

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version:	HB 400
Fiscal Note Number:	2
(S) Publish Date:	4/23/2018

Identifier: HB400-DPS-FLS-04-18-18
 Title: FEES FOR FIRE PREVENTION MEASURES
 Sponsor: STATE AFFAIRS
 Requester: (S) FIN

Department: Department of Public Safety
 Appropriation: Fire and Life Safety
 Allocation: Fire and Life Safety
 OMB Component Number: 3051

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2019	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2019 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

1005 GF/Prgm (DGF)	42.2		84.4	84.4	84.4	84.4	84.4	84.4
Total	42.2	0.0	84.4	84.4	84.4	84.4	84.4	84.4

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? **YES**
 If yes, by what date are the regulations to be adopted, amended or repealed? **12/31/18**

Why this fiscal note differs from previous version/comments:

This fiscal note is adjusted to reflect the estimated revenue the Division of Fire and Life Safety would collect under this bill.

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Division:	Administrative Services	Date:	04/18/2018
Approved By:	Walt Monegan, Commissioner	Date:	04/18/18
Agency:	Public Safety		

REPORTED OUT OF
SFC 04/23/2018

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

Analysis

This bill amends AS 18.70.080(b) relating to the authority for the Department of Public Safety (DPS) to adopt regulations for the purpose of protecting life and property from fire and explosion by adding the authority for DPS to establish by regulation, and to charge, reasonable fees for fire inspections, fire extinguisher permitting, and fire system permitting. The bill also amends AS 37.05.146(c)(38) relating to program receipts to give DPS the authority to receive these fees.

The DPS Division of Fire and Life Safety (DFLS) has statutory authority to conduct fire safety inspections for certain buildings but does not have statutory authority to charge fees for such inspections. The same is true for issuance of fire system permits and permits for the installation, maintenance, and repair of portable fire extinguishers.

Should this bill pass, DPS would immediately begin the regulation process to establish the fee amounts for these services. Though the fee amounts will not be finalized until completion of the regulations process, the following amounts are suggested as a potential starting point:

Fire Inspections - \$50 per hour with a one-hour minimum. DFLS anticipates the average inspection to take two hours. The goal is to accomplish 1,500 inspections per year; but currently 500 is more likely. Considering 500 two-hour inspections per year at \$50 per hour, the estimated annual revenue would be \$50,000.

Fire Systems Technician Permits - \$150 for a 3-year permit. There are currently 535 active permit holders. Permit renewals are staggered resulting in an average of 178 permit renewals per year. The estimated annual revenue from issuance of these permits would be \$26,700.

Fire Extinguisher Technician Permits - \$100 for a 3-year permit. There are currently 231 active permit holders. Permit renewals are staggered resulting in an average of 77 permit renewals per year. The estimated annual revenue from issuance of these permits would be \$7,700.

Based on the analysis above, the total estimated annual revenue would be \$84,400. The actual fee amounts will not be known until the regulations process is completed. FY2019 revenue is estimated at \$42,200 based on the anticipated effective date of the regulations.