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FISCAL IMPACT REPORT

SPONSOR:	Jennings	DATE TYPED:	02/04/00	HB	
SHORT TITLE:	Independent Certification Organizations			SB	8/aSfl#1
				ANALYST:	Valdes

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
	Indeter	See Narrative		Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of SFI#1 Amendment

The following sentence is amended: "Manufacturers may choose the independent certification organization they wish to certify their products, [~~as long as~~] *if* the certification organization is accredited by the American national standards institute [~~and the product is certified to the minimum standards established~~] *or other accreditation organization selected* by the commission.

This gives the Construction Industries Commission the authority to select an alternate accreditation organization, if necessary in the future.

Synopsis of Bill

According to the Construction Industries Division (CID), Regulation and Licensing Department, this bill allows manufacturers of plumbing and mechanical supplies and equipment to choose the independent certification organization they wish to certify their products as long as the certification organization is accredited by the American National Standards Institute (ANSI) and meets minimum standards established by the Construction Industries Commission.

Significant Issues

The Construction Industries Commission currently mandates that products meet the minimum requirements of the Uniform Plumbing Code, and further require certain plumbing and piping products conform to IAPMO standards and labeling.

The requirement that manufacturers only use testing organizations that are certified by ANSI may have an adverse affect on independent manufacturers of sheet metal pipe, fittings and duct systems or ancillary plumbing fittings, fixtures and HVAC equipment providers.

FISCAL IMPLICATIONS

No appropriation is provided to carry out the provisions of this act. CID indicates additional appropriations may be required for fuel and inspections and operations are currently funded by general fund dollars.

Increased inspection certification could occur if the CID adopted plumbing standards that would allow non-IAPMO label piping products to be installed in New Mexico. Increased time would be required to verify the proper field application of the products until familiarity with other valid markings/standards is established.

ADMINISTRATIVE IMPLICATIONS

The additional FTE required to administer changes in provisions of this act is unknown at this time.

TECHNICAL ISSUES

CID offered the following language in lieu of the proposed new language in the bill on page 2, line 10: "Manufacturers of plumbing materials and piping for use throughout New Mexico may choose the independent product certification organization they wish to certify and mark their products as meeting the requirements of the adopted codes, as long as the certification organization is accredited by the American National Standards Institute and said certification and mark shall constitute the minimum standard acceptable by the administrative authority."

OTHER SUBSTANTIVE ISSUES

CID offered the following comment on this bill: The Mechanical Technical Advisory Committee of the CID is currently addressing this issue and considering adopting the American National Standards Institute.

MFV/njw:gm