

Fiscal Estimate Narratives
DSPS 3/6/2020

LRB Number 19-5703/1	Introduction Number AB-0962	Estimate Type Original
Description examination of building plans for public buildings, public structures, and places of employment; examination of plumbing plans; and requiring the exercise of rule-making authority		

Assumptions Used in Arriving at Fiscal Estimate

One-times costs related to rule promulgation process for revisions to code estimated at \$14, 167.80, which likely could be absorbed within the agency's operating budgets. We also assumed that the language in the bill that states that "DSPS may not..." was intended to be written as "DSPS shall not..." conduct plan reviews as specified in the bill. We have indicated an indeterminate local fiscal effect based on the current version of the bill not addressing whether local governments would or could conduct the plan reviews that would no longer be done by DSPS.

Long-Range Fiscal Implications

Ongoing cost reductions estimated at \$2,717,421.95 annually related to a decrease in 27.0 FTE due to an estimated reduction of 70% in commercial building plan reviews and an estimated reduction of 50% in plumbing plan reviews. These reductions in plan reviews would also result in an estimated annual reduction in program revenues of \$5,537,330.83, based on the percentage reductions in revenue listed above using the agency's FY2019 revenue for the impacted programs.

DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

Fiscal Estimate

Division	
Name of Preparer	
Bill or Rule	AB 962, related to examination of building plans for public buildings, public structures, and places of employment; examination of plumbings plans; and requiring the exercise of rule-making authority

One-time Costs:

Classification	Hours	Brief Description
Administrative Rule Coordinator (Derenne)	400	Rule promulgation process - 200 hours for revisions to the commercial building code and 200 hours for revisions to the plumbing code.
Supplies and Services	Amount	Brief Description

Hourly	Fringe	Total
\$ 30.60	0.1575 \$	14,167.80

On-going Costs:

Classification	Hours	Brief Description
Plumbing Plan Reviewers	-12480	approximately 50% reduction in plumbing plan reviews, -6.0 FTE
License/Permit Program Associate	-12480	approximately 50% reduction in plan entry, -6.0 FTE
Section Chief	-2080	reduction of one section chief due to fewer plan reviews, -1.0 FTE
Consultant Building Systems	-29120	approximately 70% reduction in commercial building plan reviews, -14.0 FTE
Supplies and Services	Amount	Brief Description
Revenue decrease	\$ (4,516,315.64)	Estimated 70% decreased commercial building plan review revenue
Revenue decrease	\$ (1,021,015.20)	Estimated 50% decreased plumbing plan review revenue

-27.0 FTE \$ (2,717,421.95)

Hourly	Fringe	Total
\$ 37.63	0.4183 \$	(666,065.45)
\$ 16.38	0.4183 \$	(289,932.29)
\$ 46.04	0.4183 \$	(135,820.95)
\$ 39.36	0.4183 \$	(1,625,603.27)

Revenue Decrease	\$ (5,537,330.83)
Total	\$ (4,516,315.64)
Total	\$ (1,021,015.20)