

Fiscal Estimate Narratives

DSPS 11/29/2023

LRB Number	23-0240/1	Introduction Number	AB-0472	Estimate Type	Original
Description construction contractor registration and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

Section 101 of the statutes is revised to require registration of construction contractors with DSPS. DSPS may directly assess a forfeiture by issuing an order against any person who fails to register as required under the bill. The registration requirement does not apply to a person who engages in construction on his or her own property, to a state agency or local governmental unit, or to a person who engages in construction during his or her employment by a state agency or local governmental unit.

DSPS estimates a total of \$53,900 in one-time costs and \$217,200 in annual costs for staffing and an indeterminate IT impact to implement the bill. The provisions of the bill require registration of all construction contractors operating in the state prior to performing or advertising services. The estimated one-time staffing need for 1.0 limited term employees (LTE) is for rule promulgation, staff training, legal review, eSLA software updates and additions, and forms and sites updates. The estimated annual staffing need for 2.1 full time employees (FTE) is to account for additional workload, including responding to inquiries, processing applications and records requests, investigating complaints, monitoring of formal disciplinary orders, and prosecution of cases. The one-time and annual 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

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Description construction contractor registration and granting rule-making authority		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): One-time costs: Staffing - \$46,700, Supplies & Service - \$7,200		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$187,200	\$
(FTE Position Changes)	(2.1 FTE)	
State Operations - Other Costs	30,000	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$217,200	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS (PRO)	217,200	
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	\$217,200	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By Authorized Signature Date		
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