

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **HB 76** HLS 051ES 139
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Sub. Bill For.: **REVISED**
 Proposed Amd.:

Date: November 16, 2005 4:28 PM	Author: PINAC
Dept./Agy.: Department of Public Safety	Analyst: Jay Eckert
Subject: Building Codes	

BUILDING CODES OR +\$1,740,000 GF EX See Note Page 1 of 2
 Provides for changes to the State Uniform Construction Code

Proposed legislation creates the Louisiana State Uniform Construction Code Council. The council will consist of 19 members whose primary function is to review and adopt the state uniform construction code, provide training and education, and accept all requests for amendments to the code.

Proposed legislation provides all parishes in the gubernatorially declared emergency areas after August 31, 2005, shall enforce, on an emergency basis, all the wind and flood mitigation requirements prescribed by the 2003 IBC and 2003 IRC. Also, if municipalities in disaster affected areas are unable to enforce the emergency wind and flood mitigation requirements prescribed within 30 days of the effective date, the Department of Public Safety through the Office of State Fire Marshal shall enforce them.

Proposed legislation repeals the fee schedule in present law and provides that the State Fire Marshal may establish contract agreements with municipalities and parishes in order to provide permitting and code enforcement on their behalf.

EXPENDITURES	2005-06	2006-07	2007-08	2008-09	2009-10	5 -YEAR TOTAL
State Gen. Fd.	\$1,740,000	\$280,800	\$292,000	\$303,700	\$315,800	\$2,932,300
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total	\$1,740,000	\$280,800	\$292,000	\$303,700	\$315,800	\$2,932,300

REVENUES	2005-06	2006-07	2007-08	2008-09	2009-10	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed legislation would result in an increase in state general fund expenditures. The proposed legislation will require intensified work by the Office of State Fire Marshal. This estimate assumes that the Fire Marshal's Office will have to enforce the emergency wind and flood mitigation requirements for 6 months because of lack of certifications by municipalities and parishes. Expenditures related to the emergency portion of this legislation include the following: To reach the level of production expected across the 11 gubernatorially designated emergency parishes in the state, the Office of State Fire Marshal will require 3 Engineers, 3 Administrative Coordinators, 1 Building Official and 44 Field Inspectors. The cost associated with the 51 new positions would be approximately \$606,000 and include salaries, related benefits, operating services, and travel. There would also be additional costs for equipment, automobiles, supplies and professional services of \$940,000.

According to the Office of State Fire Marshal, the infrastructure is in place in 3 (Orleans, Jefferson, and St. Tammany) of the 11 parishes, to complete the inspections themselves once they have received International Code Council Training. \$24,000 of the professional services cost is associated with 5 (3-day) International Code Council (ICC) training sessions. Two of these training sessions would be for the Fire Marshal's Field Inspectors and the remaining three would be for inspectors in parishes that had the infrastructure in place.

REVENUE EXPLANATION

There is no anticipated direct material effect on state governmental revenues as a result of this measure.

Proposed legislation allows local government entities to stipulate an amount of fees to offset costs for implementing inspections.

Persons found guilty of violating any provision of this legislation are subject to criminal penalties. The fine would be not more than \$200. Each day of the violation is a separate offense. To the extent that this would occur, revenue to local governmental entities would increase.

Senate Dual Referral Rules
 13.5.1 >= \$500,000 Annual Fiscal Cost

House
 6.8(F) >= \$500,000 Annual Fiscal Cost

13.5.2 >= \$500,000 Annual Tax or Fee Change

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Robert E. Hosse
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LFO Staff Director

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CONTINUED EXPLANATION from page one:
EXPENDITURE EXPLANATION (CONTINUED)

There could be an increase to local governmental entities to the extent they will have to employ an official to certify buildings, perform inspections and other technical duties.

The legislation relative to the Louisiana State Uniform Construction Code Council will also cause an increase in expenditures. In regards to the council, legislation does not address per diem and/or travel reimbursement for council members. According to the Office of State Fire Marshal 3 position will be needed as staff for the council. The annual cost associated with the positions would be approximately \$193,000 and include salaries, related benefits, and travel. There would also be additional annual costs for operating services, fuel supplies and professional services of \$77,000. One-time expenditures for acquisitions and supplies total \$59,000. The Louisiana Construction Code Council will use facilities located on the Public Safety compound. Expenditures for the Council for FY 05-06, which provide for six months funding, total \$194,000. Full year costs would increase to \$280,800 in FY 07 after the emergency portion has ended. Future years are presented with a 4% growth factor.

Further, this legislation provides for jail time for persons who violate sections of this law. Jail time awarded by the court system for violations of this law will be served in parish facilities because the length and terms of sentencing do not meet the criteria for an offender to be remanded to La. Department of Corrections. This means that the locality will have to bear the cost of incarcerating an offender. This cost to local government cannot be calculated because at the present time, it is unknown how the court system would sentence offenders.

According to the Office of Facility Planning, legislation should have no fiscal impact on state buildings.

Senate

Dual Referral Rules

House

13.5.1 >= \$500,000 Annual Fiscal Cost

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