



FISCAL NOTE

Senate Bill 136

Committee: Banking and Insurance

Sponsor: Senator Sam Givhan

Analyst: JT Mathis

Date: 04/05/2023

Senate Bill 136 as introduced would decrease receipts to the State General Fund (SGF) by an estimated \$2.3 million annually, beginning in fiscal year 2024, by revising the distribution of certain insurance license fees from 50% to the State General Fund (SGF), under current law, to 45%, as provided by this bill. This bill would correspondingly increase receipts to the Alabama Residential Building Code Fund (Fund), which would be created by this bill within the State Treasury and administered by the Home Builders Licensure Board, by the same estimated amount by reallocating the 5% of license fee receipts to this new fund. This bill further requires the unencumbered year-end balance of the fund in excess of 25% of the amount appropriated for the fiscal year to be transferred to the Strengthen Alabama Homes Fund, with the remainder of the monies staying in the fund.

Further, this bill would increase the obligations of the Board by an undetermined amount to 1) to adopt a minimum statewide residential building code (the Alabama Residential Building Code); 2) create the Alabama Residential Building Code Division within the Board, which may employ staff, provide funding to local jurisdictions, and apply for funding from other sources; and 3) create the Alabama Residential Building Code Advisory Council. However, this increase in obligations may be offset, in whole or in part, by the allocation of insurance license fees to the Fund, for the administration and enforcement of the Alabama Residential Building Code.