

FEB 14 1996
STATE GOVERNMENT

HOUSE FILE
BY HARPER

2208

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the certification of construction contractors,
2 establishing fees and penalties, and providing for the use of
3 such fees.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2208

1 Section 1. NEW SECTION. 104C.1 SHORT TITLE.

2 This chapter may be cited as the "Iowa Construction
3 Contractor Certification Act".

4 Sec. 2. NEW SECTION. 104C.2 DEFINITIONS.

5 For the purpose of this chapter, unless the context
6 otherwise requires:

7 1. "Construction contractor" means a person who engages in
8 the construction, repair, replacement, remodeling, alteration,
9 conversion, or rehabilitation of a single-family residence.

10 2. "Department" means the Iowa department of public
11 health.

12 3. "Examining board" means the state construction
13 contractor examining board as established in section 104C.17.

14 4. "Political subdivision" means a city or county, or any
15 combination of cities or counties.

16 Sec. 3. NEW SECTION. 104C.3 CERTIFICATION REQUIRED.

17 Except as provided in section 104C.4, a person shall not
18 engage in the business of a construction contractor, unless at
19 all times a certified construction contractor is employed by
20 the person and is responsible for such design, installation,
21 and repair work of the person. An individual who performs
22 such work as a sole proprietor must be a certified
23 construction contractor.

24 Sec. 4. NEW SECTION. 104C.4 EXEMPTIONS FROM
25 CERTIFICATION REQUIREMENT.

26 The certification requirement of section 104C.3 does not
27 apply to any of the following:

28 An owner-occupant of an existing single dwelling house,
29 with the assistance of any member of the owner-occupant's
30 family and household, who personally performs any work in the
31 house and who does both of the following:

32 1. Obtains any necessary permit for the work.

33 2. Has the completed project inspected by a certified
34 inspector of the appropriate political subdivision.

35 Sec. 5. NEW SECTION. 104C.5 QUALIFICATIONS.

1 An applicant for certification is not ineligible because of
2 age, citizenship, sex, race, religion, marital status, or
3 national origin, although the application form may require
4 citizenship information. The examining board may consider the
5 applicant's criminal record if the applicant has been
6 convicted of any felony which relates directly to the practice
7 of construction contracting. Character references may be
8 required as part of the certification process, but shall not
9 be obtained from a certified construction contractor.

10 Sec. 6. NEW SECTION. 104C.6 FORM OF CERTIFICATION --
11 DISPLAY.

12 1. A certificate granted under this chapter shall be in
13 the form of a certificate under the seal of the department,
14 signed by the director of public health, and shall be issued
15 in the name of the examining board. The number of the book
16 and page containing the entry of the certification in the
17 office of the department shall be noted on the face of the
18 certification. Additionally, the department shall issue to
19 each person certified under this chapter an identification
20 card which includes a photograph of the certificate holder,
21 designates the certificates held by the person, and sets forth
22 the expiration dates of such certificates.

23 2. A person certified under this chapter as a construction
24 contractor shall keep the certificate publicly displayed at
25 the person's principal place of business. An identification
26 card issued pursuant to this section must be in the possession
27 of the individual at all times that the individual is
28 performing work pursuant to the certificate.

29 Sec. 7. NEW SECTION. 104C.7 RECORD OF CERTIFICATES.

30 The name, location, number of years of practice of the
31 person to whom the certificate has been issued, the number of
32 the certificate, and the date of registration of the
33 certificate shall be recorded and kept in the office of the
34 department to be known as the construction contractor
35 registry, which shall be open to public inspection.

1 Sec. 8. NEW SECTION. 104C.8 CHANGE OF RESIDENCE.

2 A person certified to practice as a construction contractor
3 under this chapter who changes the person's residence or place
4 of business shall notify the department and local
5 certification jurisdiction of the change.

6 Sec. 9. NEW SECTION. 104C.9 CERTIFICATION EXAM.

7 1. In order to be certified by the department as a
8 certified construction contractor, a person shall do both of
9 the following:

10 a. File an application form and pay an application fee as
11 established by the examining board, which application must
12 establish that the person meets the minimum requirements
13 adopted by the examining board.

14 b. Pass the state construction contractor written
15 examination given by the examining board.

16 2. Notwithstanding subsection 1, the examining board may
17 waive the written examination requirement if either of the
18 following apply:

19 a. The applicant has previously passed a written
20 examination which the examining board deems to be
21 substantially similar to the certification examination
22 otherwise required by the examining board to obtain the
23 subject certificate.

