

FIRE SPRINKLER REGULATORY ACT

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House Bill 6353

Sponsor: Rep. Gino Polidori

Committee: Regulatory Reform

Complete to 9-23-08

A SUMMARY OF HOUSE BILL 6353 AS INTRODUCED 7-23-08

The bill would create a new act, known as the Fire Sprinkler Regulatory Act, to provide for the licensure and regulation of the installation of fire suppression systems. Administration of the act would be the responsibility of the Department of Labor and Economic Growth, Bureau of Fire Services. The following is a section-by-section summary of the bill.

Section 3 (Definitions)

The bill includes numerous definitions, although, of note, it defines *fire extinguishing system* to mean a fire sprinkler system designed in accordance with nationally recognized standards that includes an assembly or piping or conduits that convey water, foam, or air with or without agents to dispersal openings or devices to extinguish, control, or contain fire and that provides protection from exposure to fire or the products of combustion. It includes underground and overhead piping, ponds, tanks, pumps, extra or special hazard applications, and other related components or devices necessary for water supplies.

The bill defines *special agent fire suppression system* to mean an approved system and components that require individual engineering in accordance with manufacturer specifications and includes dry chemical, carbon dioxide, halogenated, gaseous agent, foam, and wet preengineered systems but does not include a fire extinguishing system.

Section 5 (Licensure Required)

The bill would require that individuals installing special agent fire suppression systems or fire extinguishing systems to be licensed by the department.

Section 7 (Applications)

The bill would require the department to promulgate rules establishing separate licenses for contractors, journey, and apprentice levels installers. Licenses would be issued on a three-year cycle (starting on October 1), with licenses issued in off-years lasting one or two years, depending on when the license is issued.

Section 9 (Fire Sprinkler Fitter Fund and License Fees)

The bill would create the Fire Sprinkler Fitter Fund, administered by the department. The Fund would consist of a \$20 application fee, a three-year license fee of \$150, and a three-year fee of \$40 for each endorsement (special agent fire suppression system or fire extinguishing system), as well as investment earnings. The Fund would also include fees for issuing certificates of acceptability, testing, and evaluation, which would be established by the State Fire Marshal in consultation with the Fire Sprinkler Board. The State Fire Marshal would notify the appropriations committee chairs before certification fees are established, and would also submit a report to the legislature regarding the rationale behind the fee structure.

Section 11 (Michigan Fire Sprinkler Board)

The bill would establish a 9-member Michigan Fire Sprinkler Board, appointed by the Governor with the advice and consent of the Senate. The bill includes provisions regarding the qualification of board members and the staggering of terms. The board would be charged with advising the qualification standards, examinations, standards of practices, and disciplinary actions against licensees.

Section 13 (Qualification and Testing Standards)

A person seeking licensure would have to complete a sprinkler fitter apprenticeship program approved by the board and the bureau, and pass an examination. For the first year after the bill's effective date, licenses and endorsements would be issued to persons meeting other standards approved by the bureau.

Section 15 (Exemptions)

The license requirements would not apply to persons engaged in the routine visual inspection of fire alarm systems, special agent fire suppression systems, or fire extinguishing systems owned by the person or entity and installed on property under that person's or entity's control. It would also not apply to individuals engaged in other activities similar to those regulated by the bill.

Section 17 (Continuing Education)

The bill would require a minimum of 24 hours of continuing education per license cycle. Continuing education would include courses sponsored by fire equipment manufacturers or trade associations, courses sponsored by the bureau, distance learning approved by the bureau, courses completed in other states approved by the bureau, and related college or vocational course work.

Section 19 (Apprenticeships)

The bill would require that all work of an apprentice be done under the direct and task-specific instruction and supervision of an endorsed individual. An apprenticeship program of another state and meeting the requirements of the National Apprenticeship Act would be approved by the department.

Section 21 (Renewal Applications)

The bill would require that licenses be renewed.

Section 23 (Liability Insurance)

The bill would require licensees to maintain commercial general liability insurance from an insurer authorized to do business in Michigan, and to submit verification of worker's compensation insurance. The bill would also require that individuals servicing fire extinguishers maintain commercial general liability insurance with a minimum limit per occurrence of \$500,000. Individuals selling, servicing, or installing fire alarm systems, special agent fire suppression systems, or fire extinguisher systems would be required to maintain commercial general liability insurance with a minimum limit per occurrence of \$1.0 million. Failure to obtain the required insurance coverage would be grounds for denying, suspending, or revoking a license. Failure could also be punishable to a fine of up to \$500 or an administrative order limiting the activities of the individual.

Section 25 (Failure to obtain a License)

Failure to obtain a required license would be a misdemeanor.

Section 27 (Rule Making Authority)

The department would be granted rule-making authority.

FISCAL IMPACT:

A fiscal analysis is in progress. Currently the Forbes Mechanical Contractors Act provides for the licensure of contractors who install, service, or alter fire suppression systems.

Fiscal Analyst: Mark Wolf

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.