Rule Summary and Fiscal Analysis (Part A)

Department of Commerce

Agency Name

Division of State Fire Marshal Division Jennifer Bair Smith Contact

 6606 Tussing Road Box 4009 Reynoldsburg OH
 614-752-7476
 614-728-5168

 43068-0000
 Agency Mailing Address (Plus Zip)
 Phone
 Fax

1301:7-7-09 Rule Number

<u>NEW</u> TYPE of rule filing

Rule Title/Tag Line

Fire protection systems.

<u>RULE SUMMARY</u>

1. Is the rule being filed consistent with the requirements of the RC 119.032 review? No

2. Are you proposing this rule as a result of recent legislation? No

3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **119.03**

4. Statute(s) authorizing agency to adopt the rule: **3737.22**, **3737.82**, **3737.83**

5. Statute(s) the rule, as filed, amplifies or implements: 3737.22, 3737.65, 3737.82, 3737.83

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

The State Fire Marshal proposes to adopt Chapter 9 of the 2009 International Fire Code as amended, to revise and update the administrative rules comprising the Ohio Fire Code, and to establish provisions for fire protection equipment installer certification. This rule is being proposed to comply with five year rule review requirements.

7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE,

then summarize the content of the rule:

This section of the Ohio Fire Code prescribes rules for the design, installation, inspection, operation, testing and maintenance of all fire protection systems. It also prescribes rules for the certification of individuals and companies to service, test, repair, or install fire protection and/or fire fighting equipment. For further details on the changes to this rule, please see the attached exhibit "A".

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

Materials incorporated by reference in this rule are listed in O.A.C. 1301:7-7-47 and are generally available to affected persons (including members of the fire service, persons responsible for life safety in public occupancies, and design professionals) in the following manner:

1. All text or materials are published by either other governmental agencies, private organizations or industry associations. All of these publications may be obtained by the publishing companies that distribute this material nationally or by any person, without any restriction, from the organization that promulgated the material or text. Some of these reference materials are free and some may be purchased for a reasonable fee. O.A.C. 1301:7-7-47 lists the incorporated material and contact information for each of the organizations that publish the listed incorporated material.

2. Most of the incorporated material is also available at Ohio public libraries, the Division of State Fire Marshal, the Board of Building Standards, or at local government offices, including fire departments.

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

Not applicable.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

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Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so:

Not Applicable.

12. 119.032 Rule Review Date:

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

\$0

There is no increase in revenues/expenditures for the agency during the current biennium as the proposed effective date of this rule is November 1, 2011. With respect to the net impact of the proposed changes to the budget of the Division of State Fire Marshal, please see the attached exhibit "B" for further detail on specific fee increases/rescissions.

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

Not applicable.

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

As it relates to this rule in general:

The 2011 Ohio Fire Code will be available on the State Fire Marshal website with free access. Thus, purchase of a hard copy of the new code is optional and not required.

Some amended sections of this rule are based on construction requirements already contained in the Ohio Building Code. Thus, if a person complies with the Ohio Building Code, there is no additional cost of compliance. Per the Ohio Building Codes RSFAs relevant to the amended sections, there is no or minimal cost associated with the amended sections of this rule. A copy of the Board of Building Standard RSFA for the corresponding rule is attached as exhibit "C".

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? No

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? No

DATE: 07/11/2011 10:04 AM

Department of Commerce, Division of State Fire Marshal

> Ohio Fire Code RSFA Supplement Rule 1301:7-7-09

EXHIBIT A

- Rule 9The majority of the new language and rescissions in this rule was made to ensure
consistency with the Ohio Building Code and International Fire Code. Other changes
were made to clarify the existing rule. Finally, the following amended sections are
noteworthy or contain a new requirement but have no or de minimis fiscal impact/cost
of compliance:
 - 901.2.1 This section was moved to 901.5.1.
 - 903.2.12-13 These sections were moved to 903.2.11.4 to 903.2.11.6.
 - 904.11.6.1-3 These sections were to O.A.C. 1301:7-7-06.
 - 905.3.7 This section was moved to O.A.C. 1301:7-7-45.
 - 907.2(2) This new language requires that **t**he fire code official shall provide notice to the building official when the manual fire alarm box is required. There is no fiscal impact or cost of compliance for the required action.
 - 907.3 This section was moved to O.A.C. 1301:7-7-46.
 - 912.2-912.3.1 New language was added requiring the fire code official to notify the building code official of certain items with respect to the location of fire hydrant connections. There is no fiscal impact or cost of compliance for the required action.
 - 915.6 New language adds a requirement for applicants seeing certification to work on a particular system to have established competence by witnessing installation of systems under certain conditions. There is no fiscal impact or cost of compliance for the required action.

