

**FISCAL ESTIMATE**  
DOA-2048 (R06/99)

ORIGINAL  
 CORRECTED

UPDATED  
 SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.  
**Chs. Comm 5 and 16**  
Amendment No. if Applicable

**Subject**

Electrical inspection

**Fiscal Effect**

**State:**  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

Increase Existing Appropriation  
 Decrease Existing Appropriation  
 Create New Appropriation  
 Increase Existing Revenues  
 Decrease Existing Revenues

Increase Costs - May be Possible to Absorb Within Agency's Budget  Yes  No

Decrease Costs

**Local:**  No local government costs

1.  Increase Costs

Permissive  Mandatory

2.  Decrease Costs

Permissive  Mandatory

3.  Increase Revenues

Permissive  Mandatory

4.  Decrease Revenues

Permissive  Mandatory

5. Types of Local Governmental Units Affected:

Towns  Villages  Cities

Counties  Others \_\_\_\_\_

School Districts  WTCS Districts

**Fund Sources Affected**

GPR  FED  PRO  PRS  SEG  SEG-S

Affected Ch. 20 Appropriations

**Assumptions Used in Arriving at Fiscal Estimate**

To implement the proposed electrical inspection program the Department proposes to establish a commercial building inspection agency registration. The agencies will be responsible for issuing permits and inspecting electrical wiring installations for farms, public buildings and places of employment. The inspections are required to be conducted by Department certified commercial electrical inspectors. Both municipalities and third-party independent inspection agencies will need to register with the Department. The cost of the registration would be \$40 for four years with an initial application fee of \$15. The Department estimates that 300 municipalities will elect to obtain the registration and 150 third-party independent inspection agencies will also register. Based upon these assumptions the Department revenues would increase by \$24,750 or approximately \$6,200 annualized. The 2009 Executive Budget Bill, AB75, includes 2 FTE positions to assist in the implementation of the electrical inspection program. The positions are to be funded by electrician licensing fees and the building inspection agency registration revenue of \$6,200.

The proposed electrical inspection program for farms, public buildings and places of employment will affect all electrical contractors installing electrical wiring in and for such establishments as well the owners or tenants of these types of buildings and structures. The issuance of the permits will result in periodic construction inspections by enforcing municipal or independent building inspection agencies under contract with the Department. The cost of the permits and the resulting inspections will be determined by the respective enforcing municipal inspection agency or by the state contract procurement process when involving an independent building inspection agency. Many of the more populous municipalities in the state currently administer electrical permit and inspection programs. Municipal electrical permits and inspections are typically determined on the basis of a base fee plus a cost for each electrical opening which varies with the size and type of building and occupancy.

**Long-Range Fiscal Implications**

No range fiscal implications are anticipated.

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Date