

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 750** HLS 15RS 1317
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.: **w/ PROP HSE COMM AMD**
 Sub. Bill For.:

Date: April 27, 2015 8:07 AM	Author: BROADWATER
Dept./Agy.: Fire Marshal	Analyst: Matthew LaBruyere
Subject: Fuel Tank Inspections	

FIRE PROTECT/FIRE MARSHAL OR +\$117,347 SG EX See Note Page 1 of 1
 Authorizes the state fire marshal to conduct inspections and plan reviews relative to fuel tanks, fuel tank installations, and fuel dispensing facilities

Proposed law authorizes the state fire marshal to supervise the inspection of fuel tanks, fuel tank installations, and fuel dispensing facilities pursuant to the provisions of proposed law. Proposed law provides when the fire marshal may initiate an inspection of fuel tanks, fuel tank installations, and fuel dispensing facilities within one hundred feet of any one- or two-family dwelling or hunting or fishing camp. Proposed law allows the state fire marshal to issue orders to enforce the repair or removal of fuel tanks, fuel tank installations, and fuel dispensing facilities. Proposed law imposes restrictions on the owner of a fuel tank, fuel tank installation, or fuel dispensing facility once issued an enforcement order by the state fire marshal or his representative. Proposed law enumerates a list of causes for finding a violation. Proposed law authorizes the state fire marshal to charge a plan and review fee for the plan review of fuel tanks, fuel tank installations, and fuel dispensing facilities.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$117,347	\$94,826	\$98,183	\$101,675	\$105,307	\$517,338
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$117,347	\$94,826	\$98,183	\$101,675	\$105,307	\$517,338

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

The proposed legislation with adopted committee amendments will result in an increase in self-generated revenue expenditures as a result of the Office of the State Fire Marshal (SFM) inspecting and reviewing fuel tanks, fuel tank installations and fuel dispensing facilities within 100 feet of any one- or two-family dwelling, hunting or fishing camp. The exact number of dwellings with fuel tanks, fuel tank installations and fuel dispensing facilities that would be inspected is unknown as well as how many plans would be submitted for review. However, since the proposed legislation with adopted committee amendments mentions the SFM will review and inspect any fuel tank, the Legislative Fiscal Office estimates at least one additional position will be required.

According to the SFM, inspections will only take place upon complaints that are received and the office will not retroactively review fuel tanks, fuel tank installation, and fuel dispensing facilities. The SFM also states that any plan reviews will be handled with current resources.

For the SFM to add an additional deputy, the annual cost would be \$91,597 for 1 Senior Deputy State Fire Marshal. The salary and related benefits cost would be \$80,714 (\$51,252 salary + \$29,462 related benefits). Operating services and supplies including telephone, printing, postage, uniform, fuel and office supplies total \$9,900. Annual travel related to inspections is anticipated to be \$1,000. In addition, acquisition costs of \$25,750 consisting of an automobile (\$16,000), office and data equipment (\$3,450) and gun, vest, radio and evidence equipment (\$6,300) would be required if the SFM does not have surplus equipment available.

NOTE: In the event the rules and regulations promulgated by the SFM narrow the scope of what fuel tanks, fuel tank installations and fuel dispensing facilities will be subject to plan review and inspection, the workload increase and potential costs may be minimal and an additional deputy may not be needed.

REVENUE EXPLANATION

The proposed legislation will result in an increase in self-generated revenue as a result of reviewing plans for fuel tanks, fuel installations and fuel dispensing facilities. The current fee for storage tank plan reviews is \$50 plus a \$5 handling fee. The exact revenue impact is indeterminable since the number of plan reviews that will be conducted is unknown.

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| Senate | <u>Dual Referral Rules</u> | House | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {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
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