24 b. The applicant can demonstrate to the satisfaction of
25 the examining board that the applicant has five or more years
26 of experience, prior to the effective date of this Act, in the
27 construction contractor business, which experience must be of
28 a nature which the examining board deems to be sufficient to
29 demonstrate continuous professional competency consistent with
30 that expected of an individual who passes the applicable
31 certification examination which the applicant would otherwise
32 be required to pass.

33 Sec. 10. NEW SECTION. 104C.10 INSURANCE REQUIREMENTS.

34 1. A construction contractor with a certificate, or a
35 renewal of such certificate, shall furnish proof of financial

1 responsibility by showing the existence of a liability
2 insurance policy, including products liability, providing
3 coverage in an amount of not less than five hundred thousand
4 dollars.

5 2. If the applicant is engaged in construction contracting
6 work individually through a sole proprietorship, the applicant
7 shall personally obtain the insurance required by this
8 section. If the applicant is otherwise engaged in the
9 construction contracting business, the applicant shall provide
10 proof of insurance coverage by the business.

11 3. The insurance shall be written by an insurer authorized
12 to engage in the business of insurance in this state and each
13 certified construction contractor shall maintain on file with
14 the department a certificate evidencing the insurance
15 providing that the insurance shall not be canceled without the
16 insurer first giving fifteen days written notice to the
17 department.

18 4. The requirements of this section do not apply to an
19 individual or a construction contractor with a certificate
20 provided that the individual or construction contractor does
21 not engage in or contract for any construction work, except
22 work performed as a certified inspector for a political
23 subdivision.

24 Sec. 11. NEW SECTION. 104C.11 RENEWAL OF CERTIFICATES.

25 1. A certificate issued under this chapter expires two
26 years from the date issued.

27 2. A certificate issued under this chapter may be renewed
28 as determined by the examining board upon application by the
29 certificate holder, without examination. Application for
30 renewal shall be made in writing to the department accompanied
31 by the required renewal certification fee at least thirty days
32 prior to the expiration date of the certificate.

33 3. The latest renewal certificate shall be displayed in
34 connection with the original certificate.

35 4. The department shall notify each certificate holder by

1 mail prior to the expiration of a certificate.

2 5. An inspector currently employed by a political
3 subdivision shall receive a certificate, and any renewal
4 certificates, at no charge during the time of the inspector's
5 employment with the political subdivision.

6 6. A certificate holder who allows a certificate to lapse
7 for a period of one month or less, may reinstate and renew the
8 certificate without examination in accordance with
9 requirements adopted by the examining board and upon payment
10 of the renewal and reinstatement fees due.

11 7. A certificate holder who allows a certificate to lapse
12 by a period of time greater than one month is required to
13 retake and pass the applicable certification examination in
14 order to obtain reinstatement and renewal of the person's
15 certificate.

16 Sec. 12. NEW SECTION. 104C.12 RECIPROCAL CERTIFICATION.

17 The department may certify without examination nonresident
18 applicants who are certified under a construction contractor
19 certification statute of another state having similar
20 certification requirements as those set forth in this chapter
21 and the rules adopted pursuant to this chapter if the other
22 state grants the same reciprocal certification privileges to
23 residents of Iowa who have obtained a certificate under this
24 chapter.

25 Sec. 13. NEW SECTION. 104C.13 GROUNDS FOR CERTIFICATE
26 REVOCATION, SUSPENSION, OR DENIAL.

27 A certificate to practice as a construction contractor may
28 be revoked, suspended, or denied by the examining board, or a
29 certificate holder may be otherwise disciplined in accordance
30 with this chapter, if the certificate holder is guilty of any
31 of the following:

32 1. Fraud in procuring a certificate.

33 2. Professional incompetency.

34 3. Knowingly making misleading, deceptive, untrue, or
35 fraudulent misrepresentations in the practice of the

1 profession or engaging in unethical conduct or practice
2 harmful or detrimental to the public, whether or not any
3 injury results.

4 4. Conviction of a felony related to the profession of the
5 certificate holder or the conviction of any felony that would
6 affect the certificate holder's ability to practice within the
7 profession. A copy of the record of conviction or plea of
8 guilty is conclusive evidence of such conviction.

9 5. Fraud in representations as to skill and ability.

10 6. Use of untruthful or improbable statements in
11 advertisements.

12 7. Willful or repeated violations of this chapter.

13 8. Aiding and abetting a person who is not certified
14 pursuant to this chapter in that person's pursuit of an
15 unauthorized or uncertified practice.

