

## Chapter DWD 273

## TRAVELING SALES CREWS

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**DWD 273.01 Authority and purpose.** This rule is adopted in accordance with s. 103.34, Stats., to provide rules for the administration of the laws relating to traveling sales crews.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10.

**DWD 273.02 Applicability.** This chapter applies to any employer of traveling sales crew workers, and to any individuals who are employed or who have applied to be employed as traveling sales crew workers, to whom the requirements of s. 103.34, Stats., apply.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10.

**DWD 273.03 Definitions.** Unless otherwise provided, in this chapter:

(1) “Department” means the Department of Workforce Development.

(2) “Employee” means an individual who is recruited in Wisconsin to be a traveling sales crew worker or who is working in Wisconsin as a traveling sales crew worker.

(3) “Employer” means an entity that is operating a traveling sales crew in Wisconsin or that recruits any traveling sales crew worker in Wisconsin.

(4) “Misconduct” for the purposes of s. 103.34 (9) (e), Stats., means conduct evincing such willful or wanton disregard of an employer’s interests as is found in a deliberate violation or disregard of standards of behavior which the employer has the right to expect of his employee, or in carelessness or negligence of such degree or recurrence as to manifest equal culpability, wrongful intent or evil design, or to show an intentional and substantial disregard of the employer’s interests or of the employee’s duties and obligations to the employer. Mere inefficiency, unsatisfactory conduct, failure of good performance as the result of inability or incapacity, inadvertencies of ordinary negligence in isolated instances, or good-faith errors in judgment or discretion are not to be deemed “misconduct.”

**Note:** The term “misconduct” is defined because s. 103.34 (9) (e), Stats., provides as follows: “(9) No employer of a traveling sales crew worker and no employee, agent, or representative of that employer who supervises or transports traveling sales crew workers may do any of the following: . . . (e) Abandon a traveling sales crew worker who is unable to work due to illness or injury or who is discharged from employment for reasons other than misconduct without providing for the return of the traveling sales crew worker to his or her permanent place of residence.”

(5) “Operator” means a person, corporation, limited liability company or other entity that employs, offers to employ, or otherwise recruits an individual to work as a traveling sales crew worker, including a proprietor, managing partner, manager, principal officer, employee, agent or representative of the entity.

(6) “Traveling sales crew” has the same meaning as in s. 103.34 (1) (d), Stats.

**Note:** Section 103.34 (1) (d), Stats., defines “traveling sales crew” as “2 or more individuals who are employed as salespersons or in related support work, who travel together in a group, and who are absent overnight from their permanent places of residence for the purpose of selling consumer goods or services to consumers from house to house, on any street, or in any other place that is open to the public. “Traveling sales crew” does not include 2 or more individuals who are traveling together for the purpose of participating in a trade show or convention or 2 or more immediate

family members who are traveling together for the purpose of selling consumer goods or services.”

(7) “Traveling sales crew activities” has the same meaning as in s. 103.34 (1) (e), Stats.

**Note:** Section 103.34 (1) (e), Stats., defines “traveling sales crew activities” as “(e) “Traveling sales crew activities” means the sale of consumer goods or services to consumers from house to house, on any street, or in any other place that is open to the public or related support work. “Traveling sales crew activities” does not include the sale of consumer goods or services from a fixed location at a concert, festival, carnival, street fair, public exhibition, or other similar special event with the permission of the organizer of the special event.”

(8) “Traveling sales crew worker” has the same meaning as in s. 103.34 (1) (f), Stats.

**Note:** Section 103.34 (1) (f), Stats., defines “traveling sales crew worker” as “a member of a traveling sales crew.”

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10.

**DWD 273.04 Certificate of registration. (1) APPLICATION.** In order to apply for a 12 month original or renewal certificate of registration as a traveling sales crew employer under this chapter, the applicant shall fully complete a written application form furnished by the department and return it to the department.

**Note:** Applications should be delivered to the Department of Workforce Development, Equal Rights Division, at Room A300, 201 East Washington Avenue, Madison Wisconsin, or they may be mailed to the DWD Equal Rights Division at P.O. Box 8928, Madison, WI 53708. Application forms may be obtained by writing to the DWD Equal Rights Division at this address, or calling (608) 266-6860, or visiting the DWD Equal Rights Division website at <http://dwd.wisconsin.gov/er/>.

