

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-0566/1	Introduction Number AB-0198
------------------------------------	-------------------------------------------

Description
 local government review of commercial building plans

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 checked="" type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input checked="" 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 type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	s.20.165(2)(j)

Agency/Prepared By	Authorized Signature	Date
DSPS/ Lillian Kelly (608) 266-0958	Jennifer Garrett (608) 266-6795	9/13/2023

Fiscal Estimate Narratives

DSPS 9/13/2023

LRB Number	23-0566/1	Introduction Number	AB-0198	Estimate Type	Original
Description local government review of commercial building plans					

Assumptions Used in Arriving at Fiscal Estimate

First, the bill increases the thresholds for local authority to conduct commercial building plan review. Current law requires the Department of Safety and Professional Services (DSPS) to accept examinations of essential drawings, calculations, and specifications ("plans") for public buildings, public structures, and places of employment ("commercial buildings") performed by: (1) the City of Milwaukee; (2) a second class city, if DSPS has certified the city to conduct plan review; (3) a city, village, town, or county that has become an appointed agent of DSPS; and (4) any other city, village, town, or county ("a non-agent local unit of government"), subject to specified thresholds.

Specifically, DSPS must accept an examination of a commercial building plan conducted by a non-agent local unit of government if the examination is for a building containing less than 50,000 cubic feet of volume or an alteration of a space involving less than 100,000 cubic feet of volume. DSPS's current administrative rules further specify thresholds for the examination of plans for additions to existing buildings or structures by such local units of government.

Under the bill, DSPS must accept examinations of commercial building plans by non-agent local units of government for: (1) new construction of buildings containing less than 100,000 cubic feet of volume; (2) additions to buildings or structures in which the addition results in the entire building or structure containing less than 100,000 cubic feet of volume; and (3) alterations of spaces regardless of the total building volume. The bill retains requirements under current law that all such local examinations must be conducted in a manner approved by DSPS, and that DSPS must determine and certify the competency of local plan examiners.

Second, the bill repeals a fee forwarding requirement. Current law requires certified second-class cities and local units of government that act as appointed agents of DSPS to forward a portion of the fees they collect for commercial building plan review to DSPS, according to a fee schedule established in the Commercial Building Code. The bill repeals the requirement to forward those fees.

Finally, the bill requires DSPS to submit a plan to the Legislature by January 1, 2024. The plan must address how DSPS will: (1) encourage cities, villages, towns, and counties to conduct commercial building plan examinations and inspections; and (2) increase support to such cities, villages, towns, and counties.

The Department of Safety and Professional Services estimates a total of \$493,800 in ongoing costs and \$31,800 in one-time costs for staffing and supplies and services to implement the bill. The implementation of the bill will result in fewer building plans being submitted but increased ongoing costs due to increased staffing necessary to accommodate the scheduling requirements of the bill.

The estimated ongoing costs include \$493,800 for an additional 4.0 permanent full time equivalent (FTE) positions for plan review staff for training and support.

The estimated one-time costs totaling \$38,100 include .6 limited term (LTE) employees to address the need for process and forms updates related to changes in building plan examination delegations, training and coordinating with non-agent local government units, and responding to an increase in inquiries.

There will also be an indeterminate loss of revenue from the implementation of this bill due to a reduced number of building plan examination submissions by non-agent local government units and the loss of their associated fees. The one-time and ongoing estimated costs cannot be absorbed in the currently appropriated agency budget.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-0566/1	Introduction Number AB-0198	
Description local government review of commercial building plans		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): One-time costs: \$31,800		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$493,800	\$
(FTE Position Changes)	(4.0 FTE)	
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$493,800	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS	493,800	
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	\$493,800	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By	Authorized Signature	Date
DSPS/ Lilian Kelly (608) 266-0958	Jennifer Garrett (608) 266-6795	9/13/2023