



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 761 (Substitute S-5)
 Sponsor: Senator Jon Cisky
 Committee: Appropriations

Date Completed: 2-21-96

CONTENT

Senate Bill 761 would amend the Fire Prevention Code, Act 207 of the Public Acts of 1941, to permit the Department of State Police to collect fees for the following fire safety services:

Biennial Operation and Maintenance Inspection Fee for Hospitals

\$10.00 per licensed bed.

Plan Review and Construction Fee for Hospitals and Schools

<u>Project Cost Range</u>	<u>Fee Per \$1,000</u>
\$85,000 or less	Minimum fee of \$100.00
\$85,001 to \$1,500,000	\$1.18
\$1,500,001 to \$10,000,000	\$.80
\$10,000,001 and over	\$.50 with maximum fee of \$50,000.00

The bill provides that the fee schedule would be in effect for FY 1995-96, and that in subsequent fiscal years, the fee schedule would be set within State Police appropriation bills. In addition, the bill also specifies the following:

- Construction projects that were already in the process of being reviewed by the Fire Marshal with General Fund support at the time of the effective date of the bill would be charged a prorated fee based on the percentage of the project yet to be completed.
- Fees collected under the bill would be carried forward from one fiscal year to the next.
- The Department would have to provide to the Senate and House Appropriations Committees a review of the Fire Prevention Code, which would include a study of the feasibility of privatizing functions and duties required under the Code.
- The bill would take effect on April 1, 1996.

FISCAL IMPACT

According to Department of State Police estimates, Senate Bill 761 (S-5) would generate approximately \$1.4 million in fire safety fee revenues on an annual basis. These funds would allow for a fire safety program that would permit a continuance of plan review and construction inspections of hospitals, schools (public, private, charter, colleges, and universities), adult foster care facilities, homes for the aged, nursing homes, freestanding surgical outpatient clinics, penal

facilities, State facilities, and psychiatric hospitals. It would also provide funds for the Fire Marshal to continue State certified fire inspector schools and a fire alarm suppression certification program.

Fiscal Analyst: B. Baker

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