(2) ITEMS REQUIRED. Along with the completed application form, the following items must be provided to the department:

(a) Two completed fingerprint cards for each person who is a proprietor, managing partner, manager, or principal officer of the applicant, and for each employee, agent or representative of the applicant who supervises or transports traveling sales crew workers.

(b) Evidence that the applicant has obtained, as confirmation of its ability to pay any compensation owed to an employee or any penalty imposed by the department, one of the following in the amount of at least \$10,000: a surety bond, a certificate of deposit, an escrow account or an irrevocable letter of credit.

(c) A registration fee of \$60.00 for each individual for whom the criminal background check under s. 103.34 (3) (b) 2., Stats., is required.

(d) Certification by a motor vehicle mechanic that all vehicles used by the applicant to transport traveling sales crews are in compliance with all applicable Wisconsin and federal safety standards as described in s. DWD 273.09 (2). The costs associated with any vehicle inspection are the responsibility of the applicant.

(e) A copy of the statement provided by the applicant to its employees, as required by s. 103.34 (5) (a) 9., Stats., which describes the transportation to be provided to the employee and which identifies any hazardous materials that the sales crews shall be storing, handling, transporting or having any exposure to, and a copy of any additional information concerning the storage, handling or transportation of hazardous materials which may be required by s. 103.34 (7) (b), Stats.

(f) Documentation showing that the applicant has in force insurance policies with minimum coverage for commercial automobile liability of \$500,000 per person, \$2,000,000 per accident and \$500,000 of physical damage, and also has commercial general liability coverage of at least \$500,000 per occurrence and \$1,000,000 aggregate.

(3) **ISSUANCE.** The department shall process a certificate of registration application when all of the required application documents have been received by the department. The department shall request the criminal background check within 30 calendar days of receipt of the completed application materials. The department shall complete its processing of the registration application within 30 calendar days of its receipt of the results of the criminal background check.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10.

**DWD 273.05 Fingerprint cards.** When it is necessary to complete the criminal background check required by s. 103.34 (3) (b) 2., Stats., the applicant shall provide two completed fingerprint cards for each individual identified in s. DWD 273.04 (2) (a). The fingerprinting on these cards shall be completed by a federal, state, or local law enforcement agency, or a private entity duly authorized to provide fingerprinting services. The applicant shall include, with the fingerprint cards submitted, documentation identifying the agency or business that administered the fingerprinting.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10.

**DWD 273.06 Change of status.** If a change occurs in any of the information submitted to the department under s. 103.34 (3) (a), Stats., the registrant shall notify the department of that change within 30 calendar days after the change occurs. If the registrant hires any new individuals who are required to have a criminal background check involving fingerprint cards performed under s. 103.34 (3) (b) 2., Stats., the registrant shall submit to the department, for each new individual hired, an additional registration fee of \$60.00 and two completed fingerprint cards.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10.

**DWD 273.07 Suspension or revocation of registration.** The department may deny, suspend, revoke, restrict or refuse the certificate of registration if the department determines the applicant or registrant is not in compliance with s. 103.34, Stats.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10.

**DWD 273.08 Payment and compensation. (1) PAYMENT AND RECORDS REQUIRED.** The employer of a traveling sales crew shall provide payment to its employees on the regularly agreed upon pay dates, which shall in no case be less often than semimonthly. The employer shall keep, for three years, the following records for all traveling sales crew workers:

- (a) Name and address.
- (b) Date of birth.
- (c) Date of entering and leaving employment.
- (d) Time of beginning and ending of work each day.
- (e) Time of beginning and ending of meal periods, when the traveling sales crew worker's meal periods are required or when such meal periods are to be deducted from work time.
- (f) Total number of hours worked per day and per week.
- (g) Rate of pay and wages paid each payroll period.
- (h) The amount of and reason for each deduction from the wages earned.
- (i) Output of the traveling sales crew worker, if paid on other than time basis.

(j) Documentation that the traveling sales crew worker has been paid the applicable minimum wage for all hours worked each pay period.

(2) **DEDUCTIONS.** The employer may make deductions from pay as allowed under s. 103.34 (6) (b), Stats. The employer shall state clearly on the traveling sales crew worker's paycheck, pay envelope, pay stub, other paper accompanying the wage payment, or simultaneously issued electronic statement corresponding to the wage payment, the number of hours worked, the rate of pay, and the amount of and reason for each deduction from the wages due or earned by the traveling sales crew worker, except such miscellaneous deductions as may have been authorized by request of the individual traveling sales crew worker for reasons personal to himself or herself. The employer may use a reasonable coding system.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10; 2013 Wis. Act 361: am. (1) (intro.), (2) Register May 2014 No. 701, eff. 6-1-14.

