**State Statute 101.654  Contractor certification; education.**

**(1)**

**(a)** Subject to par. [(b)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)(b)), no person may obtain a building permit unless the person annually obtains from the department a certificate of financial responsibility showing that the person is in compliance with sub. [(2)](https://docs.legis.wisconsin.gov/document/statutes/101.654(2)), completes the continuing education requirements described under sub. [(1m)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1m)), and furnishes to the issuer of the permit proof of completion of those continuing education requirements.

**(b)** Paragraph [(a)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)(a)) does not apply to an owner of a dwelling who resides or will reside in the dwelling and who applies for a building permit to perform work on that dwelling.

**(c)**

**1.** In this paragraph, “ license" means an occupational license, as defined in s. [101.02 (1) (a) 2.](https://docs.legis.wisconsin.gov/document/statutes/101.02(1)(a)2.)

**2.** The continuing education requirements under par. [(a)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)(a)) and the rules promulgated by the department under sub. [(1m)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1m)) do not apply to any person who holds a current license issued by the department at the time that the person obtains a building permit if the work the person does under the permit is work for which the person is licensed.

**(1m)**

**(a)** The department shall promulgate rules establishing continuing education requirements for persons seeking to obtain a building permit under sub. [(1) (a)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)(a)).

**(b)** The rules promulgated under this subsection shall require all of the following:

**1.** Completion every 2 years of at least 12 hours of continuing education relevant to the professional area of expertise of the person seeking to obtain a building permit, approved by the department.

**2.** Attendance at one or more professional meetings or educational seminars designed for both building contractors and building inspectors.

**3.** For a person who does not hold a certificate of financial responsibility on April 11, 2006, successful completion of an examination developed by the department on the continuing education courses required under this subsection.

**(c)** The rules promulgated under this subsection may not require a person who holds a certificate of financial responsibility on April 11, 2006, to take an examination on the continuing education courses required under this subsection.

**(cm)** The rules promulgated under this subsection may not require a person to take continuing education courses, or to take an examination on continuing education courses, that are not relevant to that person's professional area of expertise.

**(d)** Subject to the continuing education requirements under pars. [(b)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1m)(b)) and [(c)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1m)(c)), the rules promulgated under par. [(a)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1m)(a)) may specify different continuing education course requirements for persons who hold a certificate of financial responsibility on April 11, 2006, and for persons who do not hold a certificate of financial responsibility on April 11, 2006.

**(e)** The department may approve continuing education courses that are offered by other states.

**(2)**An applicant for a certificate of financial responsibility shall provide to the satisfaction of the department proof of all of the following:

**(a)** That the applicant has in force one of the following:

**1.** A bond endorsed by a surety company authorized to do business in this state of not less than $5,000, conditioned upon the applicant complying with all applicable provisions of the one- and 2-family dwelling code and any ordinance enacted under s. [101.65 (1) (a)](https://docs.legis.wisconsin.gov/document/statutes/101.65(1)(a)).

**2.** A policy of general liability insurance insuring the applicant in the amount of at least $250,000 per occurrence because of bodily injury to or death of others or because of damage to the property of others and issued by one of the following:

**a.** An insurer authorized to do business in this state.

**b.** An insurer that is eligible to provide insurance as a surplus lines insurer in one or more states.

**(b)** If the applicant is required under s. [102.28 (2) (a)](https://docs.legis.wisconsin.gov/document/statutes/102.28(2)(a)) to have in force a policy of worker's compensation insurance or if the applicant is self-insured in accordance with s. [102.28 (2) (b)](https://docs.legis.wisconsin.gov/document/statutes/102.28(2)(b)) or [(bm)](https://docs.legis.wisconsin.gov/document/statutes/102.28(2)(bm)), that the applicant has in force a policy of worker's compensation insurance issued by an insurer authorized to do business in this state or is self-insured in accordance with s. [102.28 (2) (b)](https://docs.legis.wisconsin.gov/document/statutes/102.28(2)(b)) or [(bm)](https://docs.legis.wisconsin.gov/document/statutes/102.28(2)(bm)).

**(c)** If the applicant is required to make state unemployment insurance contributions under ch. [108](https://docs.legis.wisconsin.gov/document/statutes/ch.%20108) or is required to pay federal unemployment compensation taxes under [26 USC 3301](https://docs.legis.wisconsin.gov/document/usc/26%20USC%203301) to [3311](https://docs.legis.wisconsin.gov/document/usc/26%20USC%203311), that the applicant is making those contributions or paying those taxes as required.

