

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis

Original Updated Corrected

2. Administrative Rule Chapter, Title and Number

SPS 131, 132, 133, 134, 135, 305, 323, 332, 334, 361

3. Subject

Relating to trades licenses, certifications, and registrations of trades credentials; continuing education requirements of home inspectors; and rule changes affected by 2013 Wisconsin Act 20

4. Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

5. Chapter 20, Stats. Appropriations Affected

20.165 (2) (j)

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

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)

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

Yes No

9. Policy Problem Addressed by the Rule

A recent audit revealed confusion among registered home inspectors in Wisconsin with regards to the continuing education requirements for registration renewal. This proposed rule change would provide clarity for registered home inspectors.

Chapter SPS 305 establishes licensing, certification, and registration requirements for a variety of building-related trades, both for individuals and businesses. Current rules require most renewal applicants to complete all continuing education requirements 3 months prior to the expiration of the license, certification or registration. The proposed rule change would align the renewal and continuing education cycle allowing applicants to complete continuing education requirements up to the expiration date of the credential.

Department standards for approval of continuing education courses required to renew a dwelling contractor qualifier certification are unclear resulting in confusion and wasted resources for potential course providers.

The ASME QEI Accreditation Program accredits organizations that certify elevator inspectors in accordance with the ASME QEI-1 Standard. Department rule, SPS 305.64 (2) (b), currently requires applicants for an elevator inspector license to submit evidence of certification by an American Society of Mechanical Engineers (ASME) accredited organization as a qualified elevator inspector (QEI). ASME is discontinuing the QEI Accreditation Program. The proposed rule change removes reference to ASME accreditation and requires applicants for an elevator inspector license to submit evidence of certification based on the QEI-1 standard from an independent organization acceptable to the Department.

Current Department administrative rules require applicants seeking to obtain a journeyman plumber-restricted appliance license to take and pass an examination administered by the Department. The proposed rule change would allow applicants the option of taking an examination administered by an entity approved by the Department. The proposed rule change would also repeal rules that are no longer effective and reorganize rules related to the two different restricted plumbing licenses for greater clarity including separating the rules for journeyman plumber-restricted appliance license holders into a separate rule section.

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.

None. This rule does not affect local government units.

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)

This rule will not have an economic or fiscal impact on businesses, business sectors, public utility rate payers, local governmental units or the state's economy as a whole.

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

The proposed rule change provides clarity for registered home inspectors with regards to continuing education requirements for registration renewal. The proposed rule change is based on the results from a recent audit conducted by the Department assessing compliance with the continuing education requirements in ch. SPS 135. By not amending the rules in this manner, home inspectors may inadvertently fail to meet the requirements and as a result may not be able to practice as home inspectors.

Department rules were evaluated to find opportunities to increase efficiencies in the processes relating to the issuance and renewal of credentials. It was determined that the credential renewal process could be made less burdensome while maintaining professional integrity by aligning the continuing education and renewal cycles.

The proposed rule change would provide greater clarity with regards to Department standards for course approval facilitating a more transparent and consistent approval process.

Implementing this rule provides clarity with regards to licensure requirements for elevator inspectors once ASME discontinues its accreditation program.

The proposed rule change would provide more exam options for the licensed journeyman plumber-restricted appliance credential.

14. Long Range Implications of Implementing the Rule

Implementing the rule would provide for a less burdensome and more transparent credential application and renewal process for trades professionals and home inspectors in the future.

15. Compare With Approaches Being Used by Federal Government

None.

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

A review of the rules and statutes pertaining to the renewal of trades credentials in Illinois, Iowa, Michigan, and Minnesota found no instance of a continuing education cycle that does not align with the credential renewal cycle.

Michigan and Minnesota specify the approved topic areas for pre-licensure and continuing competency courses for dwelling contractor qualifiers. Applicants in these states must complete a certain number of hours in specific topic areas and are allowed to take other courses in a variety of other topic areas. In Iowa, coursework is not required for initial registration or renewal for dwelling contractor qualifiers. The state of Illinois does not regulate dwelling contractor qualifiers.

Illinois, Iowa and Michigan have not yet updated their code to reflect the discontinuation of the ASME QEI Accreditation Program. The Department of Licensing and Regulatory Affairs directly certifies elevator inspectors in Michigan.

17. Contact Name	18. Contact Phone Number
Katie Paff	608-261-4472

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ATTACHMENT A

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)

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

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

5. Describe the Rule's Enforcement Provisions

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

- Yes No
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