

Fiscal Estimate Narratives

DATCP 2/11/2014

LRB Number	13-2855/1	Introduction Number	AB-0684	Estimate Type	Original
Description Various changes in the unemployment insurance law					

Assumptions Used in Arriving at Fiscal Estimate

This bill would (among other things) require DATCP to deny application for certification, or suspend or restrict the existing certification a person who works with storage tank systems that hold hazardous, flammable, or explosive liquids if that person failed to pay unemployment insurance contributions. Currently, the state of Wisconsin requires the following types of certification:

- Tank system inspectors
- Tank specialty firms
- Tank-system site assessors
- Aboveground tank system installers
- Underground tank system installers
- Underground tank system liners
- Tank system removers and cleaners
- Tank system tightness testers
- Cathodic protection specialties

All of these certification / professional credentialing programs are part of the storage tank regulation program that was transferred from DSPS to DATCP by the most recent Biennial Budget (2013 Act 20). In total, there are currently about 1,000 certifications issued.

There is some potential that this bill could result in increased cost to DATCP, but we believe it is more likely that the bill would not have any measurable fiscal impact on DATCP.

In the event that DWD did certify to DATCP that a certification holder was delinquent on unemployment insurance contributions, DATCP would then move to revoke the certification. We estimate that revoking a certification would require a minimum of about 5 hours of employee time. This includes: management approval of the action, updating databases, issuing formal notice to the certificate holder, and following-up to ensure that the person is no longer working under an invalid certificate. However, if the certificate holder objects to the revocation and requests an administrative hearing (under Ch. 227, stats.), the number of hours of employee time would be considerably higher and also involve more high-cost employees like senior managers and attorneys.

However, despite the possible increased-cost scenario described above, we are reporting no fiscal effect. With the exception of the roughly 200 certified Tank Specialty Firms, most of the certificate holders are individual natural persons who most likely have no obligation to pay unemployment insurance contributions. It seems that revocation of a certification under this proposed law would occur only on rare occasions. And in most cases, the cost would be minimal.

Long-Range Fiscal Implications