BILL SUMMARY

2nd Session of the 56th Legislature

Bill No.: HB 3254
Version: INT
Request Number: 8328
Author: Rep. McBride
Date: 2/26/2018
Impact: CIB: Potential cost savings for CIB and

UBCC of approximately 130,000 and revenue to GR Fund.

Research Analysis

HB 3254, as introduced, authorizes the Construction Industries Board (CIB) to administer the Uniform Building Code Commission Act and to enforce related provisions and rules. The measure makes the existing Uniform Building Code Commission an advisory board to CIB.

The measure repeals two sections of Title 59 – Professions and Occupations:

- § 1000.26. Chief Executive Officer
- § 1000.27. Attorney General as Legal Advisor for Oklahoma Uniform Building Code Commission

Prepared By: Sean Webster

Fiscal Analysis

Per the Construction Industries Board (CIB), a nonappropriated agency, HB 3254 would reduce the agency's operational costs and provides an overall savings for both CIB and the UBCC with the two agencies operating as one. The reduction of overall costs from the combined amount currently paid by each agency, independently and the incremental increase of costs to the CIB would be offset by the greater total savings. It would also initiate having the UBCC pay into the state general fund 10% of UBCC's permit fees collected and this would be new revenue for the state, every year.

The measure would call for the elimination of two FTE positions (CEO and an executive assistant) with savings of salary and benefits estimated at combined savings of \$130,000/annually. Additionally, the UBCC is currently housed within the CIB office area for a cost savings in moving and relocation. Further annual and continued expenses reduced would include: AG legal advisor, annual audit, Shared Services with OMES/ABS (Financial), OMES/HCM (Payroll), OMES IT, and OMES Mailing Services by an incremental change to CIB's services rather than the higher cost associated with an additional independent agency.

Prepared By: Jenny Mobley

Other Considerations

The agency notes that after implementation and evaluation, this legislation could result in savings leading to a reduction in the amount of permit fees paid by cities, towns and other permitting governmental entities.

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