



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2007 Senate Bill 194

**Senate Substitute
Amendment 2**

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Senate Substitute Amendment 2 requires the Department of Commerce (Commerce) to regulate the business of installing and maintaining thermal system insulation in commercial and industrial buildings and in residential buildings that contain four or more residential units. The substitute amendment defines thermal system insulation as a product used in a heating, ventilating, cooling, plumbing, or refrigeration system (heating or cooling system) to insulate any hot or cold surface on or in a building. The substitute amendment requires Commerce to license most persons who install and maintain thermal system insulation and heating and cooling systems (mechanics). The substitute amendment further requires Commerce to employ a state thermal system insulation inspector (state inspector) and establishes a thermal system insulation council (council). This council is responsible for recommending to Commerce requirements for the licensure of mechanics and must also provide other advice to Commerce including recommending training and continuing education requirements for mechanics.

Under the substitute amendment, the state inspector is required to have at least 10 years of experience as a mechanic and must have successfully completed a four-year apprenticeship program in installing and maintaining thermal system insulation. The state inspector must inspect buildings to determine whether the buildings comply with standards established by Commerce for the installation and maintenance of thermal system insulation (state standards). The state inspector is also required to keep complete and accurate records of all inspected buildings and give notice of noncompliance for the owner of every building who fails to comply with state standards. The substitute amendment authorizes a state inspector to enter and inspect buildings and to issue orders requiring the owner of a building to make repairs or alterations that are necessary for the building to comply with state standards. Under the substitute amendment, the state inspector is also required to provide assistance and information to local building inspectors who inspect buildings for compliance with the standards established by Commerce under the substitute amendment.

The substitute amendment establishes minimum licensing requirements for thermal system insulation mechanics. Under the amendment, a person may not obtain a mechanic's license unless he or

she has acquired a specified amount of experience installing and maintaining thermal system insulation and passed the written examination approved by Commerce, or has successfully completed an approved apprenticeship program. The licensing requirement under the substitute amendment does not apply to a person who makes only minor repairs to thermal system insulation.

Senate Substitute Amendment 2 allows Commerce to waive any licensing requirement for mechanics for a person who is licensed in another state in which the standards for licensure are at least as strict as the requirements under the substitute amendment. It also allows Commerce to waive any licensing requirement for experienced mechanics who submit evidence satisfactory to Commerce that the mechanic is qualified for licensure. The substitute amendment also provides that Commerce may not renew a license issued to a mechanic unless the mechanic completes a continued education course during the previous license period that is approved by Commerce. The substitute amendment also authorizes Commerce to directly assess a forfeiture by issuing an order against any person who installs, or contracts to install, insulation products without a license or who fails to comply with an order issued by the state inspector.

The substitute amendment makes a number of changes to the original legislation. The major changes are as follows:

1. The substitute amendment does not include any regulation of fire-stop products, insulation products.
2. Removes the licensure of contractors from the original legislation.
3. Modifies the composition of the Council.
4. The substitute amendment includes an exception to licensure for “minor repairs,” as defined by rule by Commerce.
5. Modifies the powers of the state inspector to enter and inspect certain buildings and issue orders.
6. Modifies the definition of “mechanic” to delete reference to removal of thermal system insulation systems.
7. Modifies the definition of “thermal system insulation.”
8. Delays the required inspection by the state inspector to instances where the mechanical systems have been altered on or after the first day of the 19th month beginning after the effective date of the act. This change would have the effect of delaying state inspections for approximately 1-1/2 years following enactment of the law.
9. Delays the requirement for licensure for four years (48 months) from the effective date of the act. The original bill had a delay of 18 months.
10. The substitute amendment no longer includes as an option to licensure the ability to complete a separate 160-hour training program to meet the licensure requirements for mechanics.

11. Specifies the salary to be paid to the state inspector created in the act and increases the position authorization in Commerce.

Legislative History

Senate Bill 194 was introduced by Senator Coggs and others; cosponsored by Representative Newcomer and others on May 31, 2007. The bill was referred to the Senate Committee on Labor, Elections and Urban Affairs which held a public hearing. Senate Substitute Amendment 1 was offered by Senator Coggs on August 22, 2007. A public hearing was held by the Senate committee on August 28, 2007. Senate Substitute Amendment 2 was offered by Senator Coggs on November 29, 2007. At an executive session held December 4, 2007, the committee recommended adoption of Senate Substitute Amendment 2 on a vote of Ayes, 5; Noes, 0 and recommended passage, as amended, on a vote of Ayes, 4; Noes, 1.

RW:jal