EXHIBIT "B"

RSFA 1301:7-7-09 Department of Commerce Division of State Fire Marshal

FISCAL IMPACT:

OFC Section	Title of Fee	Additional Revenue Received Per Person/Entity	Approximate # of Persons Affected	Total Yearly Increase in Revenue
915.20(b)	Company Late Renewal Fee (New)	\$15.00	283	\$4245.00
915.15(c) 915.20(c)	Duplicate License Fee (New)	\$10.00	500 per year	\$5000.00

COST OF COMPLIANCE:

OFC Section	Title of Fee	Additional Cost of Compliance Per Person/Entity	Approximate # of Persons Affected
915.20(c)	Company Late Renewal Fee	\$15.00	283
915.15(b) 915.20(b)	Duplicate License Fee (New)	\$10.00	500 per year

ADDITIONAL DETAILS:

OFC SECTIONS 915.15 and 915.20

- <u>Fire Protection Installer Fees</u>: Language amendments in OFC sections 915.15 and 915.20 eliminate one fee but implement a new fee for fire protection or firefighting equipment certified individuals and companies.
 - <u>Rescission of Fees [(915.15(c) and 915.20(c)]</u>: Current practice by the Division of State Fire Marshal is to change personal information on the license when a request is received in writing from a customer. That request is scanned and maintained to provide documentation for the change if necessary. In practice, a fee, although authorized, has not been charged for changing personal information as it is penalizing the customer for marriage, divorce, moving, etc., and is

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unnecessary. Thus, this language was rescinded to mirror administrative practice and eliminate an unnecessary penalty. There is no reduction in revenue since the fee had not been implemented.

- <u>Creation of Fees</u>:
 - [(915.20(b)(i)] OFC 915.15(b)(i) currently provides for a ten percent late renewal fee for fire protection or firefighting equipment certified *individuals*. The OFC did not provide for the same late renewal fee for certified *companies*. The new language in OFC 915.20(b)(i) provides for such fee for certified companies. This new fee will ensure both types of licensees are being treated in a consistent manner and act as an incentive for companies to renew timely.
 - In 2010, 283 out of 1843 certified companies renewed late. A ten percent late renewal fee is \$15.00. Thus, if approximately the same number of companies renew late under the proposed rule, there is an increased revenue and cost of compliance of \$4245.00.
 - [(915.15(c) and 915.20(c)]- An estimated five hundred fire protection licensees request a duplicate license each year. A ten dollar replacement fee serves as incentive for the licensee to maintain their license in a responsible manner and would cover the administrative costs (approximately \$10.00) incurred for researching, printing and mailing a duplicate license.

Exhibit C

DATE: 07/11/2011 10:04 AM

ACTION: Refiled

DATE: 02/24/2011 3:58 PM

THIS RULE: In 2010, the Board's Code Committee and an assembled team of constituent code experts performed an evaluation of the impact of the proposed rule changes to the Ohio Building, Mechanical, and Plumbing Codes. The overall results of the code scoring efforts *for this rule* are shown below in Table 1 below. The significance of the score *for this rule* is indicated in the Score Impact Ranges table shown in Table 3 below.

TABLE 1			
Rule 4101:1-6-01			
Savings Score - Cost Score	4.32		
Savings Score – Cost Score + Intangibles Score	6.58		

ALL RULES: The overall results of the code scoring efforts were tabulated, normalized, and are summarized in Table 2 below. The code scoring methodology and the resultant score values by individual code rule are shown in a report available on the Board of Building Standards' web site.

The resulting evaluation code scores for the Building Code rules and for all proposed code rules (Building, Mechanical, and Plumbing) are shown below in Table 2. The significance of these score is indicated in the Score Impact Ranges table shown in Table 3 below.

	Code	Mean OBC, OMC, OPC Total Score
Savings Score – Cost Score	0.00	0.14
Savings Score – Cost Score + Intangibles Score	2.71	2.62

Score Impact Ranges				
Moderate Savings Impact	≥ 5 to < 12			
Neutral Impact	<-2 to <5			
Moderate Cost Impact	≥ -2 to <-7			
High Cost Impact	≥-7 to -10			

SUMMARY: With mean scores of 0.14 and 2.62, the overall effect of the proposed changes to all three codes (Building, Mechanical, and Plumbing) is shown to be solidly within the neutral impact results range. These results validate that an appropriate balance between savings and cost has been maintained as well as assuring that Ohio's citizens are living in a safe and sanitary built environment ensuring their continued health, safety, and security.