**(2m)**If an applicant wishes to use a bond under sub. [(2) (a) 1.](https://docs.legis.wisconsin.gov/document/statutes/101.654(2)(a)1.) of less than $25,000 to comply with sub. [(2) (a)](https://docs.legis.wisconsin.gov/document/statutes/101.654(2)(a)), the applicant shall agree not to perform any work on a dwelling for which the estimated cost of completion is greater than the amount of the bond. The department shall indicate any restriction under this subsection on the certificate of financial responsibility issued under sub. [(3)](https://docs.legis.wisconsin.gov/document/statutes/101.654(3)).

**(3)**Upon receipt of the proof required under sub. [(2)](https://docs.legis.wisconsin.gov/document/statutes/101.654(2)) and the fee required by rules promulgated under s. [101.63 (2m)](https://docs.legis.wisconsin.gov/document/statutes/101.63(2m)), the department shall issue to the applicant a certificate of financial responsibility. A certificate of financial responsibility issued under this subsection is valid for one year after the date of issuance, unless sooner suspended or revoked.

**(4)**

**(a)** A bond or insurance policy required under sub. [(2)](https://docs.legis.wisconsin.gov/document/statutes/101.654(2)) may not be canceled by the person insured under the bond or policy or by the surety company or insurer except on 30 days' prior written notice served on the department in person or by 1st class mail or, if the cancellation is for nonpayment of premiums to the insurer, on 10 days' prior written notice served on the department in person or by 1st class mail. The person insured under the bond or policy shall file with the department proof to the satisfaction of the department of a replacement bond or replacement insurance within the 30-day notice period or 10-day notice period, whichever is applicable, and before the expiration of the bond or policy. The department shall suspend without prior notice or hearing the certificate of financial responsibility of a person who does not file satisfactory proof of a replacement bond or replacement insurance as required by this subsection.

**(b)** A bond under sub. [(2) (a) 1.](https://docs.legis.wisconsin.gov/document/statutes/101.654(2)(a)1.) shall be executed in the name of the state for the benefit of any person who sustains a loss as a result of the person insured under the bond not complying with an applicable provision of the one- and 2-family dwelling code or any ordinance enacted under s. [101.65 (1) (a)](https://docs.legis.wisconsin.gov/document/statutes/101.65(1)(a)), except that the aggregate liability of the surety to all persons may not exceed the amount of the bond.

**(5)**The department may revoke or suspend a certificate of financial responsibility if any of the following apply:

**(a)** The holder fails to comply with the continuing education requirements specified under subs. [(1)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)) and [(1m)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1m)).

**(b)** The holder engages in the construction of a dwelling without a permit required under this chapter.

**(c)** The holder is convicted of a crime related to the construction of a dwelling.

**(d)** The holder has been adjudged bankrupt on 2 or more occasions.

**History:**[1993 a. 126](https://docs.legis.wisconsin.gov/document/acts/1993/126); [1995 a. 392](https://docs.legis.wisconsin.gov/document/acts/1995/392); [1997 a. 39](https://docs.legis.wisconsin.gov/document/acts/1997/39); [2005 a. 200](https://docs.legis.wisconsin.gov/document/acts/2005/200); [2007 a. 14](https://docs.legis.wisconsin.gov/document/acts/2007/14); [2009 a. 276](https://docs.legis.wisconsin.gov/document/acts/2009/276); [2015 a. 55](https://docs.legis.wisconsin.gov/document/acts/2015/55), [180](https://docs.legis.wisconsin.gov/document/acts/2015/180); [2017 a. 16](https://docs.legis.wisconsin.gov/document/acts/2017/16), [331](https://docs.legis.wisconsin.gov/document/acts/2017/331).

**Cross-reference:**See also ss. [SPS 305.31](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.31) and [305.315](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.315), Wis. adm. code.

A particular municipal licensure requirement may be preempted if that requirement logically conflicts with, defeats the purpose of, or violates the spirit of state contractor financial responsibility and continuing education requirements. Ordinances requiring local licensure are preempted if they impose on persons seeking a building permit for one- or 2-family dwellings greater financial responsibility, education, or examination requirements than required by state law. [OAG 6-10](https://docs.legis.wisconsin.gov/document/oag/oag6-10).