**DWD 273.09 Worker safety. (1) VEHICLES.** The vehicle used to transport traveling sales crews shall be used for its intended use. The vehicle shall have all safety equipment required under state and federal laws. The safety equipment shall be operational as defined in these laws.

(2) **TRANSPORTATION OF MATERIALS.** If any motor vehicle is used by the operator of a traveling sales crew to carry the products or samples of the products that the traveling sales crew is selling, the following requirements apply:

(a) If the product may pose any hazard to health due to contact with skin, or the breathing of fumes, or for any other reason, the operator shall obtain written information from the manufacturer or an equivalent source on the potential health hazards. The operator shall provide this information to all traveling sales crew workers and shall include the information provided in its application for a certificate of registration.

(b) The operator shall prepare a plan for the storage of products that are carried with the traveling sales crew which specifies how the products are to be stored in the vehicle, and during any temporary storage outside of the vehicle, to minimize the risk of injury to traveling sales crew workers. The operator shall provide this information to all traveling sales crew workers and shall include the information provided in its application for a certificate of registration.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10.

**DWD 273.10 Insurance.** The registered operator of a traveling sales crew shall maintain in force the following insurance policies:

(1) Commercial automobile liability that provides minimum coverage limits of \$500,000 per person, \$2,000,000 per accident and \$500,000 of physical damage.

(2) Commercial general liability that provides minimum coverage limits of \$500,000 per occurrence and \$1,000,000 aggregate.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10; numbering of (1) and (2) made under s. 13.92 (4) (b) 1., Stats., Register August 2010 No. 656.

**DWD 273.11 Traveling sales crew worker permits and identification cards. (1) REQUIREMENT.** The operator of a traveling sales crew shall obtain a permit and identification card for each traveling sales crew worker who works in Wisconsin or who is recruited from Wisconsin before the traveling sales crew worker begins work.

(2) **APPLICATION.** In order to obtain a traveling sales crew worker permit and identification card from the department, the traveling sales crew operator shall submit to the department a government-issued picture ID, which shall include date of birth and permanent home address for each worker. Accompanying the

government picture ID, a letter from the operator of the traveling sales crew shall be submitted which identifies the following:

(a) The location where the traveling sales crew worker was recruited.

(b) The locations where the traveling sales crew worker shall be working.

(c) A description of the traveling sales crew worker's general duties and responsibilities.

(d) A description of the products being sold.

(e) A statement verifying that the required disclosure statement has been provided to the traveling sales crew worker.

**(3) PROCESSING.** Within ten calendar days after receipt of the completed application materials, the department shall complete its processing of the application and issue the permit and identification card.

**(4) OPERATOR REQUIREMENT TO CARRY PERMIT AND IDENTIFICATION CARD.** The operator of a traveling sales crew and anyone supervising or transporting a traveling sales crew worker shall carry at all times, while engaged in traveling sales crew activities, a copy of each permit and identification card. An operator shall

provide a traveling sales crew worker's permit and identification card upon the request of a deputy of the department, a law enforcement officer, or a person with whom the employer, traveling sales crew worker, agent, or representative is doing business.

**(5) TRAVELING SALES CREW WORKER REQUIREMENT TO CARRY PERMIT AND IDENTIFICATION CARD.** While engaged in traveling sales crew activities, a traveling sales crew worker shall carry at all times his or her original traveling sales crew worker permit and identification card and his or her government-issued picture ID. A traveling sales crew worker shall provide any one or more of these documents upon the request of a deputy of the department, a law enforcement officer, or a person with whom the traveling sales crew worker is doing business.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10; 2013 Wis. Act 361: am. (title), (1), (2) (intro.), (3) to (5) Register May 2014 No. 701, eff. 6-1-14.

**DWD 273.12 Wage claims.** A person for whom an operator is required to obtain a traveling sales crew worker permit is entitled to file an unpaid wage complaint with the department under s. 109.09, Stats.

**History:** EmR1011: emerg. cr. eff. 4-19-10; CR 09-110: cr. Register August 2010 No. 656, eff. 9-1-10.