

# Reduce Construction Costs and Delays with More Local Partners

## Simplify participation fees charged to municipalities by the DSPS

March 3, 2020

The Alliance for Regulatory Coordination recommends code changes to encourage and facilitate more municipal plan review partners. ARC members believe that plan review services could be provided at lower cost, in less time, and with less duplication of effort, if more municipalities conducted state-level plan review.

ARC members see the current fee structure as a deterrent to municipal involvement in state-level plan review. As a result, the ARC recommends changes to Chapter SPS 305, Wisconsin Administrative Code.

We recommend repealing SPS Table 302.31-3, Wisconsin Administrative Code, which requires municipal participation fees be paid to the DSPS based on the size of every commercial building for which the municipality conducts a state-level plan review.

In its place, we recommend an annual flat fee be charged to appointed agents and 2<sup>nd</sup> class cities that conduct state-level plan review.

The current fee structure is complex and results in highly variable participation fees assessed on appointed agents and 2<sup>nd</sup> class cities. That complexity and variability causes more work at both the municipal and state level; involving financial record keeping, monitoring and audits.

Annual flat fees would eliminate bureaucratic red tape and costly record keeping at the local level. It is easier to obtain necessary revenue collection and expenditure authorizations from local elected officials when such authorizations are for known dollar amounts. And with an annual flat fee there would be no plan-specific fee calculation needed to identify what is owed to the DSPS.

Annual flat fees would also save the DSPS from having to engage in costly financial monitoring and auditing of variable local plan review activities, and the varying size of required municipal payments to the DSPS.

We believe this simplification of participation fees will result in an increase in the number of municipal plan review partners and a reduction in duplication of effort among state and local building code officials. Currently, that duplication of effort costs builders and project owners both time and money.

Having more local plan review partners will also reduce the DSPS plan review and inspection workload; thereby reducing delays to Wisconsin's building construction industries and helping to boost Wisconsin's overall economy.

*The Alliance for Regulatory Coordination is a consortium of 21 organizations involved in building design, construction and regulatory services. Alliance membership consists of business, labor, advocacy, professional and governmental groups; numbering thousands of members, all committed to promoting more coordinated and efficient regulatory services for citizens and businesses of Wisconsin. Learn more about the Alliance at [www.4ARC.org](http://www.4ARC.org).*

*See next page for a list of ARC members.*

# Alliance for Regulatory Coordination

## **Classic Members**

International Association of Electrical Inspectors, Wisconsin Chapter  
International Brotherhood of Electrical Workers, Wis. State Conf.  
National Electrical Contractors Association, Wisconsin Chapter  
Northwest Wisconsin Building Inspectors Association  
Plumbers Union Local 75  
Plumbing-Heating-Cooling Contractors, Wisconsin Association  
Plumbing Mechanical Sheet Metal Contractors Alliance  
Sheet Metal Air Rail Transportation Local 18  
Water Quality Association of Wisconsin  
Wisconsin Code Officials Alliance  
Wisconsin Electrical Trades Council  
Wisconsin Fire Protection Coalition  
Wisconsin State Fire Chief's Association  
Wisconsin State Fire Inspectors Association

## **Associate Members**

National Association of the Remodeling Industry, Milw. Chapter  
Professional Fire Fighters of Wisconsin  
Southwestern Wisconsin Building Inspectors Association  
Wisconsin Electric Cooperative Association  
Wisconsin Propane Gas Association  
Wisconsin State Firefighters Association

## **Supporting Members**

International Code Council