

## ADMINISTRATIVE RULES FISCAL ESTIMATE AND ECONOMIC IMPACT ANALYSIS

Type of Estimate and Analysis

Original     Updated     Corrected

Administrative Rule Chapter, Title and Number

Chapter SPS 305, Licenses, Certifications and Registrations

Subject

Thermal System Insulators

Fund Sources Affected

Chapter 20 , Stats. Appropriations Affected

GPR     FED     PRO     PRS     SEG SEG-S

Fiscal Effect of Implementing the Rule

No Fiscal Effect  
 Indeterminate

Increase Existing Revenues  
 Decrease Existing Revenues

Increase Costs  
 Could Absorb Within Agency's Budget  
 Decrease Costs

The Rule Will Impact the Following (Check All That Apply)

State's Economy  
 Local Government Units

Specific Businesses/Sectors  
 Public Utility Rate Payers

Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes     No

Policy Problem Addressed by the Rule

Section 101.136, Stats., as created by 2009 Wisconsin Act 16, mandates as of July 1, 2011 only individuals licensed as insulation mechanics or working under the direct supervision of licensed insulation mechanics may install or maintain thermal system insulation. The Department promulgated rules under chapter SPS 305 effective February 1, 2011 that implemented the licensing mandates of 2009 Wisconsin Act 16. Subsequently, 2011 Wisconsin Act 32, has repealed s. 101.136, Stats., and therein eliminated the licensing mandates for thermal system insulators.

Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

It was estimated that the credential rules implemented pursuant to 2009 Wisconsin Act 16 regarding thermal insulators would most likely affect HVAC contractors, plumbing contractors, and mechanical refrigeration contractors. Fees for the various credentials ranged from \$15 for apprentices and helpers to \$250 for mechanics. In light of the Act 32, the thermal insulator credentials were not implemented and the associated fees not collected.

Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The proposed repeal of the credential rules for thermal insulators will clarify and allow individuals to continue to install and maintain thermal system insulation without the necessity of acquiring a specific credential. An alternative of leaving the rules in place and requiring the credentials under the broad authority of chapter 101, Stats., would not reflect the late st direction provided by 2011 Wisconsin Act 32.

Long Range Implications of Implementing the Rule

No long range implications are anticipated.

Compare With Approaches Being Used by Federal Government

An internet search on U.S. federal regulations and U.S. federal register yielded no results regarding the licensing of thermal insulators.

Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

An Internet-based search of thermal insulation mechanic licenses in the states of Illinois, Iowa, Michigan and Minnesota found that none of the states have specific rules or programs regarding these types of licenses.

Name and Phone Number of Contact Person

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