



State of Wisconsin
Governor Scott Walker

Department of Agriculture, Trade and Consumer Protection
Ben Brancel, Secretary

DATE: February 28, 2014

TO: Bruce Hoesly, Legislative Reference Bureau
1 East Main Street, Suite 200

FROM: Ben Brancel, Secretary

SUBJECT: Chs. ATCP 110 and 111- Home Improvement Practices and Basement Waterproofing Practices; Final Rule (Clearinghouse Rule #13-066)

The Department of Agriculture, Trade and Consumer Protection (DATCP) hereby submits the following rule for publication:

CLEARINGHOUSE RULE #: 13-066

SUBJECT: Home Improvement Practices
Basement Waterproofing Practices

ADM. CODE REFERENCE: ATCP 110
ATCP 111

DATCP DOCKET #: 12-R-08

We are enclosing a copy of the final rule, as adopted by DATCP. We are also providing the following information for publication with the rule, as required by s. 227.114(6), Stats.

Business Impact Analysis (Summary)

DATCP anticipates that this rule would affect small business. The existing ATCP 110 regulates businesses that provide home improvement services. Many of these businesses are “small businesses.” They include general contractors, landscapers, plumbers, roofers, window installers, cabinet makers, electricians, and many more. Some of changes to ATCP 110 proposed in this rule will have an effect on some of these businesses. However, DATCP anticipates that those effects will be beneficial. The proposed rule streamlines existing regulations to make them easier for home improvement providers to comply. But the rule does not eliminate these regulations, thereby preserving important protections for consumers. This rule may benefit home improvement contractors in the following ways:

- General contractors working on significant reconstruction projects would no longer be regulated under this proposed rule. Currently, Ch. ATCP 110 does not regulate new home construction but it does regulate home improvement projects. Under this proposal, major reconstructions – those projects where

Agriculture generates \$59 billion for Wisconsin

2811 Agriculture Drive • PO Box 8911 • Madison, WI 53708-8911 • 608-224-5012 • Wisconsin.gov

An equal opportunity employer

the price of the contract is greater than the assessed value of the preexisting structure -- would be treated like new home construction.

- For all home improvement contractors, this rule provides some additional flexibility (as long as certain conditions are met). Including:
 - Building permits need only be obtained before work on that portion of the project concerning the building permit. Otherwise, all required building permits must be obtained before any work is completed.
 - Sellers can provide written manufacturers' warranties at the conclusion of the work. Otherwise, written manufacturers' warranties must be provided at the time the product is installed.
 - Under very limited circumstances, sellers can deviate from the written contract based on verbal agreements between the buyer and the seller.
 - The seller cannot be held responsible for delays in contract performance if the seller can demonstrate that delay was caused by actions or inactions of the buyer, destructive acts of nature, or disruptive civil disorder.

Comments from Legislative Committees (Summary)

On December 10, 2014, DATCP transmitted the above rule for legislative committee review. The rule was assigned to the Assembly Committee on Consumer Protection and the Senate Committee on Agriculture, Small Business, and Tourism. Neither committee took action. The Senate referred the rule to the Joint Committee for Review of Administrative Rules (JCRAR) on January 17, 2014 and the Assembly referred it to JCRAR on January 27, 2014. JCRAR took no action on the rule.