry standards for installing and maintaining thermal
10 system insulation.

11 (e) Procedures governing the assessment of forfeitures under sub. (11)
12 including the procedure for issuing an order for an alleged violation of this section,
13 the procedure for contesting an order issued for an alleged violation of this section,
14 and the procedure for contesting the assessment of a forfeiture for an alleged
15 violation of this section.

16 (5) LICENSING OF MECHANICS. (a) 1. Except as provided in subd. 2., beginning
17 on the first day of the ~~18th~~^{18th} month beginning after the effective date of this
18 subdivision, no person may install or maintain thermal system insulation in any
19 building unless that person is a mechanic licensed by the department under this
20 section, is working under the direct supervision of a licensed mechanic, or is serving
21 an apprenticeship with a licensed contractor who meets the requirements specified
22 under ch. 106. *in the installation and maintenance of thermal*
system insulation that

23 2. Subdivision 1. does not apply to a person who makes only minor repairs to
24 thermal system insulation.

¶ (am) A definition of "minor repairs" for purposes of sub. (5)(a) 2.

1 (b) A person wishing to obtain a mechanic's license shall apply for a license by
2 submitting an application on a form provided by the department together with the
3 applicable fee.

4 (6) REQUIREMENTS FOR LICENSURE OF MECHANICS. (a) Except as provided in par.
5 (b), the department may not issue a license to a mechanic unless the mechanic
6 demonstrates, in a manner satisfactory to the department, that he or she has met the
7 requirements established by the department by rule and either of the following
8 requirements:

9 1. He or she has successfully completed at least 160 hours of relevant training
10 approved by the department, upon consultation with the council, and has passed a
11 written examination approved by the department.

12 2. He or she has successfully completed an apprenticeship ^{program} that meets the
13 requirements specified under ch. 106 ~~and that includes relevant training in~~
14 ~~installing and maintaining thermal system insulation.~~

15 (b) The department may waive any requirement, or any portion of a
16 requirement under par. (a) for any person with experience in installing or
17 maintaining thermal system insulation upon submission of evidence satisfactory to
18 the department that the person is qualified for licensure.

19 (c) The department may not renew a license issued to a mechanic under this
20 section unless the mechanic submits a certificate to the department that
21 demonstrates that the mechanic has attended and successfully completed during the
22 previous license period a continuing education course approved by the department,
23 upon consultation with the council.

✓
insert
8-11

~~NO~~ in installing and maintaining thermal system [✓] insulation
that is approved by the department and that
meets the requirements of the department of
workforce development [✓]

1 **(7) LICENSING EXCEPTIONS.** The department may waive a licensing requirement
2 under sub. (6) for any person who is licensed as a mechanic in another state in which
3 the standards for licensure are at least as strict as the requirements under sub. (6).

4 **(8) TEMPORARY AND EMERGENCY LICENSES.** The department may promulgate
5 rules establishing standards and procedures for the issuance of temporary and
6 emergency licenses for mechanics. The rule shall provide that a temporary or
7 emergency license issued under this subsection is valid for a period of 30 days.

8 **(9) PROHIBITIONS.** No person may do any of the following:

9 (a) Make a false statement of material fact in an application for the issuance
10 or renewal of a license under this section.

11 (b) Engage in fraud, misrepresentation, or bribery in order to obtain a license
12 under this section.

13 (c) Fail to notify the department or the owner or lessee of any building that the
14 building fails to meet the standards established by the department by rule under
15 sub. (4) (d).

16 **(10) PENALTIES.** A person who violates this section or who fails to comply with
17 an order issued by the state inspector under this section is subject to a forfeiture of
18 not less than \$2,000 nor more than \$5,000 for each violation.

19 **(11) ASSESSMENT OF FORFEITURES BY THE DEPARTMENT.** (a) The department may
20 directly assess a forfeiture by issuing an order against any person who violates this
21 section or who fails to comply with an order issued by the state inspector under this
22 section.

23 (b) The department shall remit all forfeitures paid to the department under this
24 subsection to the secretary of administration for deposit in the school fund.