**Administrative Rule SPS 305.31 Dwelling contractor.**

**(1)**General. Pursuant to s. [101.654 (1) (a)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)(a)), Stats., no person may obtain a building permit for a one- or 2-family dwelling unless the person complies with all of the following, except as provided under s. [101.654 (1) (b)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)(b)) and [(c) 2.](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)(c)2.), Stats.:

**(a)** Holds one of the following credentials issued by the department:

**1.** A dwelling contractor certification.

**2.** A dwelling contractor — restricted certification.

**(b)** Holds or engages, as an employee, a person who holds a certification issued by the department as a dwelling contractor qualifier.

**Note:**Section [101.654 (1) (b)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)(b)), Stats., exempts an owner of a dwelling who resides or will reside in the dwelling and who applies for a building permit to perform work on the dwelling from obtaining a dwelling contractor financial responsibility certification.

**Note:**Section [101.654 (1) (c) 2.](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)(c)2.), Stats., reads: “The continuing education requirements under par. (a) and the rules promulgated by the department under sub. (1m) do not apply to any person who holds a current license issued by the department at the time that the person obtains a building permit if the work the person does under the permit is work for which the person is licensed."

**(2)**Application for dwelling contractor certification. A person applying for a dwelling contractor certification or a dwelling contractor — restricted certification shall submit all of the following:

**(a)** An application in accordance with s. [SPS 305.01](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.01).

**(b)** An application fee and a certification fee in accordance with s. [SPS 305.02](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.02), Table 305.02.

**Note:**A dwelling contractor — restricted certification will be issued to an individual who applies using a bond of less than $25,000. The card issued by the department for a dwelling contractor — restricted certification will read “Financial Responsibility-by a bond under $25,000 Certification".

**(3)**Qualifications for certification.

**(a)** A person applying for a dwelling contractor certification or a dwelling contractor — restricted certification shall provide all of the following:

**1.** A statement certifying that the person complies with the worker's compensation requirements and unemployment compensation requirements as specified under s. [101.654 (2)](https://docs.legis.wisconsin.gov/document/statutes/101.654(2)), Stats.

**2.** Evidence of compliance with the liability or bond insurance requirements as specified under s. [101.654 (2)](https://docs.legis.wisconsin.gov/document/statutes/101.654(2)) and [(2m)](https://docs.legis.wisconsin.gov/document/statutes/101.654(2m)), Stats.

**Note:**See the appendix for a reprint of the requirements under s. [101.654 (2)](https://docs.legis.wisconsin.gov/document/statutes/101.654(2)) and [(2m)](https://docs.legis.wisconsin.gov/document/statutes/101.654(2m)), Stats.

**(b)** The person applying for a dwelling contractor certification or a dwelling contractor — restricted certification shall be the owner of the contracting business, a partner in the contracting business applying on behalf of a partnership, or the chairman of the board or chief executive officer applying on behalf of the contracting corporation.

**(4)**Responsibilities.

**(a)** A person who holds a dwelling contractor certification or a dwelling contractor — restricted certification shall comply with the responsibilities under s. [101.654 (4)](https://docs.legis.wisconsin.gov/document/statutes/101.654(4)), Stats.

**Note:**See the appendix for a reprint of the requirements under s. [101.654 (4)](https://docs.legis.wisconsin.gov/document/statutes/101.654(4)), Stats.

**(b)** For any construction project that requires a uniform building permit under s. [SPS 320.08](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20320.08), a person who holds a dwelling contractor certification or a dwelling contractor — restricted certification may not commence construction until a permit is issued for the construction.

**(c)** For any construction project that involves installation or modification of a private onsite wastewater treatment system, a person who holds a dwelling contractor certification or a dwelling contractor — restricted certification may not commence construction until a sanitary permit is issued for the construction in accordance with s. [SPS 383.21](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20383.21).

**(d)** A person who holds a dwelling contractor certification or a dwelling contractor — restricted certification may not contract with another person or entity to engage in construction business activities unless the person or entity holds a credential under s. SPS 305.30 (1) (a) or (b).

**Note:**Section SPS 305.30 was repealed by [CR 14-010](https://docs.legis.wisconsin.gov/document/cr/2014/10), [Register August 2014 No. 704](https://docs.legis.wisconsin.gov/document/register/704/B/toc), effective 9-1-14. Future rule-making by the department will correct the no longer valid reference.

