

LEGISLATIVE FISCAL ESTIMATE
SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 3516
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: MARCH 27, 2023

SUMMARY

- Synopsis:** “Fire Life Safety Damper and Smoke Control System Inspection Verification Act”; Requires routine maintenance and periodic testing of smoke dampers, fire dampers, and smoke control systems in certain buildings by qualified personnel.
- Type of Impact:** Annual State and local cost increases, annual State and local revenue increases.
- Agencies Affected:** Department of Community Affairs, local governments, various State agencies.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Cost Increase	Indeterminate
State Revenue Increase	Indeterminate
Local Cost Increase	Indeterminate
Local Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that the bill will result in indeterminate annual cost increases to the Department of Community Affairs and local governments, including certain municipal and county agencies and fire districts, to conduct the required inspections of fire life safety dampers and newly installed smoke control systems on certain schedules established by the bill. The department will also incur costs to establish routine maintenance and operational testing schedules to be adhered to by affected building owners, to undertake enforcement actions for any instances of non-compliance with the bill’s provisions, and to maintain compliance records.
- State agencies and local governments with buildings subject to the requirements of the bill will incur indeterminate cost increases to maintain their systems in compliance with the rules established by the department and to have the required inspections conducted on their fire life safety dampers and any newly installed smoke control systems. They will also incur certain marginal administrative costs to comply with the recordkeeping requirements of the bill.

- The State and local governments are also expected to experience indeterminate increases in annual revenue to the extent that fees are established to conduct fire life safety damper and smoke control system testing, and to the extent that fines are collected from building owners for violations of the bill's provisions.

BILL DESCRIPTION

The bill, known as the Fire Life Safety Damper and Smoke Control System Inspection Verification Act, establishes certain requirements concerning the maintenance and inspection of fire life safety dampers and smoke control systems. A fire life safety damper required to be installed pursuant to the State Uniform Construction Code, and a newly-installed smoke control system in buildings (other than in single-family, two-family, and attached single-family structures) would be subject to regular testing. Under the bill, a contractor that provides fire life safety damper or smoke control system testing services is required to hold certain certifications. The bill establishes processes for certifying buildings tested under the bill and establishes penalty provisions for violations of the bill.

Certain smoke control system requirements are already established in existing State law pursuant to the New Jersey International Fire Code and the New Jersey International Building Code, adopted by Department of Community Affairs. However, the requirements in existing law differ from those required under the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill will result in indeterminate annual cost increases to the Department of Community Affairs and local governments, including certain municipal and county agencies and fire districts, to conduct the required inspections of fire life safety dampers and newly installed smoke control systems on certain schedules established by the bill. The OLS is unable to estimate the number of buildings that are currently required to contain fire life safety dampers under the Uniform Construction Code, but notes that this requirement applies to several types of residential and non-residential structures, including but not limited to, hotels, apartments, and treatment centers. The OLS also notes that one federal contractor offering fire and smoke damper testing charges \$29 to \$36 per damper. The OLS also cannot foretell the number of additional, newly installed smoke control systems that will become subject to the requirements of the bill to determine the costs the department and local governments will incur in conducting inspections of these systems. It is noted, however, that inspections of these systems can be in excess of \$300 per inspection.

The department will also incur costs to establish routine maintenance and operational testing schedules to be adhered to by affected building owners and to undertake enforcement actions for any instances of non-compliance with the bill's provisions. There will also be a certain amount of costs to the department to maintain records of compliance with the bill's provisions.

State agencies and local governments with buildings subject to the requirements of the bill will incur indeterminate cost increases to maintain their systems in compliance with the rules established by the department and to have the required inspections conducted on their fire life safety dampers and newly installed smoke control systems. They will also incur certain marginal administrative costs to comply with the recordkeeping requirements of the bill.

The State and local governments will also collect an indeterminate amount of revenue from any fees established to conduct the required inspections and through the collection of fines imposed for violations of the bill's provisions. The OLS notes that existing law allows municipalities to cover their costs of conducting Uniform Fire Safety Act inspections by establishing fees to pay for the costs of enforcing the act. The bill also imposes a fine in an amount to be determined by the department, but at least \$150 per day, on a building owner who violates the provisions of the bill or the technical codes or regulations adopted pursuant to the bill. However, the OLS does not anticipate extensive non-compliance with the provisions of the bill.

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).