16 9. Any other such grounds or reasons as established by
17 rule adopted by the examining board.

18 Sec. 14. NEW SECTION. 104C.14 JURISDICTION OF REVOCATION
19 AND SUSPENSION PROCEEDINGS.

20 The examining board shall have exclusive jurisdiction of
21 all proceedings to revoke or suspend a certificate issued
22 pursuant to this chapter. The examining board may initiate
23 proceedings under this chapter either on its own motion or on
24 the complaint of any person. Before scheduling a hearing, the
25 examining board may request the department to conduct an
26 investigation into the charges to be addressed at the
27 examining board hearing. The department shall report its
28 findings to the examining board.

29 Sec. 15. NEW SECTION. 104C.15 NOTICE -- DEFAULT --
30 HEARING.

31 1. The examining board shall provide for notice and
32 hearing pursuant to chapter 17A.

33 2. If, after having been served with the notice of
34 hearing, the certificate holder fails to appear at the hearing
35 and defend, the examining board may proceed to hear evidence

1 against the certificate holder and may enter such order as is
2 justified by the evidence.

3 3. A decision of the examining board shall be by a
4 majority vote of its members. The decision of the examining
5 board shall be entered of record and, if the decision involves
6 the revocation or suspension of a certificate, the certificate
7 holder shall not engage in the practice of construction
8 contracting after the certificate is revoked or during the
9 time for which it is suspended.

10 4. Judicial review of the board's action may be sought in
11 accordance with chapter 17A.

12 Sec. 16. NEW SECTION. 104C.16 ADVERTISING.

13 1. A person shall not advertise or hold oneself out to the
14 public as a certified construction contractor unless such
15 person is certified pursuant to this chapter.

16 2. All advertisements distributed within this state by a
17 person who is engaged in the business of construction
18 contracting must include the listing of at least one
19 construction contractor certificate number, as applicable. A
20 certified construction contractor shall not allow the use of
21 such certificate number in connection with the advertising of
22 more than one person engaged in the business of construction
23 contracting.

24 3. A person who engages in the business of construction
25 contracting must display at least one certificate number, as
26 applicable, on all of the person's motor vehicles.

27 4. A person who falsely claims to be a certified
28 construction contractor pursuant to this chapter, either in
29 writing or in other communications, is guilty of a simple
30 misdemeanor.

31 5. A person who falsely lists a construction contractor
32 certificate number in connection with that person's
33 advertising, or falsely displays a certificate number on that
34 person's service vehicles is guilty of a simple misdemeanor.
35 In order to be entitled to use a certificate number of a

1 certified construction contractor, the professional must be
2 employed by the person in whose name the business of
3 construction contracting is being conducted.

4 Sec. 17. NEW SECTION. 104C.17 STATE EXAMINING BOARD.

5 1. A state construction contractor examining board is
6 created for the purpose of giving examinations to applicants
7 for construction contractor certification and for the other
8 purposes set forth in this chapter. Members of the examining
9 board shall be appointed by the governor, subject to
10 confirmation by the senate, and shall be representative of all
11 areas of the state.

12 2. The examining board shall consist of voting members as
13 follows:

14 a. The director of public health or the director's
15 designee.

16 b. Two public members who do not possess certificates
17 issued under this chapter and who represent the general
18 public.

19 c. Three public members who are certified construction
20 contractors.

21 d. An architect registered pursuant to chapter 544A or a
22 professional engineer registered pursuant to chapter 542B.

23 3. Members shall serve three-year staggered terms as
24 designated by the governor consistent with this section and
25 appointments to the board are subject to the requirements of
26 sections 69.16, 69.16A, and 69.19. A member of the examining
27 board shall serve no more than three full terms, or nine
28 years.

29 4. A quorum shall consist of a majority of the members of
30 the examining board.

31 5. Any vacancy in the membership of the examining board
32 shall be filled in the same manner as provided for other
33 appointments.

34 6. Members shall elect a chairperson and vice chairperson
35 annually and other officers as they determine.

1 7. Members of the examining board shall receive a per diem
2 as specified in section 7E.6 for each day spent in performance
3 of duties as members and shall be reimbursed for all actual
4 and necessary expenses incurred in the performance of duties
5 as members.

6 8. If a person who has been appointed by the governor to
7 serve on the examining board has ever been disciplined in a
8 contested case by the examining board, all examining board
9 complaints and statements of charges, settlement agreements,
10 findings of fact, and orders pertaining to the disciplinary
11 action shall be made available to the senate committee to
12 which the appointment is referred at the committee's request
13 before confirmation by the senate.

