

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 18, 2008
POSITION: Neutral
SPONSOR: Office of Statewide Health Planning and Development

BILL NUMBER: AB 3028
AUTHOR: M. Salas

BILL SUMMARY

This bill would authorize the Office of Statewide Health Planning and Development (OSHPD) to permit electronic review and approval of hospital construction plans, and to utilize an over-the-counter (OTC) plan review process. This bill would also require the OSHPD to use information technology, to the extent possible, to facilitate the timely review of hospital building construction and alteration plans, and inspection of hospital buildings.

FISCAL SUMMARY

This bill would result in costs of \$246,000 (Hospital Building Fund) and 2.0 positions in 2008-09, and \$422,000 (Hospital Building Fund) and 4.0 positions annually thereafter to implement the OTC plan review process. These costs would be incurred beginning January 1, 2009. The impact upon the Hospital Building Fund would be minimal as the fund is expected to have a balance of \$62 million at the end of 2008-09.

COMMENTS

The Department of Finance is neutral on this bill. This bill is consistent with the Administration's policy to expedite the hospital construction plan review and approval process.

The OTC review process would consist of establishing one office in Sacramento and one office in Los Angeles for walk-in plan reviews. According to the OSHPD, this process is most efficient for projects requiring two hours or less review time. The OTC plan review process would improve efficiency and could potentially reduce OSHPD's established turnaround time for such plan review and approval to one day, and eliminate back-checks.

Additionally, this bill would authorize the electronic transmission for the review and approval of the plans. Benefits include electronic transmission of plan review comments to design professionals, enabling the OSHPD to offer walk-in OTC reviews, and reducing the amount of time it spends on approving changes to plans.

Code/Department Agency or Revenue Type	(Fiscal Impact by Fiscal Year)									
	SO	(Dollars in Thousands)								
	LA	CO	PROP	FC	2008-2009	FC	2009-2010	FC	2010-2011	Fund Code
4140/Stwd Hth Pln	SO	No	C		\$246	C	\$422	C	\$422	0121
<u>Fund Code</u>	<u>Title</u>									
0121	Hospital Building Fund									

Analyst/Principal (0512) J. Wordlaw	Date	Program Budget Manager Michael Wilkening	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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