

Fiscal Estimate - 2009 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-1677/1	Introduction Number AB-0102
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Description
 The licensing and regulation of thermal system insulation mechanics; creating a thermal system insulation council; requiring the employment of a state inspector; establishing standards for installing and maintaining thermal system insulation; requiring the exercise of rule-making authority; making an appropriation; and providing a penalty

Fiscal Effect

State:

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

Local:

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

Fund Sources Affected	Affected Ch. 20 Appropriations
<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	

Agency/Prepared By COMM/ Debra Miller (608) 266-8603	Authorized Signature Louie Cornelius (608) 266-8629	Date 3/10/2009
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Fiscal Estimate Narratives

COMM 3/10/2009

LRB Number	09-1677/1	Introduction Number	AB-0102	Estimate Type	Original
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Assumptions Used in Arriving at Fiscal Estimate

2009 AB 102 contains provisions related to thermal system insulation in commercial building and multi-family dwellings. Specifically, the legislation does the following:

1. requires the licensure of mechanics who install and maintain thermal system insulation, and allows individuals to install and maintain under the supervision of someone who is licensed;
2. establishes a thermal system insulation council;
3. provides 1.0 FTE PRO position for a state thermal insulation inspector;
4. requires the promulgation of rules regarding licensure and standards for the installation and maintenance of thermal system insulation.

The Department currently administers the Commercial Building Code, which contains thermal system insulation standards based on national model codes. Also, the Department employs 14.0 FTE building inspectors who inspect for compliance with these current thermal system insulation standards.

The Department estimates that the proposed licensing requirements would result in 500 mechanics obtaining licenses. Based on the estimated number of licenses and the revenue need based on estimated annual costs, the Department estimates \$125,000 in annualized revenue.

2009 AB 102 provides for 1.0 FTE PRO position, and associated spending authority of \$78,100, for a state thermal systems insulation inspector to conduct certain activities (e.g., provision of information and consultation to current building inspectors, compilation and maintenance of records). The Department estimates that actual, annual costs associated with the state-wide thermal system insulation inspector position would be \$88,600. Additional workload and associated costs associated with 2009 AB 102 include .2 FTE (or 300 hours) and \$20,000 in associated one-time costs to accomplish administrative rule promulgation. The Department estimates that costs associated with license processing (less than .05 FTE) and council staffing can be absorbed within current resources.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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Description			
The licensing and regulation of thermal system insulation mechanics; creating a thermal system insulation council; requiring the employment of a state inspector; establishing standards for installing and maintaining thermal system insulation; requiring the exercise of rule-making authority; making an appropriation; and providing a penalty			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$20,000 for costs related to rule promulgation.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$83,100	\$0	
(FTE Position Changes)	(1.0 FTE)	(0.0 FTE)	
State Operations - Other Costs	25,500	0	
Local Assistance	0	0	
Aids to Individuals or Organizations	0	0	
TOTAL State Costs by Category	\$108,600	\$0	
B. State Costs by Source of Funds			
GPR	0	0	
FED	0	0	
PRO/PRS (PRO)	108,600	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)	125,000	0	
SEG/SEG-S	0	0	
TOTAL State Revenues	\$125,000	\$0	
NET ANNUALIZED FISCAL IMPACT			
	State	Local	
NET CHANGE IN COSTS	\$108,600	\$	
NET CHANGE IN REVENUE	\$125,000	\$	
Agency/Prepared By		Authorized Signature	Date
COMM/ Debra Miller (608) 266-8603		Louie Cornelius (608) 266-8629	3/10/2009