

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$68,119		\$46,499	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$68,119		\$46,499	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 1025 amends and inserts new language into the Building Construction Act.

Section 71-6404 and Section 71-6406 are amended to provide that the state building code shall apply in each county, city, or village which has not adopted a local building or construction code pursuant to Section 71-6406.

The bill inserts new language to create the Building Codes Advisory Committee. The Committee is to consist of 13 voting members appointed by the Governor and approved by the Legislature. The bill contains specific requirements as to the qualifications of the voting members. In addition, five non-voting ex officio members are to serve on the Committee: the State Fire Marshal, State Energy Office director, State Electrical Division executive director, Board of Engineers and Architects executive director, and the Nebraska State Historical Society director. The voting members are to be appointed on or before September 1, 2018.

Members of the Committee shall not receive compensation but are to be reimbursed for actual and necessary expenses incurred while performing their duties. The Board of Engineers and Architects shall provide staff support and pay the expenses of the Committee from the Board's budget.

The Committee is to meet at least once annually and is to review any new edition of any component of the state building code and made a recommendation upon its adoption as a component to the state building code to the Legislature. They may also, upon written request of the chairperson of the Legislature's Urban Affairs Committee, review any component of the state building code, any other standard code or portion thereof and make a recommendation to the Legislature. The bill also contains language specifying the guidelines the Committee is to use in reviewing and making recommendations.

The Board of Engineers and Architects has provided the following information regarding fiscal impact.

The Board assumes the following:

- All ex officio members reside in or near Lincoln;
- Members required to be from a specific congressional district reside at the approximate geographical center of that district for purposes of calculating mileage;
- Members from the 3rd Congressional District and some additional members will require overnight travel prior to Committee meetings; and
- Committee meetings will be held in Lincoln.

The Board estimates costs of approximately \$2,560 for each Committee meeting including meals, parking, travel, and lodging. As the number of meetings needed to accomplish the Committee's work is unknown, for this estimate the Board assumes four meetings will take place in FY2018-19 with the 2018 editions of state building components being published and one meeting in FY2019-20.

The Board indicates that they do not have available administrative staff to support the Committee, and anticipates the need to hire a part-time Staff Assistant I for Committee support. The Committee's activities appear to require permanent administrative support with the ability to perform detailed technical support tasks in accordance with clear, applicable guidelines, including determining courses of action. These distinguishing characteristics most closely align with those of a Staff Assistant I as described by the DAS Class Specification for this position. Preparation of the recommendations as described in Section 6 of the bill are also consistent with the specification's Examples of Work.

The Board estimates that to carry out the provisions of LB 1025 will result in an expenditure of \$68,119 for FY2018-19 and \$46,499 for FY2019-20. PSL will be \$15,267 for FY2018-19 and FY2019-20.

We have no basis to disagree with the Board of Engineers and Architects estimate of cost.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1025	AM:	AGENCY/POLT. SUB: Nebraska Board of Engineers and Architects	
REVIEWED BY: Ann Linneman	DATE: 1-24-18	PHONE: (402) 471-4180	
COMMENTS: No basis to disagree with the Nebraska Board of Engineers and Architects' assessment of fiscal impact.			

Please complete ALL (5) blanks in the first three lines.

2018

LB⁽¹⁾ 1025

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Board of Engineers and Architects

Prepared by: ⁽³⁾ Jon Wilbeck Date Prepared: ⁽⁴⁾ Jan 24, 2018 Phone: ⁽⁵⁾ 402-471-2021

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2018-19		FY 2019-20	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
CASH FUNDS	<u>68,119</u>	<u>0</u>	<u>46,499</u>	<u>0</u>
FEDERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OTHER FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FUNDS	<u><u>68,119</u></u>	<u><u>0</u></u>	<u><u>46,499</u></u>	<u><u>0</u></u>

Explanation of Estimate:

LB1025 modifies the Nebraska Building Construction Act. The section of the bill that appears to fiscally impact the state calls for the creation of an 18 person Building Codes Advisory Committee consisting of 13 voting members and five nonvoting, ex officio members. Some committee members are required to be from a specific congressional district, while others could be from anywhere in the state. Members may be reimbursed for actual and necessary expenses. The Nebraska Board of Engineers and Architects would provide committee staff support, and committee expenses would also be part of the Board's budget.

The committee's primary responsibility is to either review newly-published editions of state building code components, or review established state building code components at the request of the Urban Affairs Committee Chairperson. The committee will make recommendations on whether such new editions or portions of them should be adopted as a component of the state building code.

The committee may consult with subject matter experts, and shall meet at least annually.

For the purposes of this fiscal note, the agency is making the following assumptions regarding travel costs: 1) all ex officio members reside in or near Lincoln, Nebraska; 2) members required to be from a specific congressional district reside at the approximate geographic center of the district for calculating mileage; 3) members from the 3rd Congressional District and some other members require overnight travel prior to committee meetings; and 4) committee meetings will be held in Lincoln, Nebraska.

The board anticipates costs of approximately \$2,560 for each committee meeting including meals, parking, travel, and lodging. As the number of meetings needed to accomplish the committee's meeting is unknown, for this estimate the Board assumes four meetings will take place in FY2018-19 with the 2018 editions of state building components being published, and one meeting in FY2019-20.

The Board does not have available administrative staff to support the committee, and anticipates the need to hire a part-time Staff Assistant I for committee support. The committee's activities appear to require permanent administrative support with the ability to perform detailed technical support tasks in accordance with clear, applicable guidelines, including determining courses of action to take. These distinguishing characteristics most closely align with the characteristics of a Staff Assistant I as described by the DAS Class Specification for this position. Preparation of the recommendations as described in Section 6 are also consistent with the specification's Examples of Work.

The fiscal note assumes the staff assistant will enroll in the typical employee benefit package in addition to the mandatory State Employees Retirement Plan.

Operating expenses include electronic editions of state building code current components in addition to newer editions not yet adopted, public notice costs, office supplies, funds to engage consultants, Board office reconfiguration to accommodate the Staff Assistant I, and other minor expenses.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Staff Assistant I	0.5	0.5	15,267	15,267
Benefits			22,047	22,047
Operating			20,566	6,625
Travel			10,239	2,560
Capital outlay			0	0
Aid			0	0
Capital improvements			0	0
TOTAL			68,119	46,499