

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

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1. Type of Estimate and Analysis

Original    Updated    Corrected

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2. Administrative Rule Chapter, Title and Number

SPS 1.08 (2), SPS 2.10 (1) and SPS 8.03 (3)

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3. Subject

Hearings, injunctions, and warnings

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4. Fund Sources Affected

GPR    FED    PRO    PRS    SEG    SEG-S

5. Chapter 20, Stats. Appropriations Affected

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6. Fiscal Effect of Implementing the Rule

No Fiscal Effect       Increase Existing Revenues       Increase Costs  
 Indeterminate       Decrease Existing Revenues       Could Absorb Within Agency's Budget  
 Decrease Cost

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

State's Economy       Specific Businesses/Sectors  
 Local Government Units       Public Utility Rate Payers  
 Small Businesses **(if checked, complete Attachment A)**

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

Yes       No

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9. Policy Problem Addressed by the Rule

SPS 1.08(2) and 2.10(1) currently provide for the designation of the presiding officer of a disciplinary or denial review hearing to be employed by the Department unless the credentialing authority designates otherwise. These sections also indicate the administrative law judge shall be an attorney in the department designated by department general counsel, an employee borrowed from another agency or a person employed as a special project or limited term employee. The Department of Safety and Professional Services no longer has designated administrative law judges within the Department and contracts with Department of Administration, Division of Hearing and Appeals to preside over hearings. The proposed policy is to have the presiding officer of Class 1 and Class 2 hearings be an administrative law judge employed by the Department of Administration.

The rule also proposes to correct a typographical error in SPS 8.03 (3).

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10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

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11. Identify the local governmental units that participated in the development of this EIA.

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12. 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)

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

Implementing the rule would better align the administrative rules with current processes and would provide greater assurance that the presiding administrative law judge does not have a conflict of interest or bias. This creates consistency across the Department and attached boards.

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14. Long Range Implications of Implementing the Rule

The rules would provide greater assurance that the presiding administrative law judge does not have a conflict of interest or bias. This creates consistency across the Department and attached boards.

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15. Compare With Approaches Being Used by Federal Government  
None

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

Michigan, Minnesota and Iowa have central agencies that employ administrative law judges who preside over contested denial and disciplinary hearing cases.

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17. Contact Name

Katie Paff

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18. Contact Phone Number

(608) 261-4472

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**ATTACHMENT A**

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1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

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2. Summary of the data sources used to measure the Rule's impact on Small Businesses

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3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
  - Less Stringent Schedules or Deadlines for Compliance or Reporting
  - Consolidation or Simplification of Reporting Requirements
  - Establishment of performance standards in lieu of Design or Operational Standards
  - Exemption of Small Businesses from some or all requirements
  - Other, describe:
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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

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5. Describe the Rule's Enforcement Provisions

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6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes     No
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