

**LEGISLATIVE FISCAL OFFICE**

**Fiscal Note**



Fiscal Note On: **SB 44** SLS 051ES 87  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Sub. Bill For.:  
 Proposed Amd.: **W/ PROP SEN FLOOR AMD**

<b>Date:</b> November 16, 2005 5:22 PM	<b>Author:</b> HOLLIS
<b>Dept./Agy.:</b> Department of Public Safety	<b>Analyst:</b> Jay Eckert
<b>Subject:</b> State Uniform Construction Code	

SAFETY REGULATIONS EG +\$1,740,000 GF EX See Note Page 1 of 2  
 Establishes a state uniform construction code. (gov sig)

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 11 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 International Building Code and 2003 International Residential Code. 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.

Effective upon signature of the governor.

<b>EXPENDITURES</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$1,740,000	INCREASE	INCREASE	INCREASE	INCREASE	<b>\$1,740,000</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>	<b>\$1,740,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,740,000</b>
<b>REVENUES</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**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.

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.

**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. To the extent that this would occur, revenue to the local governmental entities would increase.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	
<input checked="" type="checkbox"/> 13.5.1 >= \$500,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost	<b>Robert E. Hosse</b>
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	<b>LFO Staff Director</b>

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CONTINUED EXPLANATION from page one: Page 2 of 2

The proposed legislation obligates the State Fire Marshal to enforce the code. According to the Office of State Fire Marshal, this legislation could result in an increase in state general fund expenditure. The exact fiscal impact of the passage of this legislation is indeterminable. A specific estimate of the number of municipal or parish governing authorities that would be unable to bear the fiscal burden of enforcing these provisions would be speculative.

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.

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 of the strength 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 impact on state buildings.

Senate Dual Referral Rules

[x] 13.5.1 >= \$500,000 Annual Fiscal Cost

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

House

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

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

Robert E. Hosse

Robert E. Hosse
LFO Staff Director