

PREPARED BY: Doug Gibbs
 DATE PREPARED: March 19, 2009
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LB 564

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$217,084		\$178,288	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$217,084		\$178,288	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 564 amends the Contractor Registration Act.

The bill would require contractor licensure, and testing to certify eligibility for licensure. The testing required by LB 564 is to be administered by the Department of Labor.

LB 564 also provides that the examination and education requirements for licensure shall be fulfilled by a qualifying person designated by the potential licensee. The qualifying person is to be the proprietor of the business or an employee who is regularly employed by the licensee and is actively engaged in the business of contracting on behalf of the licensee.

The bill also provides that an individual's passing examination results expires three years after the examination date.

The bill has an operative date of January 1, 2010.

While the bill does require examination and licensing it does not provide for either an exam fee or a licensing fee. Therefore, the department will need a General Fund appropriation in order to implement the requirements of LB 564.

The Department of Labor indicates there are approximately 10,000 contractors registered and requiring examination and licensure by the beginning of FY2009-10.

The Department of Labor estimates the cost to implement LB 564 to be \$217,084 in FY2009-10 and \$178,288 in FY2010-11. This includes 3.30 FTE in FY2009-10 and 3.25 FTE in FY2010-11.

There is no basis to disagree with the Department of Labor's estimate of fiscal impact.

IMPACT TO POLITICAL SUBDIVISIONS:

There is no fiscal impact to political subdivisions associated with this bill.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	DATE	2/19/09	PHONE	471-2526
COMMENTS					
DEPT. OF LABOR – Agree with agency's estimate of impact.					