

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. House Bill 568

PRINTER NO. 3705

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

February 23, 2015

PRIME SPONSOR

Representative Evankovich

DESCRIPTION AND PURPOSE OF BILL

House Bill 568 amends the Pennsylvania Construction Code Act providing for the review of updated sections of codes.

HB 568 requires that the Uniform Construction Code Review and Advisory Council (RAC) gather information from construction trades and consumer representatives concerning issues with the Uniform Construction Code (UCC) raised by council members or changes proposed by members of the General Assembly.

The bill adds the following two seats, to be appointed by the Governor, to the RAC:

- An appointee of recognized ability and experience employed in the construction trades who represents the employees in the construction industry.
- An appointee representing the interests of consumers.

The legislation increases the terms of a member of RAC from two to three years. The current terms of all RAC members serving on the effective date of this provision are extended for one additional year.

Additional administrative support, in the form of secretarial services and legal representation, will be provided by the Department of Labor and Industry (Department). RAC members will be reimbursed for reasonable travel, lodging and other necessary expenses incurred in performing their duties.

The legislation requires the RAC to establish a process by which technical advisory committees will assist RAC in the review of the updated sections of the International Code Council (ICC) every three years.

A technical advisory committee is established for each of the codes included in the Uniform Construction Code. Participation in the technical advisory committees may not be limited to members of the RAC and shall be open to members of the industry and to the general public. Each technical advisory committee is limited to a total of 20 members. The Department is required to publish a notice seeking participation in the technical advisory committees in the Pennsylvania Bulletin and on the Department's Internet website.

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An accelerated process is created for re-review of the updated sections contained in the 2015 edition of the ICC codes within 30 days of the effective date. The RAC is authorized to rely on any technical analysis of the 2015 edition of the codes performed by the technical advisory committees during the RAC's original review. Requires the RAC to submit a report to the Secretary of Labor and Industry regarding its review of the 2015 ICC codes on or before December 31, 2017.

The bill provides for a delay in future code adoption review processes of 21 months following any new addition to ICC codes. The RAC must submit a report to the Secretary within the 24-month period following commencement of the review process by RAC with sections of the codes that are specified for adoption or modification.

Within nine months of the receipt of the report, the Department is required to promulgate final-omitted regulations to adopt RAC's decisions contained in the report without change. Adopted regulations will become effective 33 months after the commencement of RAC review. Regulations promulgated as a result of the 2015 code review will be effective June 1, 2018.

Building permit fees are increased from \$4.00 to \$5.00. The fees shall be deposited as follows:

- Two dollars of the fee shall be deposited in the municipal code official training account.
- Two dollars of the fee shall be deposited in the construction contractor training account.
- One dollar of the fee shall be deposited in the RAC administrative account to pay for RAC member expenses and for departmental administrative costs.

The legislation takes effect immediately

FISCAL IMPACT:

House Bill 568 will have no fiscal impact to the Commonwealth. The Department issues approximately 200,000 building permits annually. The \$1.00 permit fee increase will result in additional funds of approximately \$200,000 to cover the RAC member expenses and departmental administrative costs.