

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB 1168
Version:	Committee Substitute
Request Number:	7241
Author:	Representative McBride
Date:	3/7/2017
Impact:	Consolidation of the Oklahoma Uniform Building Code Commission into the Department of Labor; Requiring funds transfer to General Revenue (approx. \$45,000)

Research Analysis

HB 1168 transfers implementation and administration of the Oklahoma Uniform Building Code Commission Act and the Oklahoma Uniform Building Code Commission to the Department of Labor and the Commissioner of Labor. The measure also directs the Commission to prescribe standards, practices and procedures for prelicensing building inspector training, and directs that 10% of the gross permit fees charged and received pursuant to the Uniform Building Code Commission Act be paid into the General Revenue Fund.

Finally, the measure repeals two sections of the existing Oklahoma Uniform Building Code Commission Act:

- 59 OS Section 1000.26 - Chief Executive Officer
- 59 OS Section 1000.27 - Attorney General as Legal Advisor for Oklahoma Uniform Building Code Commission

Prepared By: Sean Webster

Fiscal Analysis

Provisions of the measure include implementation and administration of the Uniform Building Code Commission (UBCC) Act by the Department of Labor (DoL), elimination of the UBCC chief executive officer and administration staff, reduction of permit issuance fee from \$5.00 to \$4.00, and requiring 10 percent of UBCC gross permit fee collections to be paid into the state's General Revenue fund.

During the most recent full fiscal year (FY 2016), the UBCC's operating expenses totaled approximately \$775,000¹, with approximately \$432,970² on salaries and benefits. Additionally, fee revenue totaled \$528,872 in FY-16 and \$584,641 in FY-15.³ Certain savings may be realized by the consolidation of personnel; however, certain administrative expenses associated with the UBCC Act would continue without experiencing economies of scale. According to the UBCC, all fee revenue in FY16 came from permit issuances (as opposed to permit renewals); a reduction of this fee from \$5 to \$4 would therefore reduce fee collections by approximately 20 percent. 10 percent of fee revenue remitted to the General Revenue Fund, based on two years of data, could total approx. \$45,000.

Notes: 1- Budget-to-Actual Report in CORE; 2- 6-Digit Object of Expenditure Report for FY-16; Combining Trial Balance Report in CORE.

Prepared By: Nicole McPhetridge

Other Considerations

None.

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