



## Fiscal Estimate Narratives

COMM 10/13/2005

LRB Number	05-2750/1	Introduction Number	SB-353	Estimate Type	Original
<b>Subject</b>					
Load-bearing lumber, exemption					

### Assumptions Used in Arriving at Fiscal Estimate

SB 353 provides for use of load-bearing dimension lumber for use in 1&2 family dwelling and multi-family construction that has not been tested and approved for conformance with standards established by the Department. Such lumber would be certified by the person milling the lumber to meet the standards prescribed by the Department. Such lumber can be used under either of the following circumstances:

1. The lumber has been milled at the request of the person owning the lumber for use in the construction of the dwelling, and the dwelling will be inhabited by the person owning the lumber.
2. The person milling the lumber sells the lumber directly to a person who will inhabit the dwelling or to a person acting on his or her behalf and for whom a building permit has been issued for the dwelling. The person milling the lumber shall provide the person receiving the lumber a written certification that the lumber meets or exceeds these requirements. An inspector may approve use of the lumber, reject use of the lumber, or approve use under certain circumstances.

Currently, the Department requires that lumber used in the construction of 1&2 family dwellings and multi-family dwellings be graded according to national standards. Other than indicating by administrative rule that lumber must be graded and indicating the standards to which it must be graded, the Department is not involved in the grading of lumber. Also, the Department contracts with 3rd party inspectors for the inspection of 1&2 family dwelling construction and many municipalities provide for the enforcement of the 1&2 family dwelling code in their communities. The Department's commercial building inspectors conduct inspections of multi-family dwellings for conformance with the Department's multifamily dwelling code.

Workload associated with SB 353 would include updating of the administrative rules for 1&2 family dwelling and multi-family construction. Also, the Department anticipates increased consultation with inspectors of 1&2 family dwelling construction, who must inspect and establish that the non-graded lumber is suitable for the construction it is utilized for (e.g., floor system). The Department also anticipates an increased workload for commercial building inspectors in determining if lumber utilized under the new provisions is acceptable. The Department estimates that this workload will not be significant and can be absorbed within current resources.

The Department anticipates that there would also be an increased workload for municipalities that enforce the 1&2 family dwelling and multi-family code. The increased workload would be associated with increased inspector workload in determining if lumber utilized under the new provisions is acceptable. The Department estimates that this workload would be minimal and could be absorbed within current resources.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 05-2750/1		<b>Introduction Number</b> SB-353	
<b>Subject</b>			
Load-bearing lumber, exemption			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes	\$0	0	
(FTE Position Changes)	(0.0 FTE)	(0.0 FTE)	
State Operations - Other Costs	0	0	
Local Assistance	0	0	
Aids to Individuals or Organizations	0	0	
<b>TOTAL State Costs by Category</b>	<b>\$0</b>	<b>\$0</b>	
<b>B. State Costs by Source of Funds</b>			
GPR	0	0	
FED	0	0	
PRO/PRS	0	0	
SEG/SEG-S	0	0	
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes	\$0	\$0	
GPR Earned	0	0	
FED	0	0	
PRO/PRS	0	0	
SEG/SEG-S	0	0	
<b>TOTAL State Revenues</b>	<b>\$0</b>	<b>\$0</b>	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$0	\$0
NET CHANGE IN REVENUE		\$0	\$0
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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