HOUSE BILL REPORT SSB 5880

As Reported by House Committee On:

Consumer Protection & Business
Appropriations

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

Brief Description: Concerning fire protection sprinkler system contractors.

Sponsors: Senate Committee on Business, Financial Services & Trade (originally sponsored by Senators Salomon, Conway, Keiser, Liias, Lovick, Nobles and Van De Wege).

Brief History:

Committee Activity:

Consumer Protection & Business: 2/16/22, 2/17/22 [DP]; Appropriations: 2/24/22, 2/28/22 [DPA].

Brief Summary of Substitute Bill (As Amended By Committee)

- Increases licensing fees for fire protection sprinkler system contractors and the fines the State Director of Fire Protection can impose on contractors.
- Modifies duties of the State Director of Fire Protection to investigate alleged statutory violations and complete certificate of competency renewals.
- Creates the Fire Protection Compliance Account for fines collected by the State Director of Fire Protection.

HOUSE COMMITTEE ON CONSUMER PROTECTION & BUSINESS

Majority Report: Do pass. Signed by 4 members: Representatives Kirby, Chair; Walen, Vice Chair; Ryu and Santos.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Minority Report: Do not pass. Signed by 3 members: Representatives Vick, Ranking Minority Member; Dufault, Assistant Ranking Minority Member; Corry.

Staff: Michelle Rusk (786-7153).

Background:

Fire Protection Sprinkler Systems and Contractors.

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 extinguish, control, or contain fire and to provide protection from exposure to fire or other products of combustion.

Licensing Fees.

The State Director of Fire Protection (Director) administers examinations, issues certificates of competency, and licenses fire protection sprinkler system contractors in accordance with statute. The licensing fees for contractors who install, inspect, maintain, or service certain fire protection sprinkler systems may not exceed:

- \$100 for contractors who work on National Fire Protection Association (NFPA) 13-D systems, for one- or two-family residential dwellings or mobile homes; and
- \$300 for contractors who work on NFPA 13R system, for residential dwellings up to four stories in height.

License fees and charges are deposited into the Fire Protection Contractor License Fund, which may only be used for identifying fire sprinkler system components that are subject to a recall or voluntary replacement, and developing and publishing educational materials regarding the effectiveness of residential fire sprinklers.

Fines—Infractions and Certificates of Competency.

The Director has authority to adopt rules defining infractions under the fire sprinkler system contractors statute and associated fines for such infractions. A contractor who commits an infraction is subject to a fine no less than \$200 and no more than \$5,000. Additionally, a contractor who fails to obtain a certificate of competency is subject to a fine no less than \$1,000 and no more than \$5,000.

Fire Protection Sprinkler Fitting.

The Director also administers the fire protection sprinkler fitting statute, including adopting and administering examinations for applicants for certificates of competency, and possessing discretion to investigate alleged violations of the fire protection sprinkler fitting

statute.			

Summary of Bill:

<u>Increase in Certain Licensing Fees and Fines</u>.

Licensing Fees.

The licensing fees for fire protection sprinkler system contractors who install, inspect, maintain, or service certain fire protection sprinkler systems may not exceed:

- \$125 for contractors who work on NFPA 13-D systems; and
- \$375 for contractors who work on NFPA 13R systems.

Infractions.

The minimum and maximum fines for a contractor who commits an infraction are:

- for a first infraction, not less than \$300 and not more than \$7,500;
- for a second infraction, not less than \$400 and not more than \$10,000; and
- for a third infraction, not less than \$1,000 and not more than \$15,000.

Certificates of Competency.

The minimum and maximum fines for a fire protection sprinkler system contractor who fails to obtain a certificate of competency are:

- for a first infraction, not less than \$1,500 and not more than \$7,500;
- for a second infraction, not less than \$2,500 and not more than \$10,000; and
- for a third or any subsequent infraction, not less than \$5,000 and not more than \$25,000.

