

### Fiscal Estimate - 2005 Session

Original       Updated       Corrected       Supplemental

**LRB Number 05-4476/1**      **Introduction Number AB-980**

**Description**  
Continuing education and certification requirements for building contractors and certification of building inspectors

**Fiscal Effect**

**State:**

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input checked="" type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

**Local:**

<input checked="" type="checkbox"/> No Local Government Costs		<b>5. Types of Local Government Units Affected</b>
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties <input type="checkbox"/> Others
		<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS s. 20.143 (3) (j)	

Agency/Prepared By	Authorized Signature	Date
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## Fiscal Estimate Narratives

COMM 2/9/2006

LRB Number	05-4476/1	Introduction Number	AB-980	Estimate Type	Original
<b>Description</b> Continuing education and certification requirements for building contractors and certification of building inspectors					

### Assumptions Used in Arriving at Fiscal Estimate

2005 AB 980 contains continuing education and certification requirements regarding the construction of one- and two-family dwellings. Currently, the Department regulates the construction of one- and two-family dwellings through the Uniform Dwelling Code (UDC). This code contains requirements for individuals who construct and conduct construction inspections of buildings covered by the UDC. For example, individuals obtaining permits for construction under the code must hold a Contractor Financial Responsibility certification issued by the Department.

2005 AB 980 contains the following provisions/requirements:

1. Individuals seeking to obtain a construction permit under the UDC code must also meet continuing education requirements, and must furnish to the issuer of the permit proof of completion of those requirements.
2. Revocation of certification under certain circumstances (e.g., the revocation of certification for individuals who construct one- and two family dwellings without a permit).
3. Individuals seeking to obtain the Contractor Financial Responsibility certification for the first time must pass an examination. Currently, no examination is required.
4. Renames the Contractor Financial Responsibility Council as the Contractor Certification Council and specifies duties of the council related to this legislation's provisions (e.g., recommend courses that would meet the continuing education requirements).

There are currently 9,444 individuals with Contractor Financial Responsibility licenses who would be required to meet continuing education requirements. Based on this number, the Department estimates about 500 complaints annually averaging 1 hour per complaint. The Department estimates that .5 FTE position (Engineering Consultant-Uniform Dwelling Sr.) at an annual cost of \$43,100 would be needed to implement the provisions contained in 2005 AB 980. In addition to enforcement activities, workload activities would include continuing education course review and approval, examination development, and consultation. The Department does not anticipate additional workload associated with the administration of examinations.

The Department anticipates that the rules regarding Contractor Financial Responsibility certification would be updated to include the continuing education requirements indicated by 2005 AB 980. Additional resources would be needed for the purpose of tracking the fulfillment of continuing education requirements and telephone consultation. The Department estimates that .5 FTE position (License/Permit Program Associate B) at an annual cost of \$26,400 would be needed.

The Department estimates that 2005 AB 980 would not result in additional workload for municipalities that administer the UDC as agents of the Department.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>05-4476/1</b>		<b>Introduction Number</b> <b>AB-980</b>	
<b>Description</b> Continuing education and certification requirements for building contractors and certification of building inspectors			
<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		\$53,700	0
(FTE Position Changes)		(1.0 FTE)	(0.0 FTE)
State Operations - Other Costs		15,800	0
Local Assistance		0	0
Aids to Individuals or Organizations		0	0
<b>TOTAL State Costs by Category</b>		<b>\$69,500</b>	<b>\$0</b>
<b>B. State Costs by Source of Funds</b>			
GPR		0	0
FED		0	0
PRO/PRS		69,500	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>			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$69,500	\$0
NET CHANGE IN REVENUE		\$0	\$0
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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