1 (c) All forfeitures that are not paid to the department as required under this
2 subsection shall accrue interest at the rate of 12 percent per year.

3 (d) The attorney general may bring an action in the name of the state to collect
4 any forfeiture imposed by the department, or interest accrued, if the forfeiture or
5 interest has not been paid after the exhaustion of all administrative and judicial
6 reviews.

7 **SECTION 6. Nonstatutory provisions.**

8 (1) COUNCIL. Notwithstanding the length of terms of the members of the
9 thermal system insulation council specified in section 15.157 (15) (a) to (d) of the
10 statutes, as created by this act, the initial members shall be appointed for the
11 following terms:

12 (a) Two members for a term that expires on July 1, 2010.

13 (b) Two members for a term that expires on July 1, 2011.

14 (c) Two members for a term that expires on July 1, 2012.

15 (2) SUBMISSION OF PROPOSED RULES. No later than the first day of the 18th month
16 beginning after the effective date of this subsection, the department of commerce
17 shall submit in proposed form the rules required under section 101.136 (4) of the
18 statutes, as created by this act, to the legislative council staff under section 227.15
19 (1) of the statutes. Notwithstanding section 227.137 (2) of the statutes, the secretary
20 of administration may not require the department of commerce to prepare an
21 economic impact report for the rules required under section 101.136 (4) of the
22 statutes, as created by this act.

23 (3) EMERGENCY RULES. Using the procedure under section 227.24 of the statutes,
24 the department of commerce shall promulgate as emergency rules the rules required
25 under section 101.136 (4) of the statutes, as created by this act. Notwithstanding

1 section 227.24 (1) (c) and (2) of the statutes, the emergency rules promulgated under
2 this subsection may remain in effect until the date on which the permanent rules
3 required under section 101.136 (4) of the statutes, as created by this act, take effect.
4 Notwithstanding section 227.24 (1) (a) and (3) of the statutes, the department of
5 commerce is not required to provide evidence that promulgating rules under this
6 subsection as emergency rules is necessary for the preservation of the public peace,
7 health, safety, or welfare and is not required to provide a finding of emergency for the
8 rules promulgated under this subsection. The department of commerce shall
9 promulgate the rules required under this subsection no later than the first day of the
10 18th month beginning after the effective date of this subsection.

11 **SECTION 7. Fiscal changes.**

12 (1) STATE THERMAL SYSTEM INSULATION INSPECTOR. In the schedule under section
13 20.005 (3) of the statutes for the appropriation to the department of commerce under
14 section 20.143 (3) (j) of the statutes, as affected by the acts of 2007, the dollar amount
15 is increased by \$78,100 for fiscal year 2007-08 and the dollar amount is increased
16 by \$78,100 for fiscal year 2008-09 to increase the authorized FTE positions for the
17 department of commerce by 1.0 PR position to perform the responsibilities of the
18 state thermal system insulation inspector.

19 **SECTION 8. Effective dates.** This act takes effect on the day after publication,
20 except as follows:

21 (1) SECTION 7 (1) of this act takes effect on the day after publication of the
22 2007-09 biennial budget act.

23 (END)

2007-2008 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0144/2ins.
RNK:.....

this substitute amendment

INSERT ANALYSIS A

~~NO~~ Under the substitute amendment, the state inspector must also provide assistance and information to local building inspectors who inspect buildings for compliance with the standards established by the department under sub. (4)(d).

INSERT ANALYSIS B

~~NO~~ has acquired a specified amount of experience installing and maintaining thermal system insulation.

INSERT 4-22

(b) "Building inspector" means a person who is certified under rules promulgated by the department to make inspections of public buildings and places of employment.

INSERT 8-11

1. He or she has at least 1000 hours of experience in each of 4 consecutive years installing and maintaining thermal system insulation under the supervision of a licensed mechanic and has passed an examination approved by the department.

