

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7298

BILL NUMBER: SB 326

NOTE PREPARED: Feb 26, 2007

BILL AMENDED: Feb 26, 2007

SUBJECT: Certification of Fire Sprinkler Inspectors.

FIRST AUTHOR: Sen. Landske

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires the Fire Prevention and Building Safety Commission to adopt rules that require an individual who inspects an automatic fire sprinkler system to hold certain certification from the National Institute for Certification in Engineering Technologies. The bill provides an exception to the requirement of certification for the inspection or servicing by a company of its own fire protection sprinkler systems by its own personnel who have knowledge of the installation, construction, or operation of the systems. It makes conforming amendments.

Effective Date: Upon passage; July 1, 2007.

Explanation of State Expenditures: The Fire Prevention and Building Safety Commission must adopt rules. The Department of Homeland Security (DHS) provides administrative support to the Commission. The impact on the DHS will depend on what functions the Commission decides to adopt relative to the inspectors. The bill does not specify that the Commission is required to suspend inspectors, nor does the bill require the Commission to investigate complaints or enforce certification requirements. The impact will depend on how active of a role the Commission assumes.

Additional Staff. Depending upon the extent to which the Commission provides oversight to the certification program, the DHS may need to hire additional staff. If DHS hired one director and one investigator to implement the provisions of the bill, staffing expenses would equal an estimated \$100,000. Computers, office furniture, telephones, transportation for the investigator, and other office equipment would need to be purchased. Estimates for two staff would equal an additional estimated \$12,000, for a total of \$112,000.

The funds and resources required above could be supplied through a variety of sources, including the

following: (1) existing staff and resources currently being used in another program; (2) funds that, otherwise, would be reverted; or (3) new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

For FY 2006, the DHS reverted \$1.3 M to the state General Fund.

There are no appropriations in the bill.

Explanation of State Revenues:

Explanation of Local Expenditures: Local units could experience an increase in costs if hiring certified professionals resulted in an increase in inspection costs for local units wanting to have fire sprinklers installed in public buildings.

Explanation of Local Revenues:

State Agencies Affected: DHS.

Local Agencies Affected: Local units wanting to install sprinklers in public buildings.

Information Sources: Michelle Milliken, DHS, 317-234-0945, provided certain background information.

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.