14 Sec. 18. NEW SECTION. 104C.18 EXAMINATION INFORMATION.

15 1. The public members of the examining board shall be
16 allowed to participate in administrative, clerical, and
17 ministerial functions incident to giving examinations, but
18 shall not participate in the examining board's determination
19 of the contents of the examinations or the correctness of
20 answers to the examinations. A member of the examining board
21 shall not disclose information relating to any of the
22 following:

23 a. Criminal history or prior misconduct of an applicant.
24 b. Information relating to the contents of an examination.
25 c. Information relating to an examination result other
26 than final score except for information about the results of
27 an examination which is given to the person who took the
28 examination.

29 2. A member of the examining board who willfully
30 communicates, or seeks to communicate, such information to any
31 person who willfully requests, obtains, or seeks to obtain
32 such information, is guilty of a simple misdemeanor.

33 Sec. 19. NEW SECTION. 104C.19 BOARD ATTACHED TO
34 DEPARTMENT.

35 The examining board shall be attached to the department for

1 administrative purposes.

2 Sec. 20. NEW SECTION. 104C.20 GENERAL DUTIES OF
3 EXAMINING BOARD.

4 1. The examining board shall adopt rules pursuant to
5 chapter 17A necessary to carry out the certification and other
6 provisions of this chapter.

7 2. The examining board is responsible for hearing any
8 appeals brought pursuant to a decision made by a political
9 subdivision inspector. All certificate holders shall have an
10 automatic right of appeal to the examining board with respect
11 to any adverse decision rendered against the certified
12 professional by a political subdivision.

13 Sec. 21. NEW SECTION. 104C.21 APPLICATIONS FOR
14 EXAMINATIONS.

15 A person desiring to take an examination for a certificate
16 issued pursuant to this chapter shall make application to the
17 examining board at least fifteen days before the examination,
18 on a form provided by the examining board. The application
19 shall be accompanied by the examination fee and such documents
20 and affidavits as are necessary to show the eligibility of the
21 candidate to take the examination. All applications shall be
22 in accordance with the rules of the examining board and shall
23 be signed by the applicant.

24 Sec. 22. NEW SECTION. 104C.22 EXAMINATIONS.

25 Examinations for a certificate issued pursuant to this
26 chapter shall be conducted at least two times per year at such
27 times and locations as the examining board may fix. An
28 applicant who fails to pass an examination shall be allowed to
29 retake the examination at the next scheduled time. An
30 applicant who has failed an examination may request in writing
31 information from the examining board concerning the
32 examination grade and subject areas or questions where the
33 applicant failed to answer correctly, except that if the
34 examining board administers a uniform, standardized
35 examination, the examining board shall only be required to

1 provide the examination grade and such other information
2 concerning the applicant's examination results which are
3 available to the examining board.

4 Sec. 23. NEW SECTION. 104C.23 EXAMINATION RULES.

5 The examining board shall adopt rules relating to an
6 examination offered pursuant to section 104C.22 as follows:

7 1. The qualifications of an applicant seeking to take an
8 examination, which qualifications shall include a requirement
9 that all applicants who are contractors must be required to
10 show their state contractor registration number as a condition
11 precedent for qualifying to take an examination.

12 2. The denial of an applicant seeking to take an
13 examination.

14 3. The offering of an examination. The examining board
15 shall provide that a political subdivision, pursuant to the
16 board's rules, may offer an examination for individuals
17 seeking to be certified under this chapter.

18 4. The grading of an examination and passing upon the
19 technical qualifications of an applicant, as shown by the
20 examination.

21 5. The minimum score required for passing the standardized
22 examination, which shall in no case be less than seventy-five
23 percent.

24 Sec. 24. NEW SECTION. 104C.24 CERTIFICATION OF
25 APPLICANTS.

26 Every examination shall be passed upon in accordance with
27 the established rules of the examining board. After each
28 examination, the examining board shall certify the names of
29 the successful applicants to the department in the manner
30 prescribed by the examining board. The department shall then
31 issue the proper certificate and record the certificate
32 pursuant to section 104C.7.

33 Sec. 25. NEW SECTION. 104C.25 FEES.

34 1. The examining board shall set the fees for the
35 examination of all applicants, which fees shall be based upon

1 the cost of administering the examinations.

2 2. The examining board shall set the certification fees
3 and renewal fees for all certificates issued pursuant to this
4 chapter based upon the costs of sustaining the examining board
5 and the actual costs of certification.