Commerce

LPS - FROM
07 Wis Act 20

INSERT 3-14

07 Wis. Act 20, s. 206e

Section 206e. 20.143 (3) (j) of the statutes is amended to read:

07 Wis. Act 20, s. 206e - continued

I

20.143 (3) (j) Safety and building operations. The amounts in the schedule for the purposes of chs. 101, 145, and 168 and ss. 236.12 (2) (a), 236.13 (1) (d) and (2m), and 236.335, for the purpose of transferring the amounts in the schedule under par. (kg) to the appropriation account under par. (kg), and for the purpose of transferring the amounts in the schedule under par. (km) to the appropriation account under par. (km). All moneys received under ch. 145, ss. 101.177 (4) (a) 4., 101.178, 101.19, 101.63 (9), 101.654 (3), 101.73 (12), 101.82 (4), 101.955 (2), 101.973 (7), and 236.12 (7), except moneys received under s. 101.9208 (2m), and all moneys transferred under 2005 Wisconsin Act 45, section 76 (6), shall be credited to this appropriation.

plain

101.136 (4)(b),

score ↗

(end ins 3-14)

Kite, Robin

From: Plotkin, Adam
Sent: Wednesday, November 21, 2007 1:51 PM
To: Kite, Robin
Subject: RE: heat & frost

Robin,

Thank you! Let's make that p. 5, line 7 correction deleting "and". All the effective date questions were answered, so no changes needed there. The stripes are on the way!

Adam

*Adam Plotkin
Clerk, Committee on Labor, Elections, and Urban Affairs
Office of Senator Spencer Coggs
phone, 608-266-2500
fax, 608-282-3546*

From: Kite, Robin
Sent: Wednesday, November 21, 2007 11:55 AM
To: Plotkin, Adam
Subject: RE: heat & frost

Adam:

With regard to page 5, line 7: You're right. The word "and" needs to be deleted.

With regard to page 6, line 11: I intended to say the first day of the 19th month to ensure that the delay is a full 18 months. We do this to address the situation where a bill's effective date is at the very end of a month. But I can change it to either the 18th or the 19th month.

With regard to the effective dates: I think that the bill can take effect immediately because the text of the bill provides that mechanics don't need to be licensed for 48 months and only buildings constructed or remodeled 18 months after the effective date are to be inspected. With an immediate effective date, there will be no delay establishing the council, making the relevant fiscal changes, requiring Commerce to begin work on rules, etc. But call me if you want to discuss this further. In any event, you will need to return the stripes so that I can make necessary changes.

Robin

From: Plotkin, Adam
Sent: Wednesday, November 21, 2007 11:14 AM
To: Kite, Robin
Subject: heat & frost

Robin, here are the comments after review of the newest sub. Let me know what you think:

-page 5, line 7, I think the word "and" should be deleted.

-page 6, line 11, should this be the 17th month, or 18th month?

-no need for any mention of "effective dates" for the remainder of the bill at the end of the bill?

*Adam Plotkin
Clerk, Committee on Labor, Elections, and Urban Affairs
Office of Senator Spencer Coggs
phone, 608-266-2500
fax, 608-282-3546*

Kite, Robin

From: Plotkin, Adam
Sent: Wednesday, November 21, 2007 1:54 PM
To: Kite, Robin
Subject: RE: heat & frost

I'm sorry, I only answered points 1 and 3. For point two, let's change p. 6, line 11 to 19 months.

*Adam Plotkin
Clerk, Committee on Labor, Elections, and Urban Affairs
Office of Senator Spencer Coggs
phone, 608-266-2500
fax, 608-282-3546*

From: Kite, Robin
Sent: Wednesday, November 21, 2007 11:55 AM
To: Plotkin, Adam
Subject: RE: heat & frost

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To: Kite, Robin
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*Adam Plotkin
Clerk, Committee on Labor, Elections, and Urban Affairs
Office of Senator Spencer Coggs
phone, 608-266-2500
fax, 608-282-3546*



Wed. 11/28
State of Wisconsin
2007 - 2008 LEGISLATURE

RM run
3
LRBs0144/2
RNK:jld/lmk/kjfrs
stys

SENATE SUBSTITUTE AMENDMENT ,
TO 2007 SENATE BILL 194

ReOn

Vt

1 AN ACT *to amend* 20.143 (3) (j), 101.02 (20) (a) and 101.02 (21) (a); and *to create*
2 15.157 (15) and 101.136 of the statutes; **relating to:** the licensing and
3 regulation of thermal system insulation mechanics; creating a thermal system
4 insulation council; requiring the employment of a state inspector; establishing
5 standards for installing and maintaining thermal system insulation; requiring
6 the exercise of rule-making authority; making an appropriation; and providing
7 a penalty.

