

Department of Planning and Budget

2011 Fiscal Impact Statement

1. Bill Number: SB1375

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

2. Patron: Wagner, F.

3. Committee: General Laws and Technology

4. Title: Board for Asbestos, Lead, Mold, and Home Inspectors; regulation of building analysts

5. Summary: Provides for the licensure of building analysts by the Board for Asbestos, Lead, Mold, and Home Inspectors. The bill defines building analysis, calls for the appointment of one licensed building analyst to the Board for Asbestos, Lead, Mold, and Home Inspectors, and changes the name of the Board to the Virginia Board for Asbestos, Lead, Mold, Home Inspectors, and Building Analysts.

6. Budget Amendment Necessary: Yes. Item #113.

The Department's appropriation will need to be increased for FY2012 and future years to cover the projected costs and position associated with this bill.

	<u>FY12</u>	<u>FY13</u>	<u>Positions</u>
Service Area 560 46:	\$65,934	\$68,240	1.00
Service Area 560 47:	\$0	\$0	0.00
Service Area 560 48:	\$13,700	\$ 6,700	0.00

7. Fiscal Impact Estimates: The fiscal estimates are preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2011	\$0	0.0	0900NGF
2012	\$79,634	1.0	0900 NGF
2013	\$74,490	1.0	0900 NGF
2014	\$68,871	1.0	0900 NGF
2015	\$68,871	1.0	0900 NGF
2016	\$68,871	1.0	0900 NGF
2017	\$68,871	1.0	0900 NGF

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2011	\$0	0900 NGF
2012	\$156,000	0900 NGF
2013	\$0	0900 NGF
2014	\$138,000	0900 NGF
2015	\$0	0900 NGF
2016	\$138,000	0900 NGF
2017	\$0	0900 NGF

- 8. Fiscal Implications:** This bill increases the administrative and regulatory responsibilities of the Department of Professional and Occupational Regulation (DPOR) by implementing and administering a mandatory licensing program for building analysts. The licensure program would be added to the Board for Asbestos, Lead, Mold & Home Inspectors. The Department estimates that approximately 400 individuals would be required to be certified through this program.

Personal Service Costs: This legislation will require one (1) classified Band 3 position to evaluate pre-license education and general eligibility requirements; process initial applications; coordinate examination activities; respond to telephone inquiries and emails; and prepare written correspondence with applicants, licensees, and the public. The cost of salary and benefits for this position, based on the mid-point of the band range, is expected to be \$53,016 in FY 2012 (assuming 23 pay periods) and \$55,322 in future years. These are recurring costs that will continue into future biennia.

Operating Costs: In FY2012, DPOR will need to purchase furniture and equipment for the new position at an estimated cost of \$7,000. This is a one-time expenditure that will not continue into future years. Other operating costs beginning in FY2012 include telephone, employee development, computer operating support, postage, printing, and supplies, and are estimated at \$9,800 each year. These are recurring costs that will continue into future years.

One building analyst will be added to the Board for Asbestos, Lead, Mold & Home Inspectors. Currently, the Board meets 4 times per year. Three additional meetings are expected in both FY2012 and FY2013 and one additional meeting per year thereafter. Travel and other expenses related to attending the board meetings will total approximately \$9,818 annually in FY2012 and FY2013 and \$3,749 each year thereafter. These are recurring costs that will continue into future years.

Total costs are projected to be \$79,634 in FY2012, \$74,490 in FY2013 and \$68,871 in future years.

Revenue: In accordance with the provisions of Section 54.1-113 (Callahan Act) of the Code of Virginia, licensing fees are established at rates adequate to cover a program's operating costs and a proportionate share of agency support costs.

Approximately 400 new building analyst applications are expected in FY2012 with about 400 renewal applications every two years beginning in FY2014. In order to provide sufficient revenue to cover ongoing operating costs, application fees are expected to be \$390 and renewal fees are expected to be \$345. Total additional revenue is estimated to be \$156,000 in FY2012 and \$138,000 in even-numbered fiscal years thereafter.

Cost to Regulants: Building analyst initial application fees are expected to be \$390 and biennial renewal costs will be \$345, or a cost of \$173 per year. No additional cost to other

current Board for Asbestos, Lead, Mold & Home Inspectors licensees is expected as a result of this legislation.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 01/18/2011

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