Creation of Fire Protection Compliance Account.

The Fire Protection Compliance Account is established in the custody of the State Treasurer. Fines collected for contractor infractions and failure to obtain certificates of competency are to be deposited into this account. Expenditures from the account may only be used for enforcing the fire protection statutes, and the account is subject to allotment procedures, but no appropriation is required for expenditures.

Fire Protection Sprinkler Fitting.

An authorized representative of the Director must investigate alleged violations of the fire protection sprinkler fitting statute, and when a certificate of competency under that statute is renewed the Director must provide the renewal directly to the certificate holder through certified mail.

Appropriation: None.	
Fiscal Note: Available.	

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Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill will help ensure that fire sprinkler systems are installed and will function properly, protecting Washington citizens. Some fire sprinklers are not being installed correctly, and there's a need to investigate this, but not all investigations are occurring. Senate Bill 5880 boosts the ability of the fire marshal to do these investigations when an alleged violation needs to be looked at, so the safety of fire sprinkler systems can be ensured.

The impact of unlicensed contractors or uncertified fire sprinkler fitters creates a disadvantage for companies that follow the rules. Most importantly, the use of unqualified or uncertified licensed contractors puts systems at risk, as well as the people who occupy those properties. Too often, systems are found out of service entirely from being installed by unqualified professionals. Senate Bill 5880 is necessary to add resources and create possible consequences, to detract from the use of unlicensed professionals and mitigate additional risk to the public and properties we occupy.

While Washington has robust requirements, Oregon does not. So despite Washington having robust licensing requirements, that is only one part of the equation, because it doesn't do any good to have robust requirements in Washington if local fire marshals aren't empowered to investigate violations. Oregon individuals can do work boldly in Washington without risk of being fined or caught, because they know fire marshals don't have staffing or funding to enforce Washington requirements. Senate Bill 5880 empowers state fire marshals with the tools and funding necessary to enforce licensing requirements.

(Opposed) None.

Persons Testifying: Senator Jesse Salomon, prime sponsor; Scott Peterson, United Association Local 699 Sprinkler Fitters; Melissa Bailey, Pacific Northwest Fire Protection; and John Halbakken, Cosco Fire Protection.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended. Signed by 19 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Chopp, Cody, Dolan, Fitzgibbon, Frame, Hansen, Johnson, J., Lekanoff, Pollet, Ryu, Senn, Springer, Stonier, Sullivan and Tharinger.

Minority Report: Do not pass. Signed by 13 members: Representatives Stokesbary,

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Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Corry, Assistant Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Boehnke, Chandler, Dye, Harris, Hoff, Jacobsen, Rude, Schmick and Steele.

Minority Report: Without recommendation. Signed by 1 member: Representative Caldier.

Staff: Yvonne Walker (786-7841).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Consumer Protection & Business:

The amendment requires an authorized representative of the State Director of Fire Protection (Director) to only investigate alleged violations once the Director or an authorized representative of the Director receives a complaint. In addition, the Director must adopt rules regarding the procedure for submitting complaints.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Enforcement has been a challenge in the fire sprinkler industry. The State Marshall's Office has been under resourced and often is not able to timely respond to complaints that arise regarding sprinklers, fitters, or contractors operating with appropriate licenses. It is important that the State Fire Marshall's office has what it needs to sustain a responsible compliance operation. The bill establishes a separate compliance account for operations within the sprinkler division that will be financed through penalties collected from infractions.

It is suggested that the bill should be amended to clarify that the State Fire Marshall's office only needs to investigate complaints that are brought forward, and that it is not the intent for them to do random site inspections. It is also suggested that rulemaking be used to develop a reporting form that must be completed to trigger the investigations. This change to the bill will reduce the cost of the bill.

(Opposed) None.

Persons Testifying: Scott Peterson, UA Sprinkler Fitters Local 699.

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Persons Signed In To Testify But Not Testifying: None.

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