6 3. All fees adopted by the examining board shall be paid
7 to the treasurer of state and shall be deposited into a
8 separate fund within the state treasury under the control of
9 the examining board. Moneys in the fund are appropriated to
10 and shall be used by the examining board to fund the
11 activities and operations of the examining board.

12 4. This chapter does not prohibit the state or any of its
13 political subdivisions from charging construction permit fees
14 or inspection fees related to work performed by certified
15 construction contractors.

16 Sec. 26. NEW SECTION. 104C.26 INJUNCTION.

17 A person engaging in any business or in the practice of
18 construction contracting for which a certificate is required
19 by this chapter without such certificate may be restrained by
20 permanent injunction.

21 Sec. 27. NEW SECTION. 104C.27 PENALTIES.

22 1. A person violating any provision of this chapter, where
23 a specific penalty is not otherwise provided, is guilty of a
24 serious misdemeanor.

25 2. A person who files or attempts to file with the
26 department or examining board any false or forged diploma, or
27 certificate or affidavit of identification or qualification,
28 is guilty of a fraudulent practice.

29 3. A person who presents to the department a diploma or
30 certificate of which the person is not the rightful owner, for
31 the purpose of procuring a certificate pursuant to this
32 chapter, or who falsely impersonates anyone to whom a
33 certificate has been issued by the department is guilty of a
34 serious misdemeanor.

35 Sec. 28. NEW SECTION. 104C.28 ENFORCEMENT.

1 The department shall enforce this chapter and may request
2 the department of inspections and appeals to make necessary
3 investigations. Every certificate holder and member of the
4 examining board shall furnish the department or the department
5 of inspections and appeals such evidence as the member or
6 certificate holder may possess relative to any alleged
7 violation which is being investigated.

8 Sec. 29. NEW SECTION. 104C.29 REPORT OF VIOLATORS.

9 Every certificate holder and every member of the examining
10 board shall report to the department the name of every person
11 who is engaged in construction contracting without a
12 certificate issued pursuant to this chapter pursuant to the
13 knowledge or reasonable belief of the person making the
14 report.

15 Sec. 30. NEW SECTION. 104C.30 ENFORCEMENT BY ATTORNEY
16 GENERAL AND COUNTY ATTORNEY.

17 Upon request of the department, the attorney general may
18 institute proper proceedings against any person charged by the
19 department with violating this chapter and the county attorney
20 of the county in which such action is brought shall, at the
21 request of the attorney general, appear and prosecute such
22 action.

23 EXPLANATION

24 This bill creates a new chapter 104C related to the
25 certification of construction contractors.

26 Section 104C.1 establishes the title of the new chapter as
27 the "Iowa Construction Contractor Certification Act".

28 Section 104C.2 sets forth the definition of key terms used
29 in the chapter.

30 Section 104C.3 provides generally that a person shall not
31 engage in the business of construction contracting unless the
32 person is certified or employs a person who is certified
33 pursuant to this chapter.

34 Section 104C.4 establishes exemptions to the certification
35 requirement contained in section 104C.3.

1 Section 104C.5 provides that the examining board may
2 consider an applicant's criminal records and may require
3 character references as part of the certification process.

4 Section 104C.6 provides that the certificate granted under
5 the chapter is to be in the form of a certificate under the
6 seal of the department of public health.

7 Section 104C.7 provides that the department is to maintain
8 a book of certificates issued indicating the name, location,
9 number of years of practice of the person to whom the
10 certificate is issued, the number of the certificate, and the
11 date of registration of the certificate.

12 Section 104C.8 provides that a person certified under this
13 chapter is to notify the department of a change of residence
14 or place of business.

15 Section 104C.10 provides that a person engaged in
16 construction contracting must maintain proof of financial
17 responsibility in an amount of not less than \$500,000.

18 Section 104C.11 establishes a procedure for the renewal of
19 a certificate.

20 Section 104C.12 provides that a nonresident applicant may
21 be certified without examination if the person is certified
22 under a similar statute in the person's state of residence,
23 and the other state would grant the same privilege to an Iowa
24 resident.

25 Section 104C.13 sets forth the grounds upon which a
26 certificate may be revoked, suspended, or denied.

27 Section 104C.14 provides that the examining board has
28 exclusive jurisdiction of a proceeding to revoke or suspend a
29 certificate issued pursuant to this chapter.

30 Section 104C.15 establishes the procedure for a hearing
31 conducted by the examining board.

32 Section 104C.16 sets forth requirements for advertisements
33 by a person engaged in the business of construction
34 contracting.

