

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-5906/1	Introduction Number AB-0994
Description certification requirements for building contractors	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local:	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate	
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others 0 <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected	
<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 20.165(2)(g)	
Affected Ch. 20 Appropriations	
Agency/Prepared By	Authorized Signature
DSPS/ Lilian Kelly (608) 266-0958	Daniel Hereth (608) 267-2435
	Date
	2/17/2022

Fiscal Estimate Narratives

DSPS 2/17/2022

LRB Number	21-5906/1	Introduction Number	AB-0994	Estimate Type	Original
Description certification requirements for building contractors					

Assumptions Used in Arriving at Fiscal Estimate

This bill makes changes related to certificates of financial responsibility issued by the Department of Safety and Professional Services (DSPS) that current law generally requires a person to hold to obtain a building permit.

Current rules promulgated by DSPS require a person to complete 12 hours in an approved educational course to obtain a certificate of financial responsibility. The bill requires that a person complete an educational course that consists of in-person or live virtual instruction to obtain a certificate of financial responsibility. This course must include instruction on accounting, lien law, ethics, and best business practices. The applicant must show photo identification to register attendance for the course. In addition, the bill requires a person to complete a total of at least four hours of continuing education on construction laws and codes, and contracts, liability, and risk management every two years to maintain a certificate of financial responsibility. Under the bill, these hours count towards the 12 hours of continuing education that current law requires a certificate holder to complete every two years. In addition, the bill requires providers of continuing education courses for financial responsibility certificates to submit to DSPS test questions related to their courses and verification that attendees completed their courses.

The Department estimates that it will incur one-time costs totaling \$5,930 for staff salary, fringe and overhead to review, update and communicate rules, modify forms and websites, and establish procedures for review to determine if education providers' courses are compliance with the requirements of the bill. These one-time costs may be possible to absorb within DSPS's budget.

Long-Range Fiscal Implications

None

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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Description certification requirements for building contractors		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
The Department estimates that it will incur one-time costs totaling \$5,930.		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
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	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By	Authorized Signature	Date
DSPS/ Lilian Kelly (608) 266-0958	Daniel Hereth (608) 267-2435	2/17/2022