

SENATE BILL REPORT

SB 5425

As Reported by Senate Committee On:
Labor & Commerce, February 13, 2023
Ways & Means, February 24, 2023

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

Brief Description: Concerning fire protection sprinkler system contractors.

Sponsors: Senators Salomon, Keiser, Boehnke, Wilson, J. and Conway.

Brief History:

Committee Activity: Labor & Commerce: 2/07/23, 2/13/23 [DPS-WM, DNP, w/oRec].
Ways & Means: 2/22/23, 2/24/23 [DP2S, DNP].

Brief Summary of Second Substitute Bill

- Increases licensing fees for fire protection sprinkler system contractors, and the fines the State Director of Fire Protection can impose on contractors.
- Creates the Fire Protection Compliance Account for fines collected by the State Director of Fire Protection.
- Requires direct supervision of sprinkler fitter trainees and establishes a supervision ratio of trainees to certified sprinkler fitters.
- Directs the State Director of Fire Protection to investigate alleged violations of the laws and rules related to fire protection sprinkler fitters.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: That Substitute Senate Bill No. 5425 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Keiser, Chair; Conway, Vice Chair; Saldaña, Vice Chair; King,

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.

Ranking Member; Braun, Robinson and Stanford.

Minority Report: Do not pass.
Signed by Senator Schoesler.

Minority Report: That it be referred without recommendation.
Signed by Senator MacEwen.

Staff: Jarrett Sacks (786-7448)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5425 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Rolfes, Chair; Robinson, Vice Chair, Operating & Revenue; Mullet, Vice Chair, Capital; Wilson, L., Ranking Member, Operating; Gildon, Assistant Ranking Member, Operating; Rivers, Assistant Ranking Member, Capital; Warnick, Assistant Ranking Member, Capital; Billig, Boehnke, Braun, Conway, Dhingra, Hasegawa, Hunt, Keiser, Muzzall, Nguyen, Pedersen, Saldaña, Torres, Van De Wege, Wagoner and Wellman.

Minority Report: Do not pass.
Signed by Senator Schoesler, Ranking Member, Capital.

Staff: Julie Murray (786-7711)

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.

Fines. 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. 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 (Second Substitute): 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.

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

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

A fire protection sprinkler system contractor who fails to obtain a certificate of competency shall be assessed a fine as follows:

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

An authorized representative of the director must investigate violations of the fire sprinkler fitter licensing statute. Permissive language under the current statute is removed.

Fire Protection Compliance Account. The Fire Protection Compliance Account is established in the custody of the state treasury. 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 Sprinkler Fitter Trainees. A person with a trainee certificate may perform sprinkler fitting work under supervision. Supervision must consist of the trainee being on the same jobsite and under the control of either a residential or journey-level fire protection sprinkler fitter certified to perform the type of work the trainee is performing. The required ratio of trainees performing journey-level fire sprinkler fitter work to certified sprinkler fitters is 1:1. The required ratio of trainees performing residential fire sprinkler fitter work to certified sprinkler fitters is 2:1.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Second Substitute):

Removed the prohibition on increasing fees until 2028.

EFFECT OF CHANGES MADE BY LABOR & COMMERCE COMMITTEE (First Substitute):

Changes the required supervision ratio of trainees performing residential fire sprinkler fitter work from 1:1 to 2:1.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill (Labor & Commerce): *The committee recommended a different version of the bill than what was heard.* PRO: Increasing fees can increase personnel for enforcement and the supervision requirements will ensure personnel as well-trained. The ratios will give trainees more time to work with a journeyman, which is critical for education. Trainees are left alone on jobsites. Proper installation is critical for public safety. The bill addresses illegal fire sprinkler contractors with escalating penalties and will encourage licensure. The bill will give parity with other trades. Small penalties are not a disincentive. The bill will stop repeat offenders.

CON: The doubling and tripling of fines is excessive when each day of a violation is a separate infraction. This could bankrupt a small company. The new account lacks restrictions on spending that the licensing account has. Removing penalties from the current account will exacerbate the current shortfall. Requiring investigations will create nuisance complaints from competitors.

Persons Testifying (Labor & Commerce): PRO: Senator Jesse Salomon, Prime Sponsor;

Ricky Campbell, Field Representative, UA Local 699 Sprinkler Fitters; Iran Carmona, Apprentice, UA Local 699 Sprinkler Fitters; Kevin Johnston, Service Manager, Redhawk Fire protection; Pat Dillon, Manager, Fire Chief Equipment.

CON: Chris Russell, The Pacific Northwest Chapter of the American Fire Sprinkler Association.

Persons Signed In To Testify But Not Testifying (Labor & Commerce): No one.

Staff Summary of Public Testimony on First Substitute (Ways & Means): *The committee recommended a different version of the bill than what was heard.* PRO: Currently, cheating contractors are able to take advantage of the system, as the state Fire Marshal's office is busy and does not have the resources to catch them when a valid complaint is submitted. This bill will fund a dedicated compliance officer position whose primary task will be compliance within the fire safety industry. The cost in the fiscal note to create this position is necessary to strengthen compliance and improve public safety and public trust in Washington building safety.

OTHER: This is a well needed bill, but the ratio change will severely impact affordable housing as the demand for journeymen will go up.

Persons Testifying (Ways & Means): PRO: Scott Peterson, UA Sprinkler Fitters Local 699; Kevin Johnston, Red Hawk Fire Protection; Pat Dillon, Fire Chief Equipment.

OTHER: Ashton Wolfe, Wolfe Fire Protection, Inc.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.