

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4609H.011
Bill No.: HB 2154
Subject: Cities, Towns, and Villages; Fire Protection; Political Subdivisions
Type: Original
Date: January 24, 2022

Bill Summary: This proposal changes the law regarding cities' ability to regulate fire hydrants.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

§71.395 – Fire hydrants

Officials from the **City of Camdenton** state cities could then be spending money to put in fire hydrants even though they may not have the funds available or could take money away from other needed services.

Officials from the **City of Springfield** anticipate a negative fiscal impact from this proposal and is difficult to quantify but would likely be very costly.

Officials from the **City of Grandview** state that most, if not all of the cities in Missouri, impose upon developers the requirement to build structures that comply with all City Codes, including Building and Fire Codes. The Fire Codes in particular require new buildings to incorporate life/safety features into the buildings, including fire hydrants as a condition to receiving building permits and certificates of occupancy. It is a matter of life and safety of city residents and is part of the cost of development. This proposal would shift the cost of installing fire hydrants to each city, which would clearly have a fiscal impact.

Officials from the **City of Prairie