

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3797-01
BILL NO.: SB 822
SUBJECT: Fire Protection; Construction and Building Codes
TYPE: Original
DATE: February 7, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	\$0	\$0	\$15,000
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$15,000

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	(\$15,000)

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Public Safety - Division of Fire Safety (DFS)** assume owners of high rise buildings which are not, as of August 28, 2000, protected by an approved fire protection sprinkler system would be required by this proposal to submit a written master plan to the State Fire Marshal by January 1, 2003 outlining their schedule for compliance. The State Fire Marshal's office would be responsible for promulgating rules. This proposal would allow fees to be collected by the State Fire Marshal's office for reviewing plans.

DFS officials stated that they were still in the process of gathering information from St. Louis, Kansas City and Springfield to determine how many high rise buildings there are in the state that would be affected by this proposal, but officials from those areas indicated that DFS's assumption was probably reflective of the number of buildings that would be affected. DFS officials determined a charge of \$150 for reviewing and approving plans. Assuming approximately 100 buildings in the state would be affected, DFS officials assume \$15,000 in fees would be paid in FY2003. In response to a similar proposal, DFS officials assumed that their office could review the plans with existing staff and would not request additional FTE at this time.

DFS officials estimate that there would be 100 buildings in the state that would be required to install sprinkler systems by January 1, 2012. The majority of these buildings would be in the St. Louis and Kansas City areas. All buildings must be in compliance by January 1, 2012.

DFS staff estimate 100 buildings above 75 feet from street level (approximately 7 stories). Each story is approximately 10,000 square feet. DFS officials stated it would cost an average of \$1.75 per square foot to install a sprinkler system in an existing building according to the National Sprinkler's Association.

7 story building @ 10,000 sq. ft. per story = 70,000 sq. ft. per building
70,000 x \$1.75 per sq. ft. for installation = \$122,500 cost per building
\$122,500 x 100 buildings = \$12,250,000

In addition, there would be a local cost to submit plans to the State Fire Marshal. There would be a charge of \$150 per plan review. Total impact to all political subdivisions = \$15,000. Plans would be required to be submitted to the State Fire Marshal by January 1, 2003.

Oversight assumes the capital improvements related to the installation of the fire sprinklers is outside the scope of this fiscal note.

ASSUMPTION (continued)

Oversight assumes the Secretary of State could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials of the **Office of State Courts Administrator, Office of State Public Defender, Department of Revenue, and Office of Administration - Design and Construction** assume this proposal would have no fiscal impact to their agencies.

In response to a similar proposal, officials of the **Office of the Attorney General** assumed costs could be absorbed within existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>Income</u> - Department of Public Safety Division of Fire Safety (DFS) Fees			\$15,000

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>Cost</u> - Political Subdivisions Plan reviews			(\$15,000)

Long-Range Fiscal Impact

DFS officials estimated there would be fiscal impact of \$12,250,000 outside the fiscal note period for affected buildings to be retrofitted with an approved sprinkler system.

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

L.R. NO. 3797-01
BILL NO. SB 822
PAGE 4 OF 4
February 7, 2000

DESCRIPTION

This proposal would require the addition of fire sprinklers in certain buildings. It would require all high rise buildings built before 2000 and used for human occupation above 75 feet in height (the height of most fire truck ladders) to be retrofitted with an approved sprinkler system by 2012. The 12 year period to install systems is phased in. The minimum standards for the sprinklers will be the National Fire Protection Association standard for sprinkler systems. The State Fire Marshal shall approve of plans and set review fees. Violations of this act are deemed a Class B misdemeanor (a fine of up to \$500, imprisonment up to 6 months, or both).

This legislation is not federally mandated, would not duplicate any other program and would require additional capital improvements which would be incurred outside the scope of this fiscal note. This proposal would affect Total State Revenues.

SOURCES OF INFORMATION

Office of State Courts Administrator
Department of Public Safety - Division of Fire Safety
Office of Prosecution Services
Office of the Attorney General
Office of Administration - Design and Construction
Office of State Public Defender
Department of Revenue



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Director
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