35 Section 104C.17 creates the state construction contractor

1 examining board.

2 Section 104C.18 provides that the public members of the
3 examining board are to be allowed to participate in
4 administrative, clerical, and ministerial functions incident
5 to giving the examinations, but are not to participate in the
6 development or scoring of the examination.

7 Section 104C.19 provides that the examining board is to be
8 attached to the department of public health for administrative
9 purposes.

10 Section 104C.20 establishes the general duties of the
11 examining board.

12 Section 104C.21 provides that a person must make
13 application to the examining board at least 15 days prior to
14 the date the examination is to be given.

15 Section 104C.22 provides that an examination must be
16 conducted at least two times per year.

17 Section 104C.23 provides that the examining board is to
18 adopt rules relating to the offering of the exam including an
19 applicant's qualifications, denial of an applicant, the
20 offering of the exam, the grading of the exam, and the
21 required minimum score.

22 Section 104C.24 provides that the department is to issue a
23 certificate to each successful applicant and record the
24 issuance of the certificate.

25 Section 104C.25 provides that the examining board is to set
26 the fee for the examination of applicants, and the
27 certification and renewal fees.

28 Section 104C.26 provides that an injunction may be issued
29 against an uncertificated person engaged in any business for
30 which a certificate is required.

31 Section 104C.27 establishes various penalties for a person
32 violating a provision of the chapter.

33 Section 104C.28 provides that the department of public
34 health may request the department of inspections and appeals
35 to make any necessary investigations.

1 Section 104C.29 requires a certificate holder or a member
2 of the examining board to report an uncertificated person
3 engaged in any business for which a certificate is required
4 under this chapter.

5 Section 104C.30 provides that the attorney general may
6 institute proceedings against a person violating a provision
7 of this chapter.

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**HOUSE FILE 2208
FISCAL NOTE**

A fiscal note for House File 2208 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 2208 creates a Code of Iowa chapter related to certification of construction contractors, defines terms, establishes exemptions, provides that the Department of Public Health maintain a book of certifications and establish an Examining Board, requires contractors to maintain proof of financial responsibility, establishes grounds for certification revocation, provides requirements for the Examining Board including setting of fees and establishing rules, and creates a fund for deposit of fees under the control of the Board, allows inspections by the Department of Inspections and Appeals, and provides a penalty.

ASSUMPTIONS

1. The Iowa Department of Employment Services currently registers approximately 14,500 contractors, with approximately 3,000 additions and deletions per year. An estimate of 15,000 licensees assumes that all registered contractors would have one or more people certified.
2. Fees will be established for certification of contractors at \$100 per application and \$100 per renewal with a two-year renewal period.
3. Although the Bill does not specify an effective date, this estimate assumes a two-year time period to certify 15,000 contractors.
4. The Department would require 4.00 FTE positions including a public service executive, an investigator, an administrative assistant, and a secretary to administer the Program.
5. Travel and expenses for Board members to attend Board meetings would average \$125 expense per member for seven members for ten meetings annually, for a total of \$8,750 travel expense per year.
6. Additional support requirements would minimally include development of examinations for the different specialties including plumbing, electrical, carpentry, general construction, and others. Investigatory and enforcement resources would be required, as would Attorney General legal counsel.
7. Fees are to be based upon the costs of sustaining the Board and actual costs of certification.
8. It is not specified if any fees remaining in the Fund under the control of the Board would be retained in the Fund or would revert to the General Fund at the close of the Fiscal Year.

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9. It is unknown if this fee, combined with local certification fees, would be too large relative to a small contractor's income and thus discourage small business.

FISCAL IMPACT

The fiscal impact of SF 2301 is reflected below.

Fiscal Impact of SF 2301
(dollars in thousands)

	<u>FY 1997</u>	<u>FY 1998</u>
<u>REVENUE</u>		
General Fund	\$ 0	\$ 0
Application/Renewal Fees	750	750
Total	\$ 750	\$ 750
<u>EXPENDITURES</u>		
Salaries	\$ 179	\$ 187
(FTE's)	(4.0)	(4.0)
Support	90	92
Examinations	40	40
Board Meetings	9	9
Board Per Diem	4	4
Contracts	75	75
Total	\$ 397	\$ 407
NET EFFECT	\$ 353	\$ 343

SOURCES

Department of Public Health

(LSB 3848hh, MMB)

FILED FEBRUARY 28, 1996

BY DENNIS PROUTY, FISCAL DIRECTOR