# **© 07hr\_ab0466\_AC-Ho\_pt01**

Details:

(FORM UPDATED: 08/11/2010)

# WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2007-08

(session year)

# Assembly

(Assembly, Senate or Joint)

Committee on ... Housing (AC-Ho)

### **COMMITTEE NOTICES ...**

- Committee Reports ... CR
- Executive Sessions ... ES
- Public Hearings ... PH
- Record of Comm. Proceedings ... RCP

## INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... Appt
- Clearinghouse Rules ... CRule
- Hearing Records ... bills and resolutions

(ab = Assembly Bill) (sb = Senate Bill)

(ar = Assembly Resolution)

(ajr = Assembly Joint Resolution)

(**sr** = Senate Resolution)

(sjr = Senate Joint Resolution)

Miscellaneous ... Misc

<sup>\*</sup> Contents organized for archiving by: Mike Barman (LRB) (Aug/2010)

#### **Assembly**

### **Record of Committee Proceedings**

### **Committee on Housing**

**Assembly Bill 466** 

Relating to: the regulation of construction contractors and subcontractors, granting

rule-making authority, and providing a penalty.

By Representatives Kaufert, Albers, Mason, Bies, Boyle, Hahn, Jeskewitz, Jorgensen, Kreuser, Montgomery, Musser, A. Ott, Petrowski, Sheridan, Steinbrink and Townsend; cosponsored by Senators Wirch, Hansen, Lehman, Decker, Cowles, Schultz, Harsdorf, Sullivan, Olsen, Lassa and Erpenbach.

July 19, 2007

Referred to Committee on Housing.

January 24, 2008

#### PUBLIC HEARING HELD.

Present: (7) Representatives Wieckert, Stone, Townsend,

Honadel, Hebl, Young and A. Williams.

Absent:

(0) None.

#### Appearances For

- Bob DuPont, Madison Wisconsin Department of Commerce
- Robert Wirch Senator
- Robert Wirch, Madison Senator, 22nd Senate District
- Dean Kaufert, Madison Representative, 55th Assembly District

#### Appearances Against

- Brad Boycks, Madison Wisconsin Builders Association
- John Mielke, Madison ABC of Madison

#### Appearances for Information Only

• None.

#### Registrations For

- Joe Oswald, De Forest Wisconsin Labor District Council
- Kevin La Mere, Madison Wisconsin Pipe Trades Association
- Dan Gengler, Madison Wisconsin Fire Protection Coalition
- Gregory Hunt, Elkhorn
- Brett Large, West Bend
- Joe Strohl, Madison Operating Eineers Local 139

#### Registrations Against

• Cale Battles, Madison — State Bar of Wisconsin

### Registrations for Information Only

• Thomas Walker, Madison — Wisconsin Transportation Builders Assn.

March 13, 2008

Failed to pass pursuant to Senate Joint Resolution 1.

Scott Becher

Committee Clerk





# Wisconsin Builders Association

October 1, 2007

Representative Steve Wieckert Room 16 West State Capitol P.O. Box 8953 Madison, WI 53708

Dear Representative Wieckert,

Thank you for talking with me recently concerning Assembly Bill 466 (AB 466), relating to the regulation of construction contractors and subcontractors.

Your staff recently asked me to follow up with your office outlining our concerns with AB 466. Enclosed are a number of points we raised about the bill when the companion bill, SB 228, had a public hearing in the Senate Committee on Commerce.

- What problem is this bill trying to solve?
- This bill leaves too much authority to the Department of Commerce and the rule making process to establish standards and presumably fines for those contractors and subcontractors that are deemed in violation.
- The "Contractor Advisory Committee" is not truly an independent body because all of the appointees are made by the Secretary of Commerce.
- Commerce should not be given the power to directly access a forfeiture against a contractor or subcontractor.

WBA is willing to sit down and talk further about this concept; we are just not convinced this legislation is ready to move as currently drafted.

Again, thank you for the opportunity to talk with you on this and many other important bills this session. As currently drafted, WBA is in opposition to AB 466 moving out of the Assembly Committee on Housing.

Please let me know if you have any additional questions.



Director of Government Affairs Wisconsin Builders Association







# Wisconsin Builders Association

January 23, 2008

TO:

Members of the Assembly Housing Committee

FROM:

**Brad Boycks** 

Director of Government Affairs Wisconsin Builders Association®

RE:

Opposition to Assembly Bill 466, relating to the regulation of construction contractors and

subcontractors.

The Wisconsin Builders Association opposes Assembly Bill 466. We believe another credentialing system at the Department of Commerce for contractors and remodelers is unnecessary and redundant in light of the passage of a builder education program last session.

