

STATEMENT OF SCOPE

WISCONSIN DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

Rule No.: SPS 120 to 126

Relating to: Online Auctions

Rule Type: Permanent

1. Finding/nature of emergency (Emergency Rule only):

N/A.

2. Detailed description of the objective of the proposed rule:

The objective of the rule is to review the definition of auctions and to conduct a comprehensive review of chapters SPS 120 to 126 in order to bring them into compliance with current standards of practice.

3. Description of the existing policies relevant to the rule, new policies proposed to be included in the rule, and an analysis of policy alternatives:

SPS 120 contains the definitions for auctions and bids. The department will review these definitions in light of the increasing popularity of online auctions. Additionally, the department will conduct a comprehensive review of chapters 120 to 126 to review necessary updates and remove obsolete or unnecessary references.

The policy alternative is to leave the chapters unchanged, which would fail to address stakeholder questions and allow confusion to persist as practitioners have attempted to apply outdated rules to modern-day auctions and technology.

4. Detailed explanation of statutory authority for the rule (including the statutory citation and language):

Section 227.11 (2) (a), Stats. provides “[e]ach agency may promulgate rules interpreting the provisions of any statute enforced or administered by the agency, if the agency considers it necessary to effectuate the purpose of the statute . . .”

Although as stated in section 480.04 (2), Stats. the Auctioneer Board does not have rule-making authority, pursuant section 480.04 (1), Stats., “the board shall advise the secretary on matters relating to auctioneers or auction companies or to the board.” Section 480.06, Stats., details the relationship between the Department as the rule-making authority and the board as the subject matter experts when promulgating rules.

5. Estimate of amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule:

60 hours

6. List with description of all entities that may be affected by the proposed rule:

Licensed auctioneers and auction companies.

7. Summary and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule :

There is no existing or proposed federal regulation that addresses auctioneers or auction companies.

8. Anticipated economic impact of implementing the rule (note if the rule is likely to have a significant economic impact on small businesses):

The proposed rule is likely to have minimal or no economic impact on small businesses and the state's economy as a whole.

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