

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** SB 425 (First Edition)

**SHORT TITLE:** Refrigeration Contractors

**SPONSOR(S):** Senator Miller

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 1997-98</u></b>	<b><u>FY 1998-99</u></b>	<b><u>FY 1999-00</u></b>	<b><u>FY 2000-01</u></b>	<b><u>FY 2001-02</u></b>
<b>REVENUES</b>					
Board's Operating Fund	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> State Board of Refrigeration Examiners					
<b>EFFECTIVE DATE:</b> Effective upon ratification.					

**BILL SUMMARY:** The bill increases the fee for reinstating a lapsed license from \$45 to \$75. The bill makes other minor changes to the law on refrigeration contractors.

**ASSUMPTIONS AND METHODOLOGY:** In 1995, 14.3% (310 out of 2,163) of the refrigeration contractors did not pay their \$40 license renewal fee on time and allowed their licenses to lapse. In 1996, 13.3% (294 out of 2,206) of the contractors allowed their licenses to lapse. To regain their licenses, these contractors paid a \$45 reinstatement fee. The Executive Director of the State Board of Refrigeration Examiners, Barbara Hines, believes an increase in the reinstatement fee is needed to reduce the number of lapsed licenses. Ms. Hines believes that the increase from \$45 to \$75 will cut the number of lapsed licenses in half. The revenue gained from this change is calculated as follows:

Average number of lapsed licenses each year = 300

Current law                      300 X \$45 = \$13,500

Proposed law                    150 X \$40 = \$6,000

$$150 \times \$75 = \underline{\$11,250}$$
$$\underline{\$17,250}$$

Net Gain \$3,750

**FISCAL RESEARCH DIVISION**

**733-4910**

**PREPARED BY:** Richard Bostic

**APPROVED BY:** Tom Covington **TomC**

**DATE:** April 9, 1997



**Signed Copy Located in the NCGA Principal Clerk's Offices**