

STORAGE NAME: h1603a.brc

DATE: April 17, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
BUSINESS REGULATION AND CONSUMER AFFAIRS
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HB 1603

RELATING TO: Fire Safety

SPONSOR(S): Representative Fuller

STATUTE(S) AFFECTED: ss. 633.021, 633.061, 633.071, 633.511, and 633.514, F.S.

COMPANION BILL(S): CS/S 1314 (c)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

(1) BUSINESS REGULATION AND CONSUMER AFFAIRS YEAS 5 NAYS 0

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I. SUMMARY:

The Insurance Commissioner is designated as the State Fire Marshal. The State Fire Marshal implements the provisions of chapter 633, F.S., designed to protect the public health, safety, and welfare with regard to fire safety. Chapter 633, F.S., provides standards for persons who certify fire extinguishers, and for firefighters.

The bill makes various changes to the regulation of fire equipment. It:

- 1) Lowers the age someone can obtain a trainee's registration from 18 to 16.
- 2) Extends the allowable trainee registration period from 90 to 180 days.
- 3) Provides for *classified* -- rather than *listed* -- parts being acceptable in fire protection systems.
- 4) Restricts the number of locations a licensed fire equipment dealer can operate to five.
- 5) Eliminates the department's authority to set the time and place for training courses.
- 6) Clarifies that fire extinguishers and preengineered systems shall only be tagged after meeting all necessary requirements.
- 7) Clarifies that licensed fire equipment dealers eligible to serve as the designated fire equipment dealers on the Florida Fire Safety Board must hold one of the extinguisher licenses together with the systems license.
- 8) Includes fire equipment permitholders in the class of persons who may ask the Florida Fire Safety Board to review a recommended disciplinary action.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

GENERAL INFORMATION ON CHAPTER 633, F.S.

The Insurance Commissioner is designated as the State Fire Marshal. The State Fire Marshal implements the provisions of chapter 633, F.S., designed to protect the public health, safety, and welfare with regard to fire safety. Chapter 633, F.S., provides standards for persons who certify fire extinguishers, and for firefighters.

SPECIFIC CURRENT SITUATION INFORMATION ON AREAS THE BILL SEEKS TO CHANGE

A testing laboratory such as Underwriters Laboratories, Inc. (U.L.), tests fire protection systems to determine if they work properly. If they do work properly, it then *lists* the systems. There seems to be some disagreement over whether U.L. lists *parts*, or not. The Florida Fire Equipment Dealers Association (FFEDA) states that they *classify*, rather than list parts; the department indicates that they have not been shown that this is the case. Fire Marshal regulations require that such installed systems be *listed*, and use only *listed* parts.

Currently, a licensed equipment dealer may operate any number of locations. The Florida Fire Equipment Dealers Association indicates that it believes licensees may not be able to properly control the day-to-day operations of more than five locations.

Currently, a trainee registration is valid for 90 days. The department indicates that the current 90-day period does not provide enough time for a dealer to hire, evaluate, train, and review an applicant, schedule a slot for the state examination (which is often oversubscribed), complete the proper paperwork, and, in the case of a failing grade, retrain and retest the trainee. The department indicates that no entity has determined any detrimental effects of increasing the training period.

Current law requires permittees to qualify at age 18.

Florida Fire Equipment Dealers Association currently offers approved training courses as a service to its members. The association indicates that removing the State Fire Marshal's authority to designate a course's time and place -- while preserving their necessary oversight of curriculum -- would provide additional scheduling flexibility for fire equipment dealers, the majority of whom are personally involved in the day-to-day operations of their businesses.

In the case of a deficient preengineered fire protection system, the dealer is required to file a systems report with DBPR's Division of Hotels & Restaurants (e.g., grill hoods). A catch-22 in current law forces dealers to tag deficient systems without any other recourse.

B. EFFECT OF PROPOSED CHANGES:

The bill makes various changes to the regulation of fire equipment. It:

- 1) Lowers the age someone can obtain a trainee registration from 18 to 16.
- 2) Extends the allowable trainee registration period from 90 to 180 days.
- 3) Provides for *classified* -- rather than *listed* -- parts being acceptable in fire protection systems.
- 4) Restricts the number of locations a licensed fire equipment dealer can operate to five.
- 5) Eliminates the department's authority to set the time and place for training courses.
- 6) Clarifies that fire extinguishers and preengineered systems shall only be tagged after meeting all necessary requirements.
- 7) Clarifies that licensed fire equipment dealers eligible to serve as the designated fire equipment dealers on the Florida Fire Safety Board must hold one of the extinguisher licenses together with the systems license.
- 8) Includes fire equipment permitholders in the class of persons who may ask the Florida Fires Safety Board to review a recommended disciplinary action.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

N/A

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

- (1) parents and guardians?

