Local Mandate Fiscal Impact Estimate Kentucky Legislative Research Commission 2016 Regular Session

Part I: Measure Information

| Bill Request #: 45 | | | | | | |
|---|--|--|--|--|--|--|
| Bill #: HB 49/GA | | | | | | |
| Bill Subject/Title: AN ACT relating to welding safety. | | | | | | |
| Sponsor: Representative Rick Nelson | | | | | | |
| Unit of Government:XCityXCountyXUrban-CountyXCharter CountyXConsolidated LocalXGovernment | | | | | | |
| Office(s) Impacted: All local government offices | | | | | | |
| Requirement: <u>X</u> Mandatory Optional | | | | | | |
| Effect on Powers & Duties: X Modifies Existing X Adds New Eliminates Existing | | | | | | |

Part II: Purpose and Mechanics

HB 49/GA retains the original provisions, but excludes welding that is required to be done to American Society of Mechanical Engineer standards, requires that inspections be done per job specifications and provides an exemption from AWS certification for certain welding.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

The fiscal impact of HB 49 HCS on local government is indeterminable but is expected to be minimal.

The General Assembly version of HB 49 does not remove or amend the requirement that inspectors be AWS certified, hence the mandate upon local governments remains the same.

The Kentucky League of Cities (KLC) does not know how the American Welding Society or AWS standards are different from the Kentucky Building Code standards, if at all (since the American Society of Mechanical Engineers is cited in the Kentucky Building Code under the "welding" section).

The bill would require local governments to use a welding inspector who has been certified by the AWS. The certification, training, continuing education, and recertification costs may be in the thousands for just one inspector, according to the AWS website under "Prices".

Consequently, KLC states that a city could pay those entire costs for their employees, or they'd have to pay a private inspector per use on a project. KLC doesn't know how many city employees or current building inspectors already hold certifications from AWS. If very few do, then the costs would grow.

KLC states that the other requirements might increase costs marginally for contractors and subcontractors, who would then pass the costs on to the local governments for public projects. Similarly, KLC doesn't know how many welders in Kentucky currently are certified by AWS, so they aren't able to determine exactly what financial impact the legislation would have on public projects.

| Data Source(s |): <u>Kentucky</u> | League of Cities, Ker | tucky Association of | of Counties | |
|---------------|--------------------|-----------------------|----------------------|-------------|---------|
| Preparer: JF | PL | Reviewer: | JWN | Date: | 2/22/16 |