

## Department of Planning and Budget 2011 Fiscal Impact Statement

**1. Bill Number:** HB 1485

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

**2. Patron:** Hope, P.

**3. Committee:** General Laws

**4. Title:** Medical emergency response plan and automated external defibrillators; required in certain buildings.

**5. Summary:** This bill requires the development of medical emergency response plans and the installation of automated external defibrillators (AED) in health spas and certain state and local buildings open to the public. The bill also establishes the Automated External Defibrillator Grant Fund to provide matching funds to localities to assist with the cost of compliance.

The Department of General Services (DGS) is tasked with creating a medical emergency response plan for each state building that is open to the public. This FIS will address this section of the bill.

**6. Budget Amendment Necessary:** Yes

**7. Fiscal Impact Estimates:**

**7a. Expenditure Impact:** Using the assumptions outlined in section 8, this bill has an estimated impact of \$60 million in one time costs and \$5.8 million in annual costs.

**8. Fiscal Implications:** The Commonwealth owns approximately 12,000 buildings and holds leases in many other buildings occupied by state government. This estimated fiscal impact uses the assumption that this bill would affect 10,000 buildings. DGS would be required to write an emergency response plan for each of these buildings. DGS does not have the expertise or the staff to create these plans, so a consultant would have to be hired. Developing the plans would probably require a site visit, meeting with tenants, and meetings with local emergency medical services providers. A rough estimate would be each plan would require 20 hours of work and the consultants would charge \$100 an hour. Using these assumptions it would cost about \$20 million dollars to develop the plans.

It is estimated to cost about \$50 to provide a two and half hour training for an employee to become certified in cardiopulmonary resuscitation (CPR). This certification has to be renewed every two years. It is estimated that there would need to be an average of ten

employees trained for each of the estimated 10,000 buildings. Using these assumptions it would cost about \$2.5 million dollars a year to provide CPR training.

AEDs cost an estimated \$2,000 each. Replacement batteries are estimated to cost about \$300 each and there are two batteries in each unit with a five (5) year lifespan. Disposable pads cost approximately \$45 apiece and two are in each unit with a two year lifespan. Using these estimates there is an approximately a \$165 annual maintenance cost per unit averaged over ten years. Assuming each building needs an average of two AEDs there is a \$40 million one time cost and approximately \$3.3 million in annual maintenance costs.

- 9. Specific Agency or Political Subdivisions Affected:** This bill would affect every state agency that has a building open to the public. The bill does not specify the building has to be owned by the state agency, so it would include leased space.

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None

**Date:** 1/24/11

**Document:**

c: Secretary of Administration