



# 125th MAINE LEGISLATURE

LD 188

LR 43(02)

## An Act To License Residential Builders and Register Specialty Contractors

Fiscal Note for Bill as Amended by Committee Amendment " "
Committee: Labor, Commerce, Research and Economic Development
Fiscal Note Required: Yes

### Fiscal Note

Table with 5 columns: Category, FY 2011-12, FY 2012-13, Projections FY 2013-14, Projections FY 2014-15. Rows include Net Cost (Savings), Appropriations/Allocations, Revenue, and Transfers.

#### Correctional and Judicial Impact Statements

Establishes new Class D and Class E crimes.
The collection of additional fines may also increase General Fund revenue by minor amounts.

#### Fiscal Detail and Notes

This bill establishes the Maine Residential Builders and Specialty Contractors Board within the Department of Professional and Financial Regulation's Office of Licensing and Registration. This bill includes Other Special Revenue Funds allocations totaling \$443,389 in fiscal year 2012-13 to the Office of Licensing and Registration for the costs associated with per diem and other expenses of board members, contracting costs and upgrading of the licensing system. Also included in the Other Special Revenue Funds allocation is funding for 2 Office Specialist I positions, one Director position and one Office Associate II position effective July 1, 2012. Additionally, Other Special Revenue Fund allocations will be required for 2 Inspector positions, one Senior Inspector position and one Paralegal position and related all other expenses effective January 1, 2014.

This bill also includes Other Special Revenue Funds allocations of \$52,118 in fiscal year 2012-13 to the Administrative Services Division within the Department for the general operating costs necessary to support both the board and the staff. An additional \$285,000 in costs are anticipated for Office of Licensing and Registration administrative support as well as Commissioner's Office support, service center support, attorney general services, rulemaking and insurance.

Because sufficient dedicated funds will not be available to support the operation of the board from July 1, 2012 through January 1, 2014, this bill includes language that requires the State controller to transfer \$837,732 and \$368,587 from the unappropriated surplus of the General Fund to the Office of Licensing and Registration no later than July 1, 2012 and July 1, 2013, respectively.

This bill provides for the establishment of fees for contractor licenses, renewal licenses and specialty licenses and caps the amount that can be collected for any one purpose at \$350. Given the exemptions from the licensure requirements provided in this bill, this fiscal estimate assumes the licensing of 6,000 contractors beginning in January 2014 at \$350 per license resulting in \$2,100,000 in dedicated revenues to the board in fiscal year 2013-14. Actual revenues will be higher or lower depending on the actual number of applicants. A General Fund appropriation may be required if sufficient revenues are not received to support the continued operation of the board beginning in fiscal year 2013-14.