The Wisconsin Builders Association worked with members of the legislature last session to pass a comprehensive package that requires both new builders and those that have worked in the industry for years to take initial "new builder" and continuing education classes.

#### 2005 Wisconsin Act 200 created:

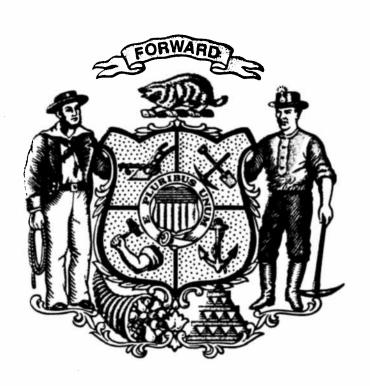
- A requirement for contractors and remodelers to maintain a minimum amount of continuing education (6 hours per year, recently amended to 12 hours every two years).
- Regulations so contractors can not obtain a building permit without showing proof of continuing education in the form of a newly created credential (Qualifier Credential).
- Clear situations in which a contractor can have their credentials revoked or suspended if they do not meet the
  education requirements put forth in 2005 Wisconsin Act 200.

Enclosed are a number concerns and questions we have concerning Assembly Bill 488.

- What problem is this bill trying to solve? Authors of this bill have stated that this bill will address "the growing problem in the construction industry of workers being misclassified as independent contractors in order to avoid paying taxes, unemployment, or workers compensation insurance on those workers." Enforcement of laws regarding taxation, unemployment compensation and workers compensation insurance are not dealt with by the Department of Commerce and are never actually addressed in this bill.
- This bill leaves too much authority to the Department of Commerce and the rule making process to establish standards and presumably fines for those contractors and subcontractors that are deemed in violation.
- The "Contractor Advisory Committee" is not truly an independent body because all of the appointees are made by the Secretary of Commerce.
- Commerce should not be given the power to directly access a forfeiture against a contractor or subcontractor.

Again, the over 9300 members of the Wisconsin Builders Association urge your opposition to Assembly Bill 488.







## Wisconsin Transportation Builders Association

Connecting Wisconsin to the World"

**President** Larry Usack Northeast Asphalt, Inc. Greenville, WI

**Executive Director** Pat Goss

1 S. Pinckney Street Suite 818 Madison, WI 53703

608,256.6891 voice 608.256.1670 fax

info@wtba.org www.wtba.org

# **WTBA Testimony Assembly Committee on Housing** Public Hearing - AB-466

**Tom Walker, Director of Government Affairs Wisconsin Transportation Builders Association** 

January 24, 2008

Good afternoon, Chairman Wieckert and members of the Committee. Thank you for the opportunity to testify on AB-466 today.

WTBA is a statewide organization of more than 260 contractors, consultants, and associated businesses. Our members design, build, rehabilitate, improve, reconstruct, expand and modernize every form of transportation infrastructure, including state and local roads and bridges, airports, railroads, and bicycle and pedestrian infrastructure. Most of our contracting members are multi-generational Wisconsin companies that employ numerous workers and pay family supporting wages and benefits.

One of WTBA's primary responsibilities is to work with the Legislature and state agencies on an appropriate regulatory framework that protects contractors, construction workers, communities, consumers, and the environment.

I am here today to testify against AB-466 as drafted.

As we read the bill, the clear intent is to improve the regulatory environment and provide consumer protection on <u>housing</u> projects. The Department of Commerce has the appropriate expertise and responsibility for this type of construction, and does a fine job in meeting its responsibilities for buildings.

Yet, as drafted, our members would be required to register with Commerce as contractors, despite the fact that they do not work on buildings, apply for building permits, or deal with the structural, mechanical, roofing, plumbing, HVAC, or electric elements of a building.

Our members work almost exclusively on state and local transportation infrastructure, which we call horizontal construction. These projects follow Department of Transportation contract provisions directly on DOT-administered state and local projects and indirectly by local government use of state DOT specs. DOT is "our" regulatory agency, much like commerce is for building contractors.

Our members understand and support the importance of state agency oversight. But we believe that transportation construction is appropriately DOT's responsibility.

Since it is very broadly drafted, we believe that transportation contractors are clearly, but inadvertently covered and required to register with the Department of Commerce, and meet their requirements. We believe that this was not the intent of the sponsors.

Therefore, we would like to work closely with this Committee, Representative Kaufert, and other stakeholders to make appropriate changes excluding transportation contractors from the scope of the proposed bill, before it moves forward.

In the Senate Companion Bill, SB-228, SA-1 fixed the problem we raised, by focusing precisely on buildings. We ask that the Committee take a good look at this positive approach. WTBA has no position on SB-228 as passed by the Senate. It is not our issue.

Thank you for the opportunity to come before you today. I would be pleased to answer any questions.