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FISCAL IMPACT REPORT

ORIGINAL DATE 2/12/18

SPONSOR Crowder LAST UPDATED _____ HJM 28

SHORT TITLE Study Construction Industries Licensing Act SB _____

ANALYST Romero

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Regulation and Licensing Department

SUMMARY

Synopsis of Joint Memorial

House Joint Memorial 28 directs the Construction Industries Division (CID) of the Regulation and Licensing Department (RLD) to form a working group to evaluate and make proposals for revising the Construction Industries Licensing Act. The memorial directs the work group to be composed of the director of CID, members nominated and selected by the director of CID, the construction industries commission, the New Mexico municipal league, commercial contractors, residential contractors, organized labor, the plumbing and mechanical trades, the electrical trade, the liquefied petroleum gas trade and the national association of industrial and office parks. The deputy superintendent of RLD will serve as chair for the work group to preside over all meetings.

The memorial requests the workgroup begin meeting no later than June 1, 2018 and finish its work by October 1, 2018 and have at least four meetings in that time. Additionally, the memorial requests once work is complete by the work group that the consensus legislative proposal be presented to the appropriate legislative interim committees for consideration during the 2019 legislative session.

FISCAL IMPLICATIONS

No fiscal impact. Agency operating budget will absorb costs related to travel and per diem.

SIGNIFICANT ISSUES

RLD provided the following:

“Among other issues for review, the working group will considering the following:

1. Whether provisions in the current Act are in line with relevant factors of the construction process including licensure, regulation, trends and technology.
2. What if anything could be the impact that changes in CILA may have on other Acts including: The Manufactured Housing Act [§60-14-1 through 60-14-20], Workers’ Compensation Act, the Parental Responsibility Act, Criminal statutes regarding investigations of unlicensed contracting [31-19-1(A)], the LP and CNG Act, and the Uniform Licensing Act [§61-1-1 through 61-1-34.
3. What provisions can be merged or otherwise revised so that a member of the public can more easily discern the requirements and processes in place to facilitate compliance with the Act, and
4. How to update and modernize definitions and processes to reflect the changes in construction processes.

The Memorial allows for at least four meetings of the working group although there can be more if there is a need.

CID recommends approval of this Memorial.”

IR/jle/al