Analysis by the Legislative Reference Bureau

The Department of Commerce (Commerce) administers various laws, including building codes, that promote safety in public and private buildings and in the subsystems of those buildings. To that end, Commerce issues various licenses, permits, registrations, and other credentials (licenses) to persons engaged in the construction trades, such as electricians and plumbers. Commerce also administers and issues licenses in connection with the administration of other laws relating to public safety, such as those regulating fireworks and the storage of flammable liquids.

This substitute amendment requires Commerce to regulate the business of installing and maintaining thermal system insulation in commercial and industrial

buildings and in residential buildings that contain four or more residential units. The substitute amendment defines thermal system insulation as a product used in a heating, ventilating, cooling, plumbing, or refrigeration system (heating or cooling system) to insulate any hot or cold surface on or in a building. The substitute amendment requires Commerce to license most persons who install and maintain thermal system insulation in heating and cooling systems (mechanics). The substitute amendment also requires Commerce to employ a state thermal system insulation inspector (state inspector). The substitute amendment establishes a thermal system insulation council (council). The council is responsible for recommending to Commerce requirements for the licensure of mechanics. The council must also provide other advice to Commerce including recommending training and continuing education requirements for mechanics.

Under the substitute amendment, the state inspector must have at least ten years of experience as a mechanic and must have successfully completed a four-year apprenticeship program in installing and maintaining thermal system insulation. The state inspector must inspect buildings to determine whether the buildings comply with standards established by Commerce for the installation and maintenance of thermal system insulation (state standards). The state inspector must also keep complete and accurate records of all inspected buildings and give notice of noncompliance to the owner of every building who fails to comply with state standards. The substitute amendment authorizes the state inspector to enter and inspect buildings and to issue orders requiring the owner of a building to make repairs or alterations that are necessary for the building to comply with state standards. Under the substitute amendment, the state inspector must also provide assistance and information to local building inspectors who inspect buildings for compliance with the standards established by Commerce under this substitute amendment.

The substitute amendment establishes minimum licensing requirements for thermal system insulation mechanics. Under the substitute amendment, a person may not obtain a mechanic's license unless he or she has acquired a specified amount of experience installing and maintaining thermal system insulation and passed a written examination approved by Commerce or has successfully completed an approved apprenticeship program. The licensing requirement under the substitute amendment does not apply to a person who makes only minor repairs to thermal system insulation.

The substitute amendment allows Commerce to waive any licensing requirement for mechanics for a person who is licensed in another state in which the standards for licensure are at least as strict as the requirements under the substitute amendment. It also allows Commerce to waive any licensing requirement for experienced mechanics who submit evidence satisfactory to Commerce that the mechanic is qualified for licensure. The substitute amendment also provides that Commerce may not renew a license issued to a mechanic unless the mechanic completes a continuing education course during the previous license period that is approved by Commerce.

The substitute amendment authorizes Commerce to directly assess a forfeiture by issuing an order against any person who installs, or contracts to install, insulation products without a license or who fails to comply with an order issued by the state inspector.

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

1 **SECTION 1.** 15.157 (15) of the statutes is created to read:

2 15.157 (15) THERMAL SYSTEM INSULATION COUNCIL. There is created in the
3 department of commerce a thermal system insulation council consisting of the state
4 thermal system insulation inspector who shall serve as a nonvoting secretary of the
5 council, the secretary of commerce or his or her designee, and the following members
6 appointed for 3-year terms:

7 (a) Two members who represent major insulation companies.

