

Fiscal Estimate Narratives

COMM 3/8/2004

LRB Number	03-0339/4	Introduction Number	AB-886	Estimate Type	Original
Subject					
Elevator safety					

Assumptions Used in Arriving at Fiscal Estimate

AB 886 specifies several requirements regarding elevators.

Several requirements regarding elevators are currently contained in Chapter 101 of the Wisconsin statutes. Specifically, s. 101.19 (1) (b), Stats., regarding the inspection of elevators, s. 101.17, Stats., regarding the installation and use of elevators, and s. 101.12, Stats., regarding the plan review of elevators prior to construction/ installation. There are also many requirements regarding the inspection, maintenance, and inspection of elevators, and the certification of individuals who perform elevator-related work, contained in the Department's administrative rules (Comm 18, Elevators, and Comm 5, Licenses, Certifications, and Registrations).

AB 886 indicates by statute many requirements that are indicated in current statutory authority, and by current administrative rules. These requirements include elevator plan review, periodic inspection of elevators, and certification of elevator inspectors. AB 886 contains several additional requirements.

AB 886 would require the promulgation of a conveyance safety code, and the establishment of a conveyance safety code council. There is currently an advisory elevator code council and administrative rules regarding elevators, Comm 18. The Department estimates no additional workload from activities regarding these items.

AB 886 would require the certification of elevator mechanics and contractors, and that elevator mechanics be under the direct supervision of a licensed elevator contractor. Commerce estimates that 500 elevator mechanics and 40 elevator contractors would apply for certification.

Although elevator plan review and periodic inspection are currently conducted by the Department, AB 886 prohibits local government regulation of the activities indicated in AB 886. Currently, the City of Milwaukee is the only local government unit exercising jurisdiction over elevators. The removal of this authority would result in the Department becoming responsible for the plan review and initial inspection of approximately 150 elevators annually, and the annual inspection and permitting of an additional 6,000 elevators. The Department would provide for periodic inspections through contracting with a third party provider. However, the Department would be responsible for the processing/issuance of the additional permits, and the plan review and initial inspection of the elevators formerly regulated by the City of Milwaukee.

The Department would reallocate current resources to meet the plan review, inspection, and certification and permit processing workload indicated by AB 886. Revenue would increase as follows:
\$25,000 annually from certification revenue
\$90,000 annually from plan review and initial inspection revenue
\$210,000 annually from permit to operate revenue.

The City of Milwaukee would be impacted. Specifically, costs to conduct elevator regulation activities would be significantly reduced, as would the revenue generated from elevator regulation activities that would now be conducted by the Department.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Elevator safety			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
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	
TOTAL State Costs by Category	\$0	\$0	
B. State Costs by Source of Funds			
GPR	0	0	
FED	0	0	
PRO/PRS	0	0	
SEG/SEG-S	0	0	
III. 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	\$0	\$0	
GPR Earned	0	0	
FED	0	0	
PRO/PRS (PRO)	325,000	0	
SEG/SEG-S	0	0	
TOTAL State Revenues	\$325,000	\$0	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$0	\$	
NET CHANGE IN REVENUE	\$325,000	\$	
Agency/Prepared By		Authorized Signature	Date
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