TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE

FISCAL MEMORANDUM

HB 296 - SB 723

April 3, 2023

SUMMARY OF BILL AS AMENDED (007100): Requires a person entering into employment as a municipal or county building, plumbing, mechanical, or electrical inspector in a jurisdiction that is exempt from the State Fire Marshal's Office (SFMO) statewide building standards, to obtain either a commercial or residential certification, or both, in their respective discipline within 12 months of the date of employment. Authorizes such person(s) to perform field inspections as of the date of employment.

Authorizes a local government by a majority vote to accept an electrical inspection whether residential or commercial, issued by an electrical engineer so long as the engineer meets certain qualifications and is registered with the SFMO and such inspection is performed by the engineer on a form approved by the SFMO.

Requires the local government to review and approve such an inspection performed by an engineer and to provide written notice of any deficiencies, within five business days from the date the inspection was received by the local government or appropriate local governmental official or entity. Further requires the local government to maintain a record of such inspection performed by an engineer for no less than three audit years.

Requires the state fire marshal to publish and maintain a list of engineers registered to conduct such inspections and authorizes the SFMO to promulgate rules relative to such inspections.

FISCAL IMPACT OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 68-120-101, the State Fire Marshal establishes minimum statewide building standards for the design, construction, alteration, and repair of state, municipal, county, and private buildings.
- Pursuant to Tenn. Code Ann. § 68-120-118(a)(1)(A) and (B), the SFMO requires all persons entering into employment after July 1, 2008, as a municipal, county or state employed plumbing inspector, mechanical inspector, to be certified within 12 months of employment and all person entering into employment after January 1, 2020, as a municipal, county, or state-employed electrical inspector to be certified.

- Pursuant to Tenn. Code Ann. § 68-120-101(b), a county or municipality can vote to exempt the local entity from statewide building standards for one and two-family dwellings.
- The provisions in the legislation establish that even an exempt county under the statute will still need to comply with the SFMO building standards despite being lawfully exempt from the standards, and gives such exempt counties 12 months to have its electrical inspectors certified from the date of employment in addition to its building, plumbing and mechanical inspectors.
- The SFMO will not lose any regulatory authority and will not be significantly impacted.
- Based on information provided by DCI there will not be an increase in the number of certifications as a result of the legislation.
- Based on information provided by local entities, it can be assumed that local entities are already complying with these SFMO standards in spite of being exempt.
- Any local entity that will need to certify its employees or have its employees certified can comply with the new regulation within existing resources or will do so at the employees' expense.
- It is assumed that a local government may utilize the option to accept an electrical inspection by an electrical engineer if such alternative is financially beneficial to the county or no other alternatives are available. However, any permissive impact on local government is estimated to be not significant.
- The SFMO can comply with the provisions of the proposed legislation within existing resources.
- Any impact to state or local government will not be significant.

IMPACT TO COMMERCE OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumption:

- No significant impact to commerce or jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner

Krista Lee Carsner, Executive Director

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