8 (b) One member who is an architect licensed to do business in this state with
9 work experience in the area of indoor air quality.

10 (c) Two members who are mechanics with at least 10 years of experience in the
11 area of heat and frost insulation.

12 (d) One member who is a general contractor in this state.

13 **SECTION 2.** 20.143 (3) (j) of the statutes, as affected by 2007 Wisconsin Act 20,
14 is amended to read:

15 20.143 (3) (j) *Safety and building operations.* The amounts in the schedule for
16 the purposes of chs. 101, 145, and 168 and ss. 101.136 (4) (b), 236.12 (2) (a), 236.13
17 (1) (d) and (2m), and 236.335, for the purpose of transferring the amounts in the
18 schedule under par. (kg) to the appropriation account under par. (kg), and for the
19 purpose of transferring the amounts in the schedule under par. (km) to the
20 appropriation account under par. (km). All moneys received under ch. 145, ss.

1 101.177 (4) (a) 4., 101.178, 101.19, 101.63 (9), 101.654 (3), 101.73 (12), 101.82 (4),
2 101.955 (2), 101.973 (7), and 236.12 (7), except moneys received under s. 101.9208
3 (2m), and all moneys transferred under 2005 Wisconsin Act 45, section 76 (6), shall
4 be credited to this appropriation.

5 **SECTION 3.** 101.02 (20) (a) of the statutes, as affected by 2005 Wisconsin Act
6 456, is amended to read:

7 101.02 (20) (a) For purposes of this subsection, "license" means a license,
8 permit or certificate of certification or registration issued by the department under
9 ss. 101.09 (3) (c), 101.122 (2) (c), 101.136, 101.143 (2) (g), 101.15 (2) (e), 101.17,
10 101.177 (4) (a), 101.178 (2) or (3) (a), 101.63 (2) or (2m), 101.653, 101.73 (5) or (6),
11 101.82 (2), 101.87, 101.935, 101.95, 101.951, 101.952, 101.985 (1) to (3), 145.02 (4),
12 145.035, 145.045, 145.15, 145.16, 145.165, 145.17, 145.175, 145.18 or 167.10 (6m).

13 **SECTION 4.** 101.02 (21) (a) of the statutes, as affected by 2005 Wisconsin Act
14 456, is amended to read:

15 101.02 (21) (a) In this subsection, "license" means a license, permit or
16 certificate of certification or registration issued by the department under s. 101.09
17 (3) (c), 101.122 (2) (c), 101.136, 101.143 (2) (g), 101.15 (2) (e), 101.17, 101.177 (4) (a),
18 101.178 (2) or (3) (a), 101.63 (2), 101.653, 101.73 (5) or (6), 101.82 (2), 101.87, 101.935,
19 101.95, 101.951, 101.952, 101.985 (1) to (3), 145.02 (4), 145.035, 145.045, 145.15,
20 145.16, 145.165, 145.17, 145.175, 145.18 or 167.10 (6m).

21 **SECTION 5.** 101.136 of the statutes is created to read:

22 **101.136 Regulation of thermal system insulation installation. (1)**

23 **DEFINITIONS.** In this section:

1 (a) "Building" means a commercial, industrial, or residential building,
2 structure, or facility, as defined by the department by rule, but does not include a
3 residential building, structure, or facility that contains 3 or fewer residential units.

4 (b) "Building inspector" means a person who is certified under rules
5 promulgated by the department to make inspections of public buildings and places
6 of employment.

7 (c) "Council" means the thermal system insulation and council. ✓

8 (d) "Mechanic" means a person who installs or maintains thermal system
9 insulation in heating, ventilating, cooling, plumbing, and refrigeration systems.

10 (e) "State inspector" means the state thermal system insulation inspector.

11 (f) "Thermal system insulation" means a product that is used in a heating,
12 ventilating, cooling, plumbing, or refrigeration system to insulate any hot or cold
13 surface including a pipe, duct, valve, boiler, flue, or tank, or equipment on or in a
14 building.

