

Department of Planning and Budget

2004 Fiscal Impact Statement

1. Bill Number: HB829

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
 Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Drake

3. Committee: General Laws

4. Title: Board for Contractors; certification of elevator mechanics

5. Summary/Purpose: Institutes a certification program by the Board for Contractors of elevator mechanics and sets forth the requirements for certification. The bill defines elevator mechanic as an individual who is certified by the Board for Contractors and is engaged in erecting, constructing, installing, altering, servicing, repairing, testing or maintaining elevators, escalators, dumbwaiters, or related conveyances in accordance with the Uniform Statewide Building Code. However, a person not certified as an elevator mechanic may perform maintenance that is not related to the operating integrity of an elevator, escalator, dumbwaiter or related conveyance, as provided in the regulations of the Board. The bill provides a one-year waiver of the examination requirement if the applicant is able to demonstrate that he has at least five years experience as a mechanic in the elevator industry. The bill provides that elevator mechanics must be certified effective July 1, 2005.

6. Fiscal impact estimates are: Preliminary.

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2003-04			
2004-05	\$4,030	0.00	nongeneral
2005-06	\$0	0.00	
2006-07	\$0	0.00	
2007-08	\$0	0.00	
2008-09	\$0	0.00	
2009-10	\$0	0.00	

6b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2003-04			
2004-05	\$11,250	0.00	nongeneral
2005-06	\$11,250	0.00	nongeneral
2006-07	\$5,250	0.00	nongeneral
2007-08	\$5,250	0.00	nongeneral
2008-09	\$5,250	0.00	nongeneral
2009-10	\$5,250	0.00	nongeneral

7. Budget amendment necessary: No, the appropriation may be adjusted administratively to account for the one-time expenditures in FY 2005.

8. Fiscal implications: The bill creates a new regulatory requirement in the Tradesman program for Certified Elevator Mechanics. Implementation of the bill involves \$4,030 in one-time expenditures in FY 2005. The expenditures include \$1,500 for court reporters for public hearings, \$1,500 for printing and mailing applications, notifications, and regulations, and \$780 for an additional Board for Contractors Committee meeting.

The Board for Contractors currently has more than 80,000 regulants. The new requirement would add approximately 300 new regulants, which does not represent a significant additional workload for the program. Therefore, no additional resources are needed for ongoing operating costs.

In accordance with § 54.1-113, Code of Virginia (the Callahan Act), licensing fees are established at rates adequate to cover a program's operating costs and a proportionate share of agency support costs. Using the current fees of the Board for Contractors, the additional licensees would increase revenue by \$11,250 in FY 2005 and FY 2006. Revenue from license renewals is projected at \$5,250 annually thereafter. The revenue is not expected to have significant impact on the board's financial position or create a need for fee adjustments.

9. Specific agency or political subdivisions affected: Department of Professional and Occupational Regulation, Board for Contractors.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 1/28/04 kbs

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cc: Secretary of Commerce and Trade