

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 1023

PRINTER'S NO. 2076

AMOUNT

\$200,000 Annual Revenue (FY 2014-15)
\$200,000 Annual Expenditures (FY 2014-15)

FUND

General Fund – Review and Advisory
Council Administration Restricted Account

DATE INTRODUCED

June 17, 2013

PRIME SPONSOR

Senator McIlhinney

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 1023 amends the Pennsylvania Construction Code Act to further provide for the process by which updates to the Pennsylvania Uniform Construction Code (UCC) are adopted by the Uniform Construction Code Review and Advisory Committee (RAC).

The bill provides that the RAC must review any of the provisions revised in the published International Code Council (ICC) updates which are subsequent to the latest Pennsylvania Uniform Construction Code adopted. The bill specifically requires that beginning with the 2015 ICC codes, the RAC must review the latest triennial code revisions as well as code revisions in the 2012 triennial publication of the codes that were not previously adopted by the RAC for inclusion in the UCC.

The bill increases the amount of time in which the RAC is required to submit a report to the Secretary of Labor and Industry, from 12 months to 24 months after the publication of the latest triennial code revisions. The report identifies the provisions of the code specified for adoption and those provisions specified for modification. The bill limits modifications to the subject matter of the provisions of the latest triennial code revisions and must be consistent with the intent and purposes of the Act. The provisions of the codes that are specified for rejection shall be separately designated in the report.

The bill adds an additional criteria to be applied when the RAC examines the triennial code revisions and modifications: If the provision is modified by the RAC, it must meet or exceed the UCC provision that is currently in effect.

The bill increases membership of the RAC to include an architect or engineer specializing in building energy efficiency. It increases the term of an RAC member from two years to three years.

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The bill requires the Department of Labor and Industry to provide administrative support to assist in the duties of the RAC. It also allows RAC members to be reimbursed for reasonable travel, hotel and other necessary expenses incurred in the performance of their duties.

The bill increases the fee from \$4 to \$5 for the issuance under this Act of each construction or building permit and shall be an additional fee to any other fee imposed for the permit.

The bill creates a new restricted account in the State Treasury: the Review and Advisory Council Administration restricted account. The bill provides the following allocation of the building permit fees:

- Forty percent shall be deposited in the Municipal Code Official Training Account;
- Forty percent shall be deposited in the Construction Contractor Training Account; and
- Twenty percent shall be deposited in the Review and Advisory Council Administration Account.

The bill provides for the quarterly transmission of moneys collected and deposited in the Review and Advisory Council Administration Account, to the Department of Labor and Industry, for expenses incurred in administratively supporting the RAC.

The Act shall take effect in 60 days.

FISCAL IMPACT:

The Department of Labor and Industry (L & I) will be required to provide administrative support and reimbursement of the RAC members' expenses. The Department of Community and Economic Development states that there are approximately 200,000 building and construction permits issued annually. Therefore, the additional \$1 increase in the permit fee will generate \$200,000 annually. This new revenue is expected to cover the costs incurred for L & I's administrative support and the RAC members' reimbursement for expenses.