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LB 588

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		\$31,000		\$29,437
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$31,000		\$29,437

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 588 amends the Conveyance Safety Act.

The bill changes the name of the Conveyance Advisory Committee to the Conveyance Committee and also changes the makeup and membership of the Committee. The bill requires that one member of the Committee be a representative of labor involved in the elevator industry and, after the expiration of the terms of the members from counties of more than 100,000 inhabitants, that the Governor fill those positions with representatives from three different counties to represent urban, suburban, and rural interests respectively.

Under current statute, the Committee serves as an advisory body to the Commissioner of Labor. LB 588 gives the Committee the authority and responsibility to adopt and promulgate rules and regulations for standard safety codes regarding conveyances. The Committee may also recommend legislative changes.

The bill changes authority to establish a schedule of fees for licenses, permits, certificates, and inspections authorized under the Conveyance Safety Act from the Commissioner of Labor to the Conveyance Committee.

The bill adds an inspection requirement for platform lifts and stairway chair lifts; these lifts are currently exempt from inspection.

LB 588 strikes the requirement for inspection of conveyances in private residences in counties with a population over 100,000 inhabitants at the time of installation and adds new language that exempts stairway chair lifts, platform lifts, and elevators installed in private residences from inspection requirements.

The bill also requires the licensing of elevator mechanics throughout the state. Current statute limits the licensing requirement to those elevator mechanics working in buildings or structures located in counties of more than 100,000 inhabitants.

The Department of Labor estimates the fiscal impact of LB 588 to be an increase of \$31,000 in FY2011-12 and \$29,437 in FY2012-13 to the Mechanical Safety Inspection Fund. This is based on an increase in licensure of approximately 25 elevator mechanics, an increase in the number of inspections of platform lifts and stairway chair lifts, and the elimination of the private residence inspection requirement.

The Department indicated no additional costs as a result of the changes to the Conveyance Advisory Committee.

There is no basis to disagree with the Department of Labor's estimate of fiscal impact.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	2/22/11	PHONE 471-2526
COMMENTS			
DEPT. OF LABOR – Agency's estimate of impact appears to be reasonable.			

FISCAL NOTE LB588 FEB 22 2011

Nebraska Department of Labor

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Date Prepared	2/18/2011
Prepared Phone	402-471-2492

Estimate Provided By State Agency or Political Subdivision

	FY 2011-2012		FY 2012-2013	
	Expenditures	Revenue	Expenditures	Revenue
General Funds				
Cash Funds		31000		29437
Federal Funds				
Other Funds				
Total Funds		31000		29437

Explanation of Estimate:

LB 588 adds an inspection requirement for platform lifts and stairway chair lifts, which are currently exempt under the Conveyance Safety Act. As a result of this change, there will be an estimated increase in revenue of \$29,100 (219 units).

LB 588 changes the Conveyance Safety Act to exempt conveyances in all private residences. The current Conveyance Safety Act requires an inspection on conveyances in private residences located in counties with a population of one hundred thousand or less inhabitants, only at the time of installation. This change will decrease revenues by \$600. This past year there were six conveyances installed in private residences in counties with a population of more than one hundred thousand inhabitants.

LB 588 requires licensing of elevator mechanics working in any county in Nebraska, not just in counties of one hundred thousand or more inhabitants as is the case with the current Act. This will result in a slight increase in the number of licensed mechanics. An estimated twenty-five mechanics getting a license would result in an initial \$2,500 increase in revenue the first year and then an additional \$1,875 every other year. The initial license is \$100. The renewal license is \$75 issued every other year.

LB 588 changes the title, membership and duties of the current Conveyance Advisory Committee. It would become the Conveyance Committee and would become responsible for adopting and promulgating rules and regulations regarding the Conveyance Act and it would also, after a public hearing conducted by the commissioner or his or her designee, establish a reasonable schedule of fees for components of the program.

The changes to the committee will not result in a measurable increase to expenditures.

Major Objects of Expenditure

Position Title	Number of Positions		FY 2011-2012	FY 2012-2013
	FY 2011-2012	FY 2012-2013	Expenditures	Expenditures
		Benefits		
		Operating		
		Travel		
		Capital outlay		
		Aid		
		Capital improvements		
		Total		