2009 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 915 STATUS: A Engrossed

SUBJECT: State building code enforcement

GOVERNMENT UNIT AFFECTED: Department of Consumer and Business Services; Judicial

Department; Cities

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REVIEWED BY: Susie Jordan and John Borden

DATE: April 23, 2009

EXPENDITURES:

See Analysis

EFFECTIVE DATE: January 1, 2010

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: The measure requires that monetary penalties assessed by municipalities for building inspections be assessed as civil penalties. For a civil penalty to be issued, the municipality must provide a notice to the violator: describing the violation, the amount of the civil penalty, the opportunity for challenge of the civil penalty, and the process for challenging the civil penalty. The measure stipulates that the municipality must have an administrative process, other than a judicial proceeding in a court of law, allowing for challenges of the civil penalty. The amount of the civil penalty may not exceed the maximum civil penalty authorized for equivalent specialty code violations. The measure states that municipality expenditures related to the administration and providing of notice to violators are considered building inspection program and enforcement costs, which are self-supported. The measure is retroactive to civil penalties assessed on or after the effective date for violations occurring before the effective date.

Cities estimate a fiscal impact for the modification and adoption of ordinances and the administrative processes. Cities estimate an average cost of \$6,000 to \$7,000 per city that currently administer state building codes.

There is a minimal fiscal impact to the Department of Consumer and Business Services (DCBS). The Building Codes Division of DCBS would need to review any requests submitted by cities that administer state building codes for fee changes related to the measure.

The Judicial Department states the fiscal impact is indeterminate. The Department assumes that final appeal of civil penalties after administrative orders would be to the Court of Appeals. There is not sufficient information to approximate the number of cases that may occur.