



Eric Milstead
Director

Legislative Services Office

Idaho State Legislature

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MEMORANDUM

TO: Rules Review Subcommittee of the Senate Commerce & Human Resources Committee and the House Business Committee

FROM: Principal Legislative Research Analyst - Ryan Bush

DATE: October 14, 2015

SUBJECT: Division of Building Safety

IDAPA 07.02.03 - Rules Governing Permit Fee Schedule - Fee Rule, Proposed Rule (Docket No. 07-0203-1501)

IDAPA 07.03.01 - Rules of Building Safety - Proposed Rule (Docket No. 07-0301-1501)

IDAPA 07.03.01 - Rules of Building Safety - Fee Rule, Proposed Rule (Docket No. 07-0301-1502)

07.02.03 - Rules Governing Permit Fee Schedule - Fee Rule, Proposed Rule

The Division of Building Safety submits notice of proposed rulemaking at IDAPA 07.02.03 - Rules Governing Permit Fee Schedule - Fee Rule, Proposed Rule. This rule change revises terminology and clarifies language; distinguishes between residential and nonresidential sewer and water line permit fees; and increases the fee for residential water or sewer line permits from \$38 to \$65 each. The Division states that it based the previous fee on the assumption that these permits would be issued in conjunction with new construction with other plumbing inspections occurring concurrently as a means of mitigating a decrease in revenue, but this premise was found to be untrue.

The Division states that negotiated rulemaking was conducted and that Notice of Intent to Promulgate Rules was published in the April edition of the Idaho Administrative Bulletin. The Division states that there will be no impact on the general fund but will result in a revenue increase of approximately \$9,500 to the dedicated fund.

The proposed rule appears to be within the statutory authority granted to the Division in Sections 54-2606 and 54-2623, Idaho Code.

07.03.01 - Rules of Building Safety - Proposed Rule

The Division of Building Safety submits notice of proposed rulemaking at IDAPA 07.03.01 - Rules of Building Safety - Proposed Rule. The Division states that the proposed rule change does the following: 1) raises the threshold for a Group E occupancy from 30 to 50 occupants before a fire alarm system is required in order to reflect the latest version of the International Building Code; 2) clarifies methods that can be used to establish fire-resistive walls in townhouses that can avoid the need for fire sprinklers; and 3) corrects International Energy Conservation Code references to exempt buildings used solely to be suitable for equipment, not personnel.

Mike Nugent, Manager
Research & Legislation

Cathy Holland-Smith, Manager
Budget & Policy Analysis

April Renfro, Manager
Legislative Audits

Glenn Harris, Manager
Information Technology

The Division states that negotiated rulemaking was conducted and that Notice of Intent to Promulgate Rules was published in the April edition of the Idaho Administrative Bulletin. There is no fiscal impact associated with this rulemaking.

The proposed rule appears to be within the statutory authority granted to the Division in Sections 39-4107 and 39-4109, Idaho Code.

07.03.01 - Rules of Building Safety - Fee Rule, Proposed Rule

The Division of Building Safety submits notice of proposed rulemaking at IDAPA 07.03.01 - Rules of Building Safety - Fee Rule, Proposed Rule. This rule change allows state entities who perform certain minor alterations on their own buildings with their own qualified staff to obtain a single annual permit from the Division of Building Safety and sets the fee for inspections performed on such annual permits at \$100 per hour.

The Division states that negotiated rulemaking was not conducted because the rule change is simple in nature and only affects a few state entities. The Division states that there will be a slight decrease in dedicated fund revenue with this rulemaking.

The proposed rule appears to be within the statutory authority granted to the Division in Sections 39-4107 and 39-4109, Idaho Code.

cc: Division of Building Safety
Steve Keys

PROPOSED RULE COST/BENEFIT ANALYSIS

Section 67-5223(3), Idaho Code, requires the preparation of an economic impact statement for all proposed rules imposing or increasing fees or charges. This cost/benefit analysis, which must be filed with the proposed rule, must include the reasonably estimated costs to the agency to implement the rule and the reasonably estimated costs to be borne by citizens, or the private sector, or both.

Department or Agency: Division of Building Safety

Agency Contact: Steve Keys, Deputy Administrator - Operations **Phone:** (208) 332-8986

Date: August 18, 2015

IDAPA, Chapter and Title Number and Chapter Name: IDAPA 07.02.03 – Rules Governing Permit Fee Schedule

Fee Rule Status: **Proposed** **Temporary**

Rulemaking Docket Number: 07-0203-1501

STATEMENT OF ECONOMIC IMPACT:

The cost to the agency to implement the fee increase is negligible. The cost to contractors and the public is \$27 per permit of this type; with an estimated annual quantity of 300 of these permits, the total annual cost to stakeholders would be \$8,100.

PROPOSED RULE COST/BENEFIT ANALYSIS

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Department or Agency: Division of Building Safety

Agency Contact: Steve Keys, Deputy Administrator - Operations **Phone:** (208) 332-8986

Date: August 18, 2015

IDAPA, Chapter and Title Number and Chapter Name: IDAPA 07-0301-1502 – Rules of Building Safety

Fee Rule Status: **Proposed** **Temporary**

Rulemaking Docket Number: 07-0301-1502

STATEMENT OF ECONOMIC IMPACT:

The cost of implementation to the agency is negligible, because the incremental new revenue will offset any implementation costs. The cost to public institutions is actually reduced from what it would be if current permit fees were uniformly enforced. Because of concerns relating to logistics and fairness, the current permit fees have not been aggressively levied. The proposed fee structure is much more user-friendly for both the customer and DBS.