

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

| | |
|------------------------------------|---|
| LRB Number 23-2575/1 | Introduction Number SB-0188 |
|------------------------------------|---|

Description
 permission to start construction of a commercial building before plan approval

Fiscal Effect

State:

No State Fiscal Effect
 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 <div style="text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs |
|--|--|---|

Local:

No Local Government Costs
 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 <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
|--|--|---|

| | |
|--|---------------------------------------|
| 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 s.20.165(2)(j) | |

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

Fiscal Estimate Narratives

DSPS 9/13/2023

| | | | | | |
|--|-----------|---------------------|---------|---------------|----------|
| LRB Number | 23-2575/1 | Introduction Number | SB-0188 | Estimate Type | Original |
| Description permission to start construction of a commercial building before plan approval | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

Administrative rules adopted by DSPS currently allow a building owner who has submitted commercial building plans for examination by DSPS or a local unit of government to request permission to start construction of footings and foundations while plan review is pending. In practice, DSPS issues a "permission to start" letter to convey approval for this type of construction to begin.

DSPS's rules require a plan reviewer to make a determination on a permission to start request within three business days after receiving all required documents, plan review fees, and an additional fee of \$75. The rules specify that a building owner who is granted permission to start construction of footings and foundations may proceed at the owner's own risk, without assurance that a conditional approval will be granted for the building. The current statutes do not directly address permission to start construction while plan review is pending, but they specify that nothing in the section of the statutes relating to commercial building plan review relieves a building designer of the responsibility for designing a safe building, structure, or component.

The bill codifies the authority for "permission to start" letters in the statutes and expands the scope of construction activities that DSPS or a local unit of government may allow to proceed while plan review is pending. Under the bill, DSPS or a local unit of government may authorize a building owner to start construction of underground plumbing and exterior plumbing, in addition to footings and foundations. The bill retains a building designer's responsibility for designing a safe building, structure, or component. The bill also specifies that permission to start construction does not relieve a licensed architect or professional engineer who prepared commercial building plans of responsibility regarding the plans.

The Department of Safety and Professional Services estimates a total of \$54,400 in ongoing costs and \$900 in one-time costs for staffing to implement the bill. The implementation of the bill codifies a practice allowed by current statute regarding building construction and plan approval.

The estimated staffing cost would require an equivalent of .6 full time equivalent (FTE) positions to address the increased number of complaints, investigations, prosecutions, and case monitoring by legal staff and additional plan reviews for DIS staff. The one-time costs reflect staff training and updates.

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

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|--|---|--|-----------------|
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| permission to start construction of a commercial building before plan approval | | | |
| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): | | | |
| One-time costs: \$900 | | | |
| II. Annualized Costs: | | Annualized Fiscal Impact on funds from: | |
| | | Increased Costs | Decreased Costs |
| A. State Costs by Category | | | |
| | State Operations - Salaries and Fringes | \$54,400 | \$ |
| | (FTE Position Changes) | (0.6 FTE) | |
| | State Operations - Other Costs | | |
| | Local Assistance | | |
| | Aids to Individuals or Organizations | | |
| | TOTAL State Costs by Category | \$54,400 | \$ |
| B. State Costs by Source of Funds | | | |
| | GPR | | |
| | FED | | |
| | PRO/PRS (PRO) | 54,400 | |
| | 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 | \$54,400 | \$ |
| | NET CHANGE IN REVENUE | \$ | \$ |
| Agency/Prepared By | | Authorized Signature | Date |
| DSPS/ Lillian Kelly (608) 266-0958 | | Jennifer Garrett (608) 266-6795 | 9/13/2023 |