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FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/13
 LAST UPDATED 03/05/13 **HB** _____

SPONSOR Papen

SHORT TITLE Statewide Construction Inspectors **SB** 249/aSfI#1/aSfI#2/aSfI#3

ANALYST Weber

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of SFI Amendment #3

1. On page 5, line 14, after "contractor", insert "for at least five years".
2. On page 9, line 15, after "commission", insert ", and applicants shall submit to an appropriate background check as prescribed by the commission".

These changes provide for five years of experience for a certified building official. In addition, the commission can require a background check for applicants.

Synopsis of SFI Amendment #2

1. On page 12, line 7, strike the word "thirty" and insert in lieu, thereof, the word "ten".
 This reduces the number of days a director has to assign an investigator to act on a complaint brought against an inspector.

Synopsis of SFI Amendment #1

1. On page 10, line 3, after "inspect", insert "work under".
 This defines the type of permit.

Synopsis of Original Bill

Senate Bill 249 amends Construction Industries Licensing Act as it relates to inspector certifications creating statewide inspectors certificates, establishes inspector qualifications, establishes Certified Building Officials, allows for the utilization of MOU's for shared inspection resources between municipalities and counties, and repeals section 60-13-43 NMSA 1978 (BEING LAWS 1967, CHAPTER 199, SECTION 51, AS AMENDED), Qualification of municipal and county inspectors. (1989)

FISCAL IMPLICATIONS

No fiscal implications identified.

SIGNIFICANT ISSUES

The RLD comments:

This bill provides much needed clarity to multiple trade certifications establishing that inspectors can be certified in more than one discipline. Multiple certified inspectors serve to significantly improve inspection times. The bill also clearly establishes that, for the purposes of this act, jurisdictions and trade jurisdictions are the general, mechanical, electrical and petroleum gas.

The creation of the Certified Building Official (CBO) or municipalities and counties with inspection services establishes an arm of oversight for code compliance at the local level when the state is not performing inspections. This ensures standards, and helps create uniformity and consistency in inspections and code interpretations. A grandfather clause for five (5) years has been established for individuals employed as chief building officials at the time of passage of this bill.

MOU's for adjacent areas, and areas within a one hundred (100) mile radius, are established. This allows remote areas to share certified building official and inspection resources. This is especially beneficial for smaller municipalities and counties with no certified building official in its employ as it allows them to maintain inspection services while sharing a CBO with an adjacent county or municipality, or is within a one hundred (100) mile radius. It helps the localities sharing resources to identify who is inspecting where. And since the Construction Industries Licensing Act mandates the state has jurisdiction over code compliance statewide, regardless of the permitting municipality or county, it offers the state the same information for compliance investigations.

A statewide inspectors certificate is established, renewable every three years on the national certifying code organization's CEU cycle, listing the trades in which the inspector is certified. This bill clearly establishes the inspector certificate requires renewal just like all other practicing professionals in the state. Adding CEU requirements, as set forth by the nationally certifying code organization, creates standards for inspectors to ensure all inspectors are current on code cycle changes and that they are qualified to perform inspections. So just like contractors performing the work must test and prove qualifications, so should those inspecting it for life safety.