N/A

- (2) service providers?

N/A

- (3) government employees/agencies?

N/A

D. SECTION-BY-SECTION RESEARCH:

Section 1. Amends s. 633.021, F.S., to provide for accepting for use in fire protection systems parts which are *classified* as equal parts, rather than *listed* as equal parts.

Section 2. Amends s. 633.061, F.S., to restrict a licensed fire equipment dealer to no more than five locations. Increases the trainee registration period from 90 days to 180 days; clarifies that permit trainees may also qualify at age 16, and further specifies that minors must be accompanied by an adult to training courses; eliminates the department's authority to set the time and place for training courses (retains their authority to adopt rules providing for the curriculum of the courses); and provides the State Fire Marshal the authority to designate another entity to produce identification cards, should the State Fire Marshal wish to privatize this ancillary function.

Section 3. Amends s. 633.071, F.S., to provide that fire extinguishers and preengineered systems shall only be tagged after meeting all necessary requirements.

Section 4. Amends s. 633.511, F.S., to clarify that licensed fire equipment dealers eligible to serve as the designated fire equipment dealers on the Florida Fire Safety Board must hold one of the extinguisher licenses together with the systems license.

Section 5. Amends s. 633.514, F.S., to include fire equipment permitholders in the class of persons who may ask the Florida Fire Safety Board to review a recommended disciplinary action.

Section 6. Provides that the bill shall take effect July 1, 1997.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

None.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The Committee on Business Regulation and Consumer Affairs adopted one "remove everything after the enacting clause" amendment.

The amendment is similar to the bill, but is the result of a compromise worked out between the Florida Fire Equipment Dealers Association, the State Fire Marshal's Office, and other interested parties. The amendment also includes Fire Marshal issues otherwise included in HB 995 (withdrawn from further consideration).

The amendment does (and the bill, as amended, will do) the following:

Section 1 restricts a licensee to no more than five locations. Safely servicing fire equipment requires close supervision, and licensees may not be able to properly control the day-to-day operations at more than five locations. This is a pre-emptive provision since no dealer currently qualifies for more than five locations.

Additionally, this section provides an opt-in/opt-out provision for servicing halon equipment. Many smaller dealers do not service, nor do they want to service, halon

equipment, but under current law, they are still required to purchase expensive halon servicing machines (currently run \$3,000-\$5,000).

This section also allows the Fire Marshal's Office to extend the initial 90-day trainee registration period for an additional 90 days under certain circumstances. Currently, 90 days is not enough time to hire, train, and evaluate an applicant, schedule the state exam (especially if the course is overbooked), complete the proper paperwork, and, in the case of a failing grade, retrain and retest the trainee.

Section 2 clarifies that fire extinguishers and preengineered systems shall only be tagged after meeting all necessary requirements. In the case of a deficient preengineered system, the dealer is required to file a systems report with the authority having jurisdiction. (For example, the report for a deficient restaurant hood would be filed with DBPR's Division of Hotels & Restaurants. The Fire Marshal's Office may publish a list of the appropriate authorities.) A catch-22 in current law forces dealers to tag deficient systems.

Section 3 includes technical corrections to add local, state, and federal law enforcement officers and fire department officials to the persons authorized to request information from insurance companies, and clarifies other limiting language relating to the investigation of fraudulent fire insurance claims.

Section 4 provides that firefighters employed by private entities under contract with public entities must be certified. Provides that persons employed as firefighters become certified within one year of employment, and prohibits those "pre-certified" firefighters from participating in certain hazardous operations. Allows certain "pre-certified" firefighters who have served as volunteer firefighters to operate in the same capacity as they did as volunteers.

Section 5 is a technical correction which clarifies that only fully licensed fire equipment dealers may serve as the designated fire equipment dealers on the Florida Fire Safety Board.

Section 6 is a technical correction which includes fire equipment permitholders in the class of person who may ask the Florida Fire Safety Board to review a recommended disciplinary action.

The bill also makes other technical changes as necessary.

VII. SIGNATURES:

COMMITTEE ON BUSINESS REGULATION AND CONSUMER AFFAIRS:

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