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**FISCAL NOTE FOR AMENDMENT 908
SENATE BILL 132
MAY 28, 2003**

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The amendment to Senate Bill 132 (Amendment 908) would have significant impact on the Nevada State Contractors Board ("NSCB"). The amendment seeks to revise NRS 624, (the contractors license law), to include definitions of mold and the remediation of mold and requires the NSCB to license and regulate persons who remediate mold. Note: the NSCB licenses and regulates entities, not individuals. At present, no state or federal regulation exists. Guidelines are available from the EPA, however, standards have not been developed. As contractors are building new structures they are not mandated to do anything to prevent mold. Building codes do not address mold and fungal contamination. Mold may be a result of construction defects, but it is not itself a construction defect. The building codes address the engineering aspects of building design and construction.

1. **PERSONNEL EXPENSE**- SB 132 as amended, would require individuals performing mold remediation to be licensed by the Nevada State Contractors Board ("NSCB"). The NSCB would be required to hire professionals educated in areas of chemistry, microbiology, and environmental and health issues to develop regulations, examinations, determine qualifications and criteria for licensure, develop and implement job notifications and inspections, enforcement, discipline and continuing education and perform research related to mold and mold remediation and research State and Federal laws and regulations. This is an area that is totally unfamiliar to the NSCB.

FY 2003-04 - 7533 Staff hours with benefits @ \$30.00 per hour = \$226,000
FY 2004-05- 7533 staff hours with benefits @ 31.50 per hour = \$237,300

2. **OPERATING EXPENSE** – Additional office space for 3.5 employees, training courses, promulgating regulations, investigation expense, office supplies, consulting services & travel expense.

FY 2003-04- \$82,418
FY 2004-05- \$55,233

3. EQUIPMENT EXPENSE- Office Furniture, 3 Computers, 3 Printers, phones, and 1 fax machine

FY 2003-04- \$ 7,560
FY 2004-05- \$ 0

4. INFORMATION SYSTEM EXPENSE- Expand database to include licensing of individuals performing mold remediation, software licenses & DOIT.

FY 2003-04 - \$18,635 (DOIT - 219 hours @ \$85.00 per hour= \$18,635)
FY 2004-05- \$2,200 (DOIT - 26 hours @ \$85.00= \$2,200)

5. EXAMINATION DEVELOPMENT AND CONTINUING EDUCATION- Subject matter experts, material, and supplies to develop and create examinations and courses of instruction regarding mold as stated above would require approximately \$145,200 in FY 2003-04. The average cost of examination development is \$85,000 per examination. The estimate to develop a continuing education program is \$60,200. Maintenance is estimated at 16,424 in FY 2004-05.

FY 2003-04-Examination development-\$85,000 and Continuing Education @ \$60,200 = <u>\$145,200</u>
FY 2004-05- Maintenance for exam & continuing Education Program= <u>\$16,424</u>

****Note: This fiscal note is only a rough estimate of the costs necessary to administer SB 132 as proposed. Because this is an unfamiliar area for the State Contractors Board, other costs may be required. Please contact me at 702-486-1133 if you need additional information.***

**Margi A. Grein,
Executive Officer
NEVADA STATE CONTRACTORS BOARD**