

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 1153** HLS 16RS 3461  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.: HB 1109

<b>Date:</b> May 10, 2016 7:55 AM	<b>Author:</b> HOFFMANN
<b>Dept./Agy.:</b> Public Safety/State Fire Marshal	<b>Analyst:</b> Zachary Rau
<b>Subject:</b> Compensation for Certain Inspectors, Certain Inspections	

FIRE PROTECT/FIRE MARSHAL EG INCREASE GF EX See Note Page 1 of 1  
 Provides relative to certain regulations affecting boilers

Proposed law requires compensated inspectors employed by the Office of the State Fire Marshal receive compensation in line with similar inspectors in the private sector in LA. Proposed law adds potable water boilers below a 120 gallon capacity and a rating of less than 200,000 British Thermal Units to the list of boilers exempt from inspection upon installation.

<b>EXPENDITURES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$115,400	\$115,400	\$115,400	\$115,400	\$115,400	<b>\$577,000</b>
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

<b>REVENUES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

Proposed law will increase SGF expenditures for the Office of the State Fire Marshal (OSFM) by approximately \$115,400 annually. The proposed legislation requires the OSFM to compensate certain inspectors by amounts equivalent to inspectors employed in the private sector. The Dept. of Public Safety (DPS) reports four employees eligible for pay increases of this type: 1 district chief, 1 captain, and 2 senior deputies. The pay increases for these four employees are based upon their years of experience and commissions from the National Board of Boiler and Pressure Vessel Inspectors ("Board"). The proposed salaries and their corresponding qualifications as follows: \$85,000 for an employee with 15 or more years of experience, supervisory experience, and multiple Board endorsements; and \$70,000 for employees with a Board in-service commission.

Presently one employee, a district chief, meets the qualifications for the \$85,000 salary recommendation. Three employees, a captain and two senior deputies meet the qualifications for the \$70,000 salary recommendation. The breakdown of present salaries, present benefits, increased salaries, and increased benefits, as well as the net cost increases, are outlined below.

<u>Position</u>	<u>Current Salary</u>	<u>Current Benefits</u>	<u>Salary Increase</u>	<u>Benefits Increase</u>	<u>Increase (New Salaries + New Benefits)</u>
District Chief	\$64,438	\$24,023	\$20,562	\$7,666	\$28,228
Captain	\$57,371	\$19,528	\$17,619	\$6,569	\$24,188
Senior Deputy	\$53,734	\$18,169	\$21,266	\$7,928	\$29,194
Senior Deputy	\$45,386	\$16,920	\$24,614	\$9,176	\$33,790
<b>TOTAL</b>	<b>\$210,939</b>	<b>\$78,640</b>	<b>\$84,061</b>	<b>\$31,339</b>	<b>\$115,400</b>

Note: To the extent existing resources from various means of finance are insufficient to provide for the increases required in proposed law, the Legislative Fiscal Office assumes an increase in SGF would be necessary. If sufficient SGR, IAT, or statutorily dedicated funds were available, those sources may be used in lieu of SGF.

**REVENUE EXPLANATION**

Proposed law will decrease SGR for the Office of the State Fire Marshal (OSFM) by an indeterminable amount. The proposed legislation exempts potable water boilers from inspection provided they have a capacity of 120 gallons or less and if rated at 200,000 British Thermal Units (BTUs) or less. For reference, the OSFM reports that it collected approximately \$376,000 in fees associated with conducting these inspections in FY 15. Presently each potable water boiler inspection carries an associated fee of \$15. However, because the exact number of boilers that will no longer be inspected is unknown, the exact revenue decrease is indeterminable.

- |  |                            |  |
|--|----------------------------|--|
| <u>Senate</u>  | <u>Dual Referral Rules</u> | <u>House</u>   |
| <input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} |                            | <input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}         |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}      |                            | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

*Evan Brasseaux*  
**Evan Brasseaux**  
**Staff Director**