



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 1173 (as reported without amendment)
Sponsor: Senator Rick Jones
Committee: Judiciary

CONTENT

The bill would amend the Fire Prevention Code to do the following:

- Revise the definition of "place of public assemblage".
- Delete various provisions pertaining to the inspection of places of public assemblage, and certificates of maximum capacity and compliance with the Code.
- Require a fire chief, a certified fire inspector, or a certified public assembly fire inspector, at least annually, to inspect each place of public assemblage to determine whether it was in compliance with the Code, except as otherwise provided.
- Require a city, village, or township to be responsible for administration and enforcement of inspections within its political boundary, except as otherwise provided.
- Allow a city, village, or township responsible for administration and enforcement of inspections to contract with cities, villages, townships, fire authorities, or the county in which the local unit is located, or with a certified public assembly fire inspector, for the purpose of fulfilling the inspection requirement.
- Allow a city, village, or township responsible for administration and enforcement of inspections to transfer that responsibility to the Bureau.
- Allow a city, village, township, fire authority, county, or the Bureau of Fire Services to charge a fee for conducting inspections, and specify that the fee could not exceed the actual, reasonable cost of providing the inspection.
- Require the Bureau to establish a method and process for reporting and tracking information related to inspections and issuing certificates.
- Allow the Bureau to assume responsibility for administration and enforcement of inspections from a city, village, township, fire authority, or county that failed to meet the bill's requirements.
- Prohibit a place of public assemblage from being established or operated without obtaining a certificate that it was in compliance with the Code, and require the certificate to be displayed in a conspicuous location.
- Allow a city, village, township, fire authority, county, or the Bureau to revoke or deny and certificate, and allow them to order a place of public assemblage to cease operation until it was in compliance with the Code.
- Modify certain provisions pertaining to rule promulgation by the Bureau and the Department of Environmental Quality.

The bill would take effect on January 1, 2020. The bill also would repeal Section 21d of the Code. (Section 21d requires the Bureau to issue each year a certificate indicating a place of public assemblage's maximum capacity and that it is in compliance with the Code, and requires the certificate to be displayed in a conspicuous location in the place of public assemblage. Also, Section 21d specifies that if a place of public assemblage is not in compliance with the Code, the Bureau may revoke or deny the certificate, and may order the place of assemblage to cease operation until it is in compliance.)

FISCAL IMPACT

The bill would not have a significant impact on the Department of Licensing and Regulatory Affairs. The Bureau of Fire Services does not currently conduct annual inspections of places of public assemblage as required by statute due to a lack of funding. The Department estimates that if the State did conduct these inspections, the cost could be as high as \$40.0 million per year under the current definition of places of public assemblage. The Department expects that the revised definition would result in an overall reduction in the number of locations requiring inspection; however, the current number of locations that would meet this new definition is unknown.

The bill likely would have a negative fiscal impact on local units of government, but the extent of the impact is unknown. The bill would require each local unit to assume responsibility from the Bureau of Fire Services for inspecting and issuing certificates to places of public assemblage. However, the bill would allow a local unit of government to transfer the responsibility to the Bureau, or for the Bureau to take over responsibility in certain circumstances. It also would allow each local unit or the Bureau of Fire Services to charge a fee to cover the costs associated with inspecting and issuing certificates. The fiscal impact on any given local unit and on the State would depend on the characteristics of the local units that transferred responsibility to the Bureau and whether the fees charged were enough to cover the associated costs.

Date Completed: 11-28-18

Fiscal Analyst: Ryan Bergan
Elizabeth Raczkowski