

FISCAL ESTIMATE FORM

1999 Session

ORIGINAL

UPDATED

CORRECTED

SUPPLEMENTAL

LRB # - 4539/1

INTRODUCTION # AB 806

Admin. Rule #

Subject

Changes to lead poisoning prevention statutes.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

Increase Existing Appropriation

Increase Existing Revenues

Decrease Existing Appropriation

Decrease Existing Revenues

Decrease Costs

Create New Appropriation

Local: No local government costs

1. Increase Costs

Permissive Mandatory

3. Increase Revenues

Permissive Mandatory

5. Types of Local Governmental Units Affected:

Towns Villages Cities

2. Decrease Costs

Permissive Mandatory

4. Decrease Revenues

Permissive Mandatory

Counties Others _____

School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

20.435 (1) (a), 20.435 (1) (gm)

Assumptions Used in Arriving at Fiscal Estimate:

See attached narrative

Long-Range Fiscal Implications:

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Date
3-13-00

SUMMARY

AB 806 proposes numerous changes in the lead poisoning prevention and control statutes. Under this program, among other things, DHFS may promulgate rules establishing procedures for conducting lead inspections of dwelling and premises, governing lead hazard reduction, certifying persons who perform or supervise performance of lead hazard reduction or lead management activities and establishing requirements for accreditation of lead training courses and approval of lead instructors.

With specified exceptions, this bill also provides immunity from liability to property owners for lead poisoning or exposure if, at the time the poisoning or exposure occurred, a certificate of lead-free status or a certificate of lead-safe status was in effect for the dwelling or unit. Further, DHFS must promulgate rules to create a registry of all premises, dwellings and units of dwellings for which a certificate of lead-free or lead-safe status is issued.

The bill appropriates \$215,000 GPR to fund administrative start-up activities including 5.0 FTE six-month project positions. In addition, the bill authorizes DHFS to request a supplement of not more than \$520,000 general purpose revenues from the joint committee on finance to pay initial costs of establishing a registry of properties that are issued certificates.

FISCAL ESTIMATE

The Lead Training Accreditation and Certification Program will administer the lead risk assessment certificate program, including accreditation of training courses, certification of persons to perform lead-based paint activities, development, monitoring and enforcement of the lead risk assessment certificates, and development, implementation and enforcement of additional work practice requirements. Currently, there are 13 state certified lead inspectors and 66 state certified lead risk assessors available to perform lead inspections and lead risk assessments for this provision. Training for certified risk assessors includes prerequisite worker safety training (usually a 1-day course), a 3-day lead inspector course, and a 2-day lead risk assessor course. Additional education and experience prerequisites also exist. Currently, there are 3 accredited lead (Pb) inspector and lead (Pb) risk assessor course providers in Wisconsin available to prepare individuals for certification.

Program Revenues

The Department estimates that approximately 400 full-time people in the first year and 600 full-time people in the second year of program implementation will be trained and certified as risk assessors. Depending upon the level of complexity, an inspection takes approximately 4-8 hours to complete. It is projected that each risk assessor working full time (48 weeks) will complete approximately 240 risk assessments per year.

The Department of Administration report of households by tenure, income group and age of occupied unit, estimates that there are approximately 480,000 pre-1978 rental structures that could be expected to request at least one lead inspection. It is unknown at this time what percentage of these rental structures would qualify for lead-free status. Units that pass inspection will be issued a lead certificate and registered with the Department. The registration fee is expected to be \$50 for a certificate of lead-free status and \$25 for a certificate of lead-safe status. It is estimated that in the first two years of program implementation approximately 15% of the certificates issued will be lead-free and 85% will be lead-safe. Revenues for certificates cannot be accurately estimated due to the lack of information regarding the administrative rules for re-inspection and other requirements.

The annual certification (licensure) fee for risk-assessors is \$175. This results in an estimated increase in program revenues of \$70,000 and \$105,000 in years one and two of program implementation. In addition, these assessors will be employed by companies, which will be required to pay for a \$50 annual company certification fee. These company fees will generate an estimated \$12,500 and \$20,000 in program revenues for the first two years of program implementation. The Department also expects to increase the number of licenses for the lead abatement supervisors and workers. However, no reliable fiscal estimate can currently be determined.

Lead Certification Program Staff Annual Costs

The Department estimates a total of 9.5 FTE positions will be necessary to administer the program. The estimated total annual cost of these positions is \$478,300. Of the total 9.5 FTE positions, 4.5 FTE are current staff members of the Department. However, the increase in duties will also necessitate 5.0 FTE new positions. The estimated total annual cost for these new positions is \$220,700. Descriptions of the new positions are summarized below. A table summarizing the fiscal effects of all the positions can be found at the end of this fiscal estimate.

- ❑ **1 FTE Regulatory Specialist 3** – This position will be responsible for coordinating the activities of the staff who enforce certification (licensure), work-site work practices, and issuance of lead risk assessment certificates. This position will also take the lead in promulgating applicable Wisconsin Administrative Codes. Many of these duties are currently shared by other staff, who will then be freed up to take on the additional enforcement and staff activities that are needed to support the proposed requirements.
- ❑ **1 FTE Environmental Health Specialist, Senior** – This position will be responsible for providing statewide verification of the accurate issuance of certificates, work practice compliance activities, complaint investigations and technical assistance.
- ❑ **1 FTE Regulatory Specialist 2** – This position will be responsible for monitoring the lead risk assessment certificate database, comparing it against the property database for compliance, and issuing notices of noncompliance when a required certificate is not on file. It is assumed in this estimate that residential property owners will choose not to undergo an assessment. It is assumed position will also provide support to other enforcement activities.
- ❑ **2 FTEs Program Assistant 2** – These positions will be responsible for processing certification (licensure) applications of new industry professionals, e.g., additional inspectors and risk assessors. In addition, they will be responsible for entering certificate information into a certificate database, to be developed, and for resolution of errors in the data.

