

Department of Planning and Budget

2007 Fiscal Impact Statement

1. Bill Number: HB 1950

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Harvey B. Morgan

3. Committee: General Laws

4. Title: Licensed professional engineers to accept private site evaluations

5. Summary/Purpose: This legislation proposes to amend the Code of Virginia by adding a section requiring the Board, Commissioner, and Department of Health to accept private site evaluations and treatment works designs from individuals licensed as professional engineers pursuant to Chapter 4 (§ 54.1-400 et seq.) of Title 54.1.

6. Fiscal Impact Estimates are Preliminary: See item #8.

Expenditure Impact:

	<i>Dollars</i>		
<i>Fiscal Year</i>	<i>GF</i>	<i>NGF</i>	<i>Positions</i>
2007-08	\$3,490,657	-	35.0
2008-09	\$3,490,657	-	0.0
2009-10	\$3,490,657	-	0.0
2010-11	\$3,490,657	-	0.0
2011-12	\$3,490,657	-	0.0

7. Budget amendment necessary: Yes. Item #294, Environmental Health Hazards (56501)

8. Fiscal implications: The legislation requires the Virginia Department of Health (VDH) staff that review professional engineering work are to be either licensed as a professional engineer or are working under the direct supervision of an engineer. To comply with the law, VDH would need to hire at least one engineering FTE per health district. The salary and benefits of each engineer is estimated to be \$84,500 and including other costs (i.e., equipment, supplies, software, travel, telecommunications, etc.), the total cost per FTE is estimated to be \$98,733. The bill also requires VDH to establish a design review board. VDH estimates that it will cost about \$35,000 per year to support a design review board. Total cost is 35 FTE x 98,733 = \$3,455,657 + \$35,000.00 = \$3,490,657.

Another possible outcome of HB1950 is that VDH must have at least one professional engineer at each local health department (instead of each health district). In such case, VDH would need to hire 119 professional engineers for each local health department. VDH believes that the appropriate interpretation is that at least one professional engineer must be available at each health district location rather than at each local health department. If VDH had to hire 119 professional engineers, then the fiscal impact of the positions would be \$11,749,227 (119 FTE x 98,733). VDH estimates that it will cost about \$35,000 per year to

support a design review board. Total cost is $119 \text{ FTE} \times 98,733 = \$11,749,227 + \$35,000.00 = \$11,784,227$.

9. Specific agency or political subdivisions affected: Virginia Department of Health

10. Technical amendment necessary: No.

11. Other comments: No.

Date: 1/25/2007

Document: HB1950.doc

cc: Secretary of Health and Human Resources