

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: HB1802

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: Marshall, D. W.

3. Committee: Passed Both Houses.

4. Title: Contractors, Board for; creation of residential and commercial contractor license categories.

5. Summary: This bill authorizes the Board for Contractors to establish separate license categories for residential and commercial contractors for each of the current licensing categories: Class A, B, and C contractor licenses.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final.

8. Fiscal Implications: According to the Department of Professional and Occupational Regulation (DPOR), there are estimated to be 650 to 1,000 commercial contractors, who as a result of this legislation, would not pay into the Contractor Transaction Recovery Fund. This amounts to 325 to 500 each year, or \$16,250 to \$25,000 less going into the fund each year. Current statute requires a minimum fund balance of \$400,000. DPOR does not believe this reduction will impact the solvency of the fund or ability to pay out claims.

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

10. Technical Amendment Necessary: No.

11. Other Comments: According to DPOR, the cash balance of the Contractor Transaction Recovery Fund at the end of FY 2012 totaled \$1.5 million.

Date: 2/15/13

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