SENATE BILL REPORT SB 5880

As of January 18, 2022

Title: An act relating to fire protection sprinkler system contractors.

Brief Description: Concerning fire protection sprinkler system contractors.

Sponsors: Senators Salomon, Conway, Keiser, Liias, Lovick, Nobles and Van De Wege.

Brief History:

Committee Activity: Business, Financial Services & Trade: 1/20/22.

Brief Summary of Bill

- Increases licensing fees for fire protection sprinkler system contractors.
- Increases the fines and penalties the State Director of Fire Protection can impose on contractors.
- Directs the State Director of Fire Protection to impose disciplinary action on contractors when warranted.
- Creates the Fire Protection Compliance Account for all fines and licensing fees collected by the State Director of Fire Protection.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES & TRADE

Staff: Clinton McCarthy (786-7319)

Background: A fire protection sprinkler system contractor is a person or organization that offers to undertake the execution of contracts for the installation, inspection, maintenance, or servicing of a fire protection sprinkler system or any part of such a system. A fire protection sprinkler system is an assembly of underground and overhead piping or conduit, or both, beginning at the connection to the primary water supply, whether public or private, that conveys water with or without other agents to dispersal openings or devices to

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extinguish, control, or contain fire and to provide protection from exposure to fire or other products of combustion. A certificate of competency holder is an individual who has satisfactorily met the qualifications and has received a certificate of competency from the State Director of Fire Protection (director).

The director administers examinations, issues certificates of competency, and licenses fire protection sprinkler system contractors in accordance with statute. License fees are deposited into the fire protection contractor license fund. These funds may be used only for licensing, inspection, and other purposes authorized by current law.

The director may suspend or revoke a fire protection sprinkler system contractor's license, or establish penalties for the following reasons: fraudulent or dishonest business practices; misrepresentation in obtaining a license; conviction of a felony; or gross incompetency or gross negligence in the preparation of technical drawings, or in the installation, repair, inspection, maintenance, or addition to a fire protection sprinkler system.

NFPA 13D is a residential sprinkler design standard focused on one and two-family dwellings and manufactured homes. NFPA 13R is a residential sprinkler design standard focused on low-rise residential occupancies.

The current licensing fees for fire protection sprinkler system contractors are as follows:

- \$100 for contractors that work on NFPA 13D systems; and
- \$300 for contractors that work on NFPA 13R systems.

Summary of Bill: Increases Certain Licensing Fees. The cap on license fees for fire protection sprinkler system contractors that work on NFPA 13D fire protection sprinkler systems is raised from \$100 to \$200. The cap on license fees for fire protection sprinkler system contractors that work on NFPA 13R fire protection sprinkler systems is raised from \$300 to \$600.

<u>Duties of the State Director of Fire Protection.</u> Permissive language providing the director with discretion on how to handle a licensed fire protection sprinkler system contractor when they are found to engage in unethical or illegal behavior is removed. The director must impose a disciplinary action on the contractor when the contractor engages in unethical or illegal behavior. The director can refuse to issue a license; refuse to renew a license; revoke a license or a certificate; or suspend a license or certificate.

Permissive language allowing civil proceedings to enforce fire protection statutes are removed. The attorney general or prosecuting attorney of any county must bring civil proceedings forward to enforce the fire protection statutes. The director must investigate any alleged violation of the fire protection statutes.

The director must provide a certificate holder with the renewal of a certificate through certified mail.

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<u>Increases in Fines.</u> The minimum fine levied against contractors that fail to obtain a certificate of competency are increased from \$1,000 to \$2,000. The maximum fine levied against contractors that fail to obtain a certificate of competency are increased from \$5,000 to \$10,000 for the first infraction. For a second infraction, a fine cannot be less than \$5,000 and no more than \$20,000. For a third infraction, a fine cannot be less than \$10,000 and no more than \$50,000.

<u>Creates the Fire Protection Compliance Account.</u> The Fire Protection Compliance Account is established in the custody of the state treasury. All fines and licensing fees collected by the director are to be deposited into this account. Expenditures from the account may only be used for enforcing the fire protection statutes. The account is subject to allotment procedures, but no appropriation is required for expenditures.

Appropriation: None.

Fiscal Note: Requested on January 17, 2022.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

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