

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number SB1132

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input checked="" type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Deeds

3. Committee General Laws

4. Title Office of the State Fire Marshal.

5. Summary/Purpose: Transfers the enforcement of the Statewide Fire Prevention Code (SFPC) from the Department of Housing and Community Development (DHCD) to the Department of Fire Programs (DFP). Enforcement will be performed by the State Fire Marshall, who will employ other personnel necessary in the performance of this function (the Office of the State Fire Marshall).

6. Fiscal Impact Estimates are: Preliminary. See item 8, below.

7. Budget amendment necessary: No (not during the current biennium). See item 8 below.

8. Fiscal implications: DHCD is currently responsible for the enforcement of the SFPC, including code development and the appeals process. The proposed legislation would transfer enforcement of the SFPC to DFP; DHCD would however retain responsibility for code development and any appeals. DHCD has 36 FTEs and six P-14s assigned to this function and a budget of \$2.79 million (\$2.24 million from the general fund and \$550,952 in nongeneral fund appropriation) for FY 2008. In addition to duties associated with enforcement of the SFPC, a number of these positions perform other functions within the agency that would not be transferred to DFP as part of this legislation, such as code development activities for the Uniform Statewide Building Code (USBC), plans review for state-owned buildings and universities, and consulting services. As a result, some of these positions and a portion of this funding will need to remain within DHCD.

DFP is funded entirely with nongeneral fund revenues, the Fire Programs Fund. This Fund is comprised of revenue generated from a one percent levy on five lines of insurance (home, farm, marine, fire, and miscellaneous property). The proposed legislation would prohibit the use of the Fire Programs Fund for salaries or operating expenses associated with the Office of the State Fire Marshal. Consequently, although these functions would become part of DFP, the Fire Programs Fund could not be the fund source for the State Fire Marshal and the enforcement of the SFPC. Included in the \$550,952 nongeneral fund appropriation in DHCD for enforcement of the SFPC is \$92,500 from the Fire Programs Fund, which is used to fund salaries for inspector positions. This \$92,500 will need to be supplanted with general fund dollars or other nongeneral fund dollars.

In addition to positions and funding for SFPC enforcement activities, DFP has indicated that the agency may require additional resources for administrative and support functions. A cost estimate for DFP to assume these activities is not presently available.

The bill contains an enactment clause delaying its effective date until July 1, 2008. This should allow DHCD and DFP sufficient time to develop a transition plan.

9. Specific agency or political subdivisions affected: Department of Fire Programs and Department of Housing and Community Development.

10. Technical amendment necessary: No.

11. Other comments: HB 2356 is the companion to this bill.

Date: 02/06/07/tmw

Document: G:\2007 Session\Fiscal Impact Statements\SB1132S1.Doc

cc: Secretary of Commerce and Trade
Secretary of Public Safety