**Note:**Section [101.16 (4) (a)](https://docs.legis.wisconsin.gov/document/statutes/101.16(4)(a)), Stats., provides that: The person performing the work of installing equipment utilizing liquefied petroleum gas for fuel purposes shall furnish the user of the equipment a statement, the form of which shall be prescribed by the department showing the design, construction, location, and installation of the equipment conforms with the rules promulgated by the department under this section.

**(5)**Renewal.

**(a)** Pursuant to s. [101.654 (3)](https://docs.legis.wisconsin.gov/document/statutes/101.654(3)), Stats., a dwelling contractor certification or a dwelling contractor — restricted certification shall be valid for no longer than one year after the date of issuance.

**(b)**

**1.** A person may renew his or her dwelling contractor certification or dwelling contractor — restricted certification.

**2.** A dwelling contractor certification or a dwelling contractor — restricted certification shall be renewed in accordance with s. [SPS 305.07](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.07).

**History:**Cr. [Register, October, 1996, No. 490](https://docs.legis.wisconsin.gov/document/register/490/B/toc), eff. 11-1-96; am., [Register, March, 1998, No. 507](https://docs.legis.wisconsin.gov/document/register/507/B/toc), eff. 4-1-98; am. (1) and (2) (b), [Register, April, 2000, No. 532](https://docs.legis.wisconsin.gov/document/register/532/B/toc), eff. 5-1-00; [CR 03-075](https://docs.legis.wisconsin.gov/document/cr/2003/75): renum. (4) to be (4) (a), cr. (4) (b) and (c) [Register June 2004 No. 582](https://docs.legis.wisconsin.gov/document/register/582/B/toc), eff. 8-1-04; [CR 07-007](https://docs.legis.wisconsin.gov/document/cr/2007/7): r. and recr. [Register August 2007 No. 620](https://docs.legis.wisconsin.gov/document/register/620/B/toc), eff. 9-1-07, except (1) (b) eff. 1-1-08; [CR 08-110](https://docs.legis.wisconsin.gov/document/cr/2008/110): am. (1) (a), (4) and (5) [Register September 2009 No. 645](https://docs.legis.wisconsin.gov/document/register/645/B/toc), eff. 10-1-09; correction in (2) (a), (b), (4) (b), (c), (d), (5) (b) 2. made under s. [13.92 (4) (b) 7.](https://docs.legis.wisconsin.gov/document/statutes/13.92(4)(b)7.), Stats., [Register December 2011 No. 672](https://docs.legis.wisconsin.gov/document/register/672/B/toc).

**SPS 305.315 Dwelling contractor qualifier.**

**(1)**General. The purpose of the dwelling contractor qualifier certification is to provide proof of fulfilling the continuing education obligations to the issuers of building permits as required under s. [101.654 (1) (a)](https://docs.legis.wisconsin.gov/document/statutes/101.654(1)(a)), Stats.

**(2)**Application. A person applying for a dwelling contractor qualifier certification shall submit all of the following:

**(a)** An application in accordance with s. [SPS 305.01](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.01).

**(b)** An application fee and a certification fee in accordance with s. [SPS 305.02](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.02), Table 305.02.

**(c)** Evidence that the person has completed at least 12 hours in an approved course in dwelling construction within one year prior to the date of application. The course shall include instruction in at least the following subject matter and one or more tests on at least the following subject matter:

**1.** Construction laws

**2.** Construction codes.

**3.** Construction business practices.

**(3)**Renewal.

**(a)**

**1.** A person may renew his or her certification as a dwelling contractor qualifier.

**2.** A dwelling contractor qualifier certification shall be renewed in accordance with s. [SPS 305.07](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.07).

**(b)** The renewal of a certification as a dwelling contractor qualifier shall be contingent upon the individual completing at least 12 hours of approved continuing education prior to the expiration of the certification as specified in s. [SPS 305.08](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.08) and Table 305.06, except as provided in sub. [(5)](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.315(5)).

**(c)** Continuing education shall be obtained through any of the following means:

**1.** Attending seminars, corporate in-house courses, workshops, or professional or technical presentations made at meetings, conventions, or conferences meeting the requirements of sub. [(4)](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.315(4)). Attendance may be in person or via remote classroom where a provider is available to participate to comment and answer questions.

**2.** Teaching a continuing education program that meets the requirements of sub. [(4)](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.315(4)). A person who teaches may only receive credit for the initial offering or presentation of a course or program during a biennium.

**3.** Participating in continuing education program that does not meet in person that meets the requirements of sub. [(4)](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.315(4)) including the completion of interactive short courses or tutorials, delivery of educational programs and courses on CD-ROM or the Internet, webinars, or correspondence courses.