15 (2) DUTIES OF THE THERMAL SYSTEM INSULATION COUNCIL. (a) The council shall
16 do all of the following:

17 1. Recommend to the department rules establishing standards for the
18 installation and maintenance of thermal system insulation in buildings.

19 2. Recommend to the department requirements for the licensure of mechanics
20 and circumstances under which the department may take disciplinary action
21 against a mechanic including suspension and revocation of a license.

22 3. Recommend to the department qualifications for the state inspector.

23 4. Recommend to the department training and continuing education
24 requirements for mechanics.

1 (b) The council may consult with engineering authorities and other
2 organizations concerned with safety and health issues related to thermal system
3 insulation and mold in performing its duties under this subsection.

4 (3) INSPECTION. (a) The department shall employ a person who has at least 10
5 years of experience as a mechanic, and who has successfully completed a 4-year
6 apprenticeship program in installing and maintaining thermal system insulation,
7 as the state inspector. The state inspector shall work under the direct supervision
8 of the secretary or his or her designee.

9 (b) The state inspector shall do all of the following:

10 1. Inspect buildings constructed, or in which the mechanical systems have been
11 altered, on or after the first day of the ~~17th~~^{19th} month beginning after the effective date
12 of this subdivision [revisor inserts date], to determine whether the installation or
13 maintenance of thermal system insulation in those buildings complies with the
14 standards established by the department under sub. (4) (d). The state inspector shall
15 conduct the inspections on a random basis and whenever requested to do so by a local
16 building inspector.

17 2. Provide assistance and information to local building inspectors who inspect
18 buildings for compliance with the standards established by the department under
19 sub. (4) (d).

20 3. Keep complete and accurate records of all inspected buildings including a list
21 identifying all buildings that are in compliance with the standards established by the
22 department under sub. (4) (d), a list of all buildings that are not in compliance with
23 the standards established by the department under sub. (4) (d), and a list of all orders
24 that the state inspector issues under par. (c).

1 4. Give written notice of noncompliance to the owner of every building that the
2 state inspector determines does not comply with the standards established by the
3 department under sub. (4) (d).

4 (c) The state inspector may issue an order requiring the owner of a building to
5 make repairs or alterations that the state inspector determines are necessary in
6 order for the building to comply with the standards established by the department
7 under sub. (4) (d). The inspector shall issue such an order in writing.

8 **(4) RULES.** The department shall promulgate rules establishing all of the
9 following:

10 (a) Requirements for the licensing of mechanics. The rules shall provide that
11 a license issued to a mechanic under this section is valid for 2 years and is renewable.

12 (am) A definition of "minor repairs" for purposes of sub. (5) (a) 2.

13 (b) License fees for mechanics. The rules shall establish fees for the licensing
14 of mechanics that are not less than \$250 nor more than \$1,000 for each license period.

15 (c) Training and continuing education requirements for mechanics.

16 (d) Standards for the installation and maintenance of thermal system
17 insulation in buildings. The department shall base the standards, to the extent
18 possible, on national industry standards for installing and maintaining thermal
19 system insulation.

20 (e) Procedures governing the assessment of forfeitures under sub. (11)
21 including the procedure for issuing an order for an alleged violation of this section,
22 the procedure for contesting an order issued for an alleged violation of this section,
23 and the procedure for contesting the assessment of a forfeiture for an alleged
24 violation of this section.

1 **(5) LICENSING OF MECHANICS.** (a) 1. Except as provided in subd. 2., beginning
2 on the first day of the 48th month beginning after the effective date of this
3 subdivision, no person may install or maintain thermal system insulation in any
4 building unless that person is a mechanic licensed by the department under this
5 section, is working under the direct supervision of a licensed mechanic, or is serving
6 an apprenticeship in the installation and maintenance of thermal system insulation
7 that meets the requirements specified under ch. 106.

8 2. Subdivision 1. does not apply to a person who makes only minor repairs to
9 thermal system insulation.

10 (b) A person wishing to obtain a mechanic's license shall apply for a license by
11 submitting an application on a form provided by the department together with the
12 applicable fee.

