



Ohio Legislative Service Commission

Terry Steele

Fiscal Note & Local Impact Statement

Bill: S.B. 151 of the 128th G.A. **Date:** November 6, 2009
Status: As Reported by Senate State & Local **Sponsor:** Sen. Grendell
Government & Veterans Affairs

Local Impact Statement Procedure Required: No — Permissive

Contents: Authorizes a park district to create a building department for building code enforcement purposes

State Fiscal Highlights

STATE FUND

FY 2010 – FUTURE YEARS

Labor Operating Fund (Fund 5560) – Department of Commerce

Revenues

- 0 -

Expenditures

Potential increase in Board of Building Standards application review costs

Note: The state fiscal year is July 1 through June 30. For example, FY 2010 is July 1, 2009 – June 30, 2010.

- If park districts apply to establish their own building departments, the Board of Building Standards within the Department of Commerce could incur some costs for reviewing these applications. These costs would be borne by the Labor Operating Fund (Fund 5560).

Local Fiscal Highlights

LOCAL GOVERNMENT**FY 2010 – FUTURE YEARS**

Park Districts

Revenues - 0 -

Expenditures Potential increase in staffing costs and application fees

Counties, Municipalities, and Townships

Revenues Potential loss in inspection revenues

Expenditures Potential decrease in building code enforcement costs

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- A park district that chooses to create its own building department would either be required to ensure that park district employees obtain the required state certification from the Department of Commerce's Board of Building Standards to handle the building code enforcement responsibilities, or contract with a qualified vendor for these services. This could increase costs for the park district.
- The municipality in which the park district is located typically handles inspections of park district buildings. If a park district were to create its own building department, the municipality currently providing these inspections could see a decline in expenses. The same would be true for any county or township building departments that currently inspect park buildings.

Detailed Fiscal Analysis

Creation of a park district building department

The bill authorizes a board of park commissioners of a metropolitan park district to create a building department and employ necessary personnel to enforce the state nonresidential building code for any building existing or constructed on the park district's property. Under the bill, a building department established by a park district must be certified by the Department of Commerce's Board of Building Standards before exercising any enforcement authority. The bill also specifies that if a certified municipal, township, or county building department is located in the same jurisdiction as the park district's certified building department, it cannot exercise its enforcement authority over park buildings.

State fiscal effects

Should any park district opt to create its own building department, the park district would be required to obtain certification from the Board of Building Standards. There is no fee for this certification; however, there are licensure and certification requirements for individuals who perform these functions (building officials, plan examiners, building inspectors, electrical inspectors, and plumbing inspectors). The park district would be required to show proof that it has individuals on staff, or has contracts with certified individuals in each of the above categories, to handle these responsibilities. Since additional building department certification applications would be uncommon, any additional cost to the Board of Building Standards to process these applications would likely be negligible. Any additional processing costs would be paid through the Labor Operating Fund (Fund 5560).

Local fiscal effects

If a park district uses the authority granted in the bill, the district would have to either employ certified or licensed employees or contract with vendors that provide these services. Presumably, a park district would opt for the most cost-effective approach in doing so. Overall, whether a park district chooses to create its own building department would largely appear to be a matter of convenience. If establishing a building department requires park staff certification or contracting for services, this could increase park district costs. On the other hand, having building department staff on site to review plans and conduct inspections may be more efficient. If a park district does establish its own building department to carry out inspections, the county, municipal, or township building department that currently provides this service would see a decrease in costs as well as related inspection revenues.