BILL SUMMARY 1st Session of the 58th Legislature

Bill No.: Version: Request Number: Author: Date: Impact: HB 1818 Introduced 5674 Rep. McBride 2/18/2021 See analysis below

Research Analysis

HB 1818, as introduced, empowers the Construction Industries Board to administer and enforce provisions of the Uniform Building Code Commission Act, and clarifies its authority over home inspectors and roofing trades. The Oklahoma Uniform Building Code Commission's authority to review and adopt building codes is clarified. Rulemaking authority is also clarified, such that the Construction Industries Board retains authority to promulgate rules as necessary to perform duties required under the Uniform Building Code Commission Act but the Uniform Building Code Commission retains the full authority to review, revise and adopt statewide building codes.

Prepared By: Sean Webster

Fiscal Analysis

HB 1818 in its current form creates several fiscal impacts.

The first impact is that HB 1818 brings the Oklahoma Uniform Building Code Commission underneath the Construction Industries Board. This will create a cost savings for the State as many of the administrative functions of the two agencies will now be combined. The exact decrease is cost is still unknown, but both agencies did believe it will occur.

The second impact is that HB 1818 would impact the both the Oklahoma Uniform Building Code Commission Revolving Fund and the General Revenue Fund. Currently the Commission charges a permit fee of \$4.50 for all permits. Under both current law and this measure, \$0.50 of each fee goes to the state agency, municipality or political subdivision that actually grants the permit, while the remaining \$4.00 goes to the Commission and its revolving fund. Currently the Commission estimates there are 145,500 building permits issued annually, and therefore it receives approximately \$580,000 towards its revolving fund. Under this measure, the fee for "issuance of permits" may not exceed \$4.00, meaning that for some of the 145,000 permits issued yearly, the Commission would now only receive \$3.50 per permit. This will decrease revenue for the Commission, but by how much as is unknown as the Commission currently only tracks total permits, not which types of permits are issued. Other permit fees are not changed in this measure, and therefore will currently remain the same \$4.50. Additionally, the Commission does not currently pay any portion of the permit money into the General Revenue Fund. This measure would require that ten percent (10%), of the money the Commission receives would go to the General Revenue Fund. This would affect revenue from all permits the Commission receives a fee for. Therefore, the Commission will see a decrease in funds received due to the lower base fee for "issuance of permits" and due to 10% of the revenue being directed to the General Revenue Fund. The General Revenue Fund will receive a slight increase in funding.

Prepared By: Mariah Searock

Other Considerations

None.

© 2021 Oklahoma House of Representatives, see Copyright Notice at <u>www.okhouse.gov</u>