

Date of Hearing: May 11, 2016

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Lorena Gonzalez, Chair

AB 2873 (Thurmond) – As Amended April 21, 2016

Policy Committee: Judiciary Vote: 8 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: Yes

SUMMARY:

This bill requires local governments to increase the number of building officials who are certified access specialists (CASps) in order to improve compliance with state and federal construction-related disability standards. Specifically, this bill:

- 1) Requires that, as of January 1, 2018, all building inspectors employed or retained by a local agency who conduct permitting and plan check services to review for compliance with state construction-related accessibility standards, must be CASps.
- 2) Increases, from \$1 to \$4, the fee on business licenses that is used to fund the CASp Program, and eliminates the January 1, 2018 sunset on the current fee.
- 3) Provides that instead of retaining 70% of the fee revenue collected per (2) and sending 30% to the Division of the State Architect (DSA), the local government would keep 90% of the revenue and remit 10% to DSA.
- 4) Requires each local government to place its fee revenue, less up to 5% for administrative costs, into a CASp Certification and Training Fund. Highest priority for use of these funds is to be given for training and retention of certified access specialists. The fund can also be used to facilitate compliance with construction-related accessibility requirements, though the bill does not specify what activities this would encompass.

FISCAL EFFECT:

Revenue from the current fee is about \$2.1 million annually, of which \$620,000 goes to DSA and \$1.5 million goes to local jurisdictions. Revenues from the increased fee would total about \$8.25 million annually, of which \$825,000 would go to DSA and \$7.4 million would go to locals.

DSA will receive increased revenue of \$205,000 in 2017 and 2018, and continue to receive ongoing revenue of \$825,000 annually beyond the current sunset date on the fee authority. These additional revenues should cover any increase in DSA costs to, for example, offer more CASp examination opportunities. With an expected increase in local building officials seeking to become CASps, DSA will receive examination and licensing revenues to cover its additional administrative costs.

According to DGS, about 550 local jurisdictions employ building inspectors. Current law requires a local agency to employ a "sufficient number of building inspectors who are certified access specialists" and require that an agency employs or retains two or more CASps, at least one-half of the CASps must be building inspectors. It is unknown how many additional building

inspectors would need to become CASps under this bill. According to DGS, the average per-candidate cost to become a CASp is \$4,571, which takes into account that most candidates must take the exam multiple times. The examination fee (for the two-part exam) is either \$1,200 or \$1,600 depending on if the candidate has existing professional licensure. In addition, the certification must be renewed every three years at a cost of \$500, plus expense for 15 mandatory continuing education units costing \$225 to \$750.

Given the above average certification costs, the annual revenue to local of \$7.4 million would cover about 1,600 certifications. Of course, since the revenue is to be collected and retained by each jurisdiction, it is unknown how well revenues and costs will match at the local level. It is also unclear for what specific purposes this level of revenue would be needed on an ongoing basis.

COMMENTS:

- 1) **Background/Purpose.** Since 1992, public accommodations in California have been required to comply with not only the Americans with Disabilities Act (ADA), but also with the state's Unruh Civil Rights Act, which incorporates the ADA into its provisions and makes a violation of the ADA punishable as a violation of Unruh. To increase compliance with the ADA, SB 262 (Kuehl), Chapter 872, Statutes of 2003 established the CASp program to meet the public's need for experienced, trained, and tested individuals who can inspect buildings and sites for compliance with applicable state and federal construction-related accessibility standards. While a number of subsequent bills have expanded the use and effect of CASp inspections, no significant new financial resources have been provided to small businesses or to the CASp program, in order to bring businesses into compliance with the law.

This bill, sponsored by Disability Access California, is intended to increase the number of local building officials who are trained and certified as access specialists, and provides additional resources to support this effort.

- 2) **Concern.** The League of California Cities writes, "the CASp-certification process remains expensive and the exam extremely difficult, with a very low passage rate even among the experienced inspectors. Statewide, there are only about 575 CASps, many of whom are consultants specializing in this area. Building inspectors report that the current exam often covers areas that have little to do with their day-to-day work of enforcing the state building code, including accessibility requirements. Without adjustments by the State Architect to the exam itself, it is unrealistic to expect cities to be compliant with the bill's requirements by January 2018. The bill would also be particularly problematic for smaller cities that employ or retain a handful of building inspectors." The league also notes that, "While the increase in the cost of business fees and the percentage retained by a local agency would assist with the cost of the certification process, not all jurisdictions collect business license fees."

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