

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. House Bill 1469

PRINTER NO. 3795

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

May 31, 2017

PRIME SPONSOR

Representative Heffley

DESCRIPTION

House Bill 1469 amends the Pennsylvania Construction Code to require municipalities utilizing private third-party agencies for code enforcement to contract with at least two or more entities.

This legislation will require that on and after July 1, 2019, a municipality or multiple municipalities that join together for code enforcement and use third-party agencies for code enforcement must retain the services of at least two third-party agencies.

It establishes requirements for the utilization of third-party agencies by municipalities for code enforcement. The contracts for service shall include the agencies' qualifications, fee schedule and availability of services. Agencies may not be affiliated with one another, and one agency shall be designated for general code enforcement.

Any contracts entered into before the enactment of this legislation shall remain in effect, and the new standards shall take effect upon termination of the current contract. Contracts entered into after enactment of this legislation may not exceed three years.

If a municipality cannot retain the services of two or more third-party agencies, it must annually complete a form and file it with the Department of Labor and Industry.

Municipalities are required to inform a permittee that:

- The third party agency is operating on behalf of the municipality;
- Complaints may be reported with the municipality;
- A record of all complaints shall be kept; and
- The Department of Labor and Industry certifies agencies and investigates complaints.

House Bill 1469 allows for a first class city to designate its current board with jurisdiction over building standards to act as the board of appeals.

FISCAL IMPACT:

House Bill 1469 has no fiscal impact on Commonwealth funds. This legislation does not expand the duties of the department and can be accommodated within current funding.

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

The provisions of House Bill 1469 that require municipalities to contract with two or more parties for code enforcement activities could result in increased competition, thereby reducing costs to municipalities.