Other Annual Costs

The Department estimates other annual costs to be approximately \$200,000. This includes maintenance and modification of the database registry (\$50,000), staff travel expenses (\$50,000), laboratory testing expenses (\$50,000), and postage, technical equipment and other program necessities (\$50,000).

One-time Costs

The Department anticipates two major one-time costs necessary to implement the program. Because these start-up costs will occur before collection of revenues, it is assumed that these expenses will be funded from general purpose revenues (GPR).

The first major one-time cost is modification and migration of the existing database system to accommodate increased data analysis and comply with state database software standards. The

estimated cost of these activities is \$520,000. A detailed summary can be found at the end of this fiscal estimate.

In addition, the Department estimates that 7.75 FTE will need to be hired one year before implementation of the program. This will be necessary to comply with directives relating to development and writing of administrative rules, start-up of the database, training of new employees and other necessary start-up functions. Because this activity will occur before the collection of new program revenues, this expense must be paid with start-up funds. The estimated total cost of program staff for these activities is \$403,900. A detailed summary can be found at the end of this fiscal estimate.

Annual Cost of Program Staff - AB 806

Annual Cost of Existing staff to be Transferred

Classification	FTE	\$/hr	Salary	Fringe	S & S	Rent	Int		Total	One-time
							Services	Services		
Section Chief	0.50	\$ 21.99	\$ 22,869	\$ 8,141	\$ 600	\$ 1,000	\$ 1,550	\$ 1,550	\$ 34,160	\$ -
Public Health Educator	0.50	\$ 20.73	\$ 21,556	\$ 7,674	\$ 600	\$ 1,000	\$ 1,550	\$ 1,550	\$ 32,380	\$ -
Training Officer 3	0.50	\$ 20.33	\$ 21,145	\$ 7,528	\$ 600	\$ 1,000	\$ 1,550	\$ 1,550	\$ 31,823	\$ -
Regulatory Specialist 3	0.50	\$ 18.78	\$ 19,528	\$ 6,952	\$ 600	\$ 1,000	\$ 1,550	\$ 1,550	\$ 29,630	\$ -
Program Assistant 3	0.50	\$ 11.37	\$ 11,829	\$ 4,211	\$ 600	\$ 1,000	\$ 1,550	\$ 1,550	\$ 19,190	\$ -
Environmental Health Specialist-Sr	1.00	\$ 17.74	\$ 36,905	\$ 13,138	\$ 1,200	\$ 2,000	\$ 3,100	\$ 3,100	\$ 56,344	\$ -
Environmental Health Specialist-Sr	1.00	\$ 16.92	\$ 35,194	\$ 12,529	\$ 1,200	\$ 2,000	\$ 3,100	\$ 3,100	\$ 54,023	\$ -
Total	4.50		\$ 169,026	\$ 60,173	\$ 5,400	\$ 9,000	\$ 13,950	\$ 13,950	\$ 257,549	\$ -

Annual Costs for New Staff

Classification	Approp	FTE	\$/hr	Salary	Fringe	S & S	Rent	Int		Total	One-time
								Services	Services		
Reg Spec- 3		1.00	\$ 16.05	\$ 33,388	\$ 11,886	\$ 1,200	\$ 2,000	\$ 3,100	\$ 3,100	\$ 51,574	\$ 4,800
Reg Spec- 2		1.00	\$ 13.71	\$ 28,515	\$ 10,151	\$ 1,200	\$ 2,000	\$ 3,100	\$ 3,100	\$ 44,966	\$ 4,800
Environmental Health Specialist-Senior		1.00	\$ 16.92	\$ 35,200	\$ 12,531	\$ 1,200	\$ 2,000	\$ 3,100	\$ 3,100	\$ 54,031	\$ 4,800
Prog Assist -2		2.00	\$ 10.21	\$ 42,461	\$ 15,116	\$ 2,400	\$ 4,000	\$ 6,200	\$ 6,200	\$ 70,177	\$ 9,600
Total		5.00		\$ 139,564	\$ 49,685	\$ 6,000	\$ 10,000	\$ 15,500	\$ 15,500	\$ 220,749	\$ 24,000

One-time Costs of Database Development :

Development of database program:	1,500 function points x \$300 =	\$450,000
Additional hardware:	1 high production laser printer x \$3,500 =	\$ 3,500
	1 flatbed scanner x \$1,000	\$ 1,000
	1 color inkjet printer x \$500	\$ 500
	7 replacement work stations x \$4,000 =	\$ 28,000
	5 new work stations x \$4,000 =	<u>\$ 20,000</u>
	Hardware total	\$ 53,000
Additional software:	10 licenses on special software x \$500	\$ 5,000
Training:	20 certificate entry training sessions x \$600	\$ 12,000
Total database-related costs:		<u>\$520,000</u>

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # -4539/1

Admin. Rule #

INTRODUCTION # AB 806

Subject

Changes to lead poisoning prevention statutes.

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
See Narrative

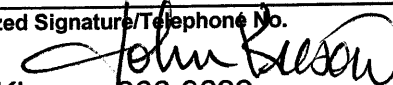
II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS \$ SEE NARRATIVE \$ _____
NET CHANGE IN REVENUES \$ SEE NARRATIVE \$ _____

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