**4.** Attending technical or professional society meetings that meet the requirements of sub. [(4)](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.315(4)). A maximum of 6 hours per biennial renewal cycle may be counted toward continuing education requirements.

**(d)** Each certification holder shall retain evidence of compliance with continuing education requirements in accordance with s. [SPS 305.08 (2)](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.08(2)).

**(4)**Standards for continuing education. Only courses, programs, meetings, and seminars approved by the department in accordance with s. [SPS 305.08](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.08) shall be used to fulfill continuing education requirements for renewal of a dwelling contractor qualifier certification. Continuing education shall meet all of the following criteria:

**(a)** Include instruction in an organized method of learning contributing directly to the professional competency of the certification holder and pertaining to subject matters that integrally relate to the practice of the profession. The instruction shall include amplification, evaluation, examples, and explanation of the course subject matter to the certification holder.

**(b)** Be conducted by individuals or entities which have specialized education, training, or experience in the subject matter of the program.

**(c)** Include at least 10 review questions for each credit hour if the continuing education credit is obtained through distance education as specified in sub. [(3) (c) 3.](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.315(3)(c)3.) The department may require submittal of the review questions for approval.

**(d)** Include at least 30 questions for each credit hour if the continuing education course, program, or seminar is predominantly question-and-answer based. A minimum score of 70 percent is required to receive continuing education credit. The department may require submittal of the questions for approval.

**(e)** Include any of the following content:

**1.** Construction laws and codes.

**2.** Construction safety topics that are directly related to operating a residential construction business.

**3.** Business management, estimating, and job costing.

**4.** Changes in construction and business management laws.

**5.** Design and building science.

**6.** Contracts, liability, and risk management.

**7.** Marketing and sales topics regarding the provision of accurate and ethical information to the customer.

**8.** Project management, personnel management, and scheduling.

**9.** Carpentry, concrete, swimming pool installation, damp proofing a basement, excavation, insulation work, masonry work, painting and decorating, roofing, siding and gutters, screen or storm sash installation, tile and marble work, or house wrecking.

**10.** Accounting, finance, and taxes.

**11.** Communication and customer service.

**12.** Environmental or land use analysis.

**13.** Zoning and governance policies and procedures.

**14.** Mold, lead, asbestos, or other hazardous material mitigation.

**15.** Energy codes and energy conservation methods applicable to residential structures.

**16.** Other subject matter approved by the department.

**(5)**Waiver. A person who holds a certification as a dwelling contractor qualifier may apply to the department for waiver of the continuing education requirements under sub. [(3) (b)](https://docs.legis.wisconsin.gov/document/administrativecode/SPS%20305.315(3)(b)) on the grounds of prolonged illness or disability or similar circumstances. Each application for waiver shall be considered individually on its merits by the department.

**History:**[CR 07-007](https://docs.legis.wisconsin.gov/document/cr/2007/7): cr. [Register August 2007 No. 620](https://docs.legis.wisconsin.gov/document/register/620/B/toc), eff. 9-1-07; [CR 11-020](https://docs.legis.wisconsin.gov/document/cr/2011/20): r. (2) (c) (intro.), 2., renum. (2) (c) 1. to be (2) (c), correction in (2) (a), (b), (3) (a) 2., (b) 1. made under s. [13.92 (4) (b) 7.](https://docs.legis.wisconsin.gov/document/statutes/13.92(4)(b)7.), Stats., [Register December 2011 No. 672](https://docs.legis.wisconsin.gov/document/register/672/B/toc); [CR 14-010](https://docs.legis.wisconsin.gov/document/cr/2014/10): renum. (3) (b) 1., 2. to (3) (b), (5) and am. (b), cr. (3) (c), (d), (4) [Register August 2014 No. 704](https://docs.legis.wisconsin.gov/document/register/704/B/toc), eff. 9-1-14; correction in (5) (title) made under s. [13.92 (4) (b) 2.](https://docs.legis.wisconsin.gov/document/statutes/13.92(4)(b)2.), Stats., [Register August 2014 No. 704](https://docs.legis.wisconsin.gov/document/register/704/B/toc), eff. 9-1-14; correction in (5) made under s. [13.92 (4) (b) 7.](https://docs.legis.wisconsin.gov/document/statutes/13.92(4)(b)7.), Stats., [Register July 2015 No. 715](https://docs.legis.wisconsin.gov/document/register/715/B/toc).