13 **(6) REQUIREMENTS FOR LICENSURE OF MECHANICS.** (a) Except as provided in par.
14 (b), the department may not issue a license to a mechanic unless the mechanic
15 demonstrates, in a manner satisfactory to the department, that he or she has met the
16 requirements established by the department by rule and either of the following
17 requirements:

18 1. He or she has at least 1,000 hours of experience in each of 4 consecutive years
19 installing and maintaining thermal system insulation under the supervision of a
20 licensed mechanic and has passed an examination approved by the department.

21 2. He or she has successfully completed an apprenticeship program in
22 installing and maintaining thermal system insulation that is approved by the
23 department and that meets the requirements of the department of workforce
24 development under ch. 106.

1 (b) The department may waive any requirement, or any portion of a
2 requirement under par. (a) for any person with experience in installing or
3 maintaining thermal system insulation upon submission of evidence satisfactory to
4 the department that the person is qualified for licensure.

5 (c) The department may not renew a license issued to a mechanic under this
6 section unless the mechanic submits a certificate to the department that
7 demonstrates that the mechanic has attended and successfully completed during the
8 previous license period a continuing education course approved by the department,
9 upon consultation with the council.

10 **(7) LICENSING EXCEPTIONS.** The department may waive a licensing requirement
11 under sub. (6) for any person who is licensed as a mechanic in another state in which
12 the standards for licensure are at least as strict as the requirements under sub. (6).

13 **(8) TEMPORARY AND EMERGENCY LICENSES.** The department may promulgate
14 rules establishing standards and procedures for the issuance of temporary and
15 emergency licenses for mechanics. The rule shall provide that a temporary or
16 emergency license issued under this subsection is valid for a period of 30 days.

17 **(9) PROHIBITIONS.** No person may do any of the following:

18 (a) Make a false statement of material fact in an application for the issuance
19 or renewal of a license under this section.

20 (b) Engage in fraud, misrepresentation, or bribery in order to obtain a license
21 under this section.

22 **(10) PENALTIES.** A person who violates this section or who fails to comply with
23 an order issued by the state inspector under this section is subject to a forfeiture of
24 not less than \$2,000 nor more than \$5,000 for each violation.

1 **(11) ASSESSMENT OF FORFEITURES BY THE DEPARTMENT.** (a) The department may
2 directly assess a forfeiture by issuing an order against any person who violates this
3 section or who fails to comply with an order issued by the state inspector under this
4 section.

5 (b) The department shall remit all forfeitures paid to the department under this
6 subsection to the secretary of administration for deposit in the school fund.

7 (c) All forfeitures that are not paid to the department as required under this
8 subsection shall accrue interest at the rate of 12 percent per year.

9 (d) The attorney general may bring an action in the name of the state to collect
10 any forfeiture imposed by the department, or interest accrued, if the forfeiture or
11 interest has not been paid after the exhaustion of all administrative and judicial
12 reviews.

13 **SECTION 6. Nonstatutory provisions.**

14 (1) **COUNCIL.** Notwithstanding the length of terms of the members of the
15 thermal system insulation council specified in section 15.157 (15) (a) to (d) of the
16 statutes, as created by this act, the initial members shall be appointed for the
17 following terms:

18 (a) Two members for a term that expires on July 1, 2010.

19 (b) Two members for a term that expires on July 1, 2011.

20 (c) Two members for a term that expires on July 1, 2012.

21 **SECTION 7. Fiscal changes.**

22 (1) **STATE THERMAL SYSTEM INSULATION INSPECTOR.** In the schedule under section
23 20.005 (3) of the statutes for the appropriation to the department of commerce under
24 section 20.143 (3) (j) of the statutes, as affected by the acts of 2007, the dollar amount
25 is increased by \$78,100 for fiscal year 2007-08 and the dollar amount is increased

1 by \$78,100 for fiscal year 2008-09 to increase the authorized FTE positions for the
2 department of commerce by 1.0 PR position to perform the responsibilities of the
3 state thermal system insulation inspector.

4 (END)