

LEGISLATIVE FISCAL OFFICE

Fiscal Note



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

Date: November 21, 2005 9:29 AM	Author: PINAC
Dept./Agy.: Department of Public Safety	Analyst: Jay Eckert
Subject: Building Codes	

BUILDING CODES EG +\$218,000 GF EX See Note Page 1 of 1
 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. No member of the council shall receive per diem or compensation.

Proposed legislation provides that emergency wind and flood building requirements shall remain in force until the council, within 6 months, adopts the latest edition of the International Building Code and International Residential Code.

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.	\$218,000	\$280,800	\$292,000	\$303,700	\$315,800	\$1,410,300
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	\$218,000	\$280,800	\$292,000	\$303,700	\$315,800	\$1,410,300
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 legislation relative to the Louisiana State Uniform Construction Code Council will cause an increase in expenditures. According to the Office of State Fire Marshal 3 positions will be needed as staff for the council. The annual cost associated with these 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.

According to the Department of Public Safety, the 8 affected parishes that do not have the infrastructure in place will rely on the DPS to put the contracts in place between themselves and the third party contractors. This will not require any additional positions to be added to the Department of Public Safety.

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.

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.

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

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

House

13.5.1 >= \$500,000 Annual Fiscal Cost

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

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