

**LEGISLATIVE FISCAL OFFICE
Fiscal Note**



Fiscal Note On: **HB 679** HLS 15RS 964
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 27, 2015 2:11 PM	Author: ST. GERMAIN
Dept./Agy.: State Fire Marshal	Analyst: Matthew LaBruyere
Subject: Conveyance Devices	

COMMERCIAL REGULATIONS OR INCREASE SG RV See Note Page 1 of 1
 Creates the Conveyance Devices Safety Pilot Program

Proposed law is applicable only to certain equipment including but not limited to elevators, platform lifts, escalators, moving walkways, and dumbwaiters. Proposed law requires owners or their representatives to report to the state fire marshal any injury or death occurring on a covered conveyance, and requires the state fire marshal to issue an immediate cease and desist order to the owner of the conveyance and investigate the injury or death within 24 hours of receipt of the report. Proposed law requires the owner of a conveyance device to cease operating the device after an accident involving injury or death until a third party inspector attests that the conveyance device is safe, no longer defective, and does not pose a threat of injury or death. Proposed law requires the state fire marshal to submit a report with recommendations to the House Committee on Commerce and Senate Committee on Commerce, Consumer Protection and International Affairs by March 1, 2020. Proposed law provides that the program begins on January 1, 2016, and ends on December 31, 2019.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

The Office of the State Fire Marshal (SFM) has indicated that the number of deaths or injuries associated with conveyance devices may be relatively low in the state based on a 2006 study by the Center to Protect Workers' Rights. The study estimates that nationwide there are 30 deaths and 17,000 injuries annually involving elevators. By applying this number of 17,030 incidents against state populations, this would calculate to 249 incidents occurring in Louisiana annually. This number of incidents would result in 5 additional inspections per year for 50 deputies within the department. The SFM indicates this number of inspections could be absorbed within its current resources.

It should be noted that it is unknown how many conveyance devices there are in the state and how many injuries and /or deaths may occur on conveyance devices located within the state that will be inspected. However, to the extent the number of incidents exceeds the workload of current deputies, the SFM would require at least one additional position to conduct conveyance device investigations.

For the SFM to add personnel as a result of an increased workload (1,145 call per service per year), the annual cost would be \$91,597 for 1 Senior Deputy State Fire Marshal. The salary and related benefits cost would be \$80,714 (\$51,252 salary + \$29,462 related benefits). Operating services and supplies including telephones, printing, postage, uniform, fuel and office supplies total \$9,900. Annual travel related to inspections is anticipated to be \$1,000. In addition, acquisition costs of \$20,450 consisting of an automobile (\$16,000), office and data equipment (\$3,450) and evidence equipment (\$1,000) would be required if the SFM does not have surplus equipment available.

REVENUE EXPLANATION

The proposed legislation may result in an increase in self-generated revenue as a result of the State Fire Marshal's Office issuing fines for violations related to conveyance device injuries and/or deaths. The exact revenue impact is indeterminable since it is unknown how many fines will be issued and what the amount for each fine will be. The proposed legislation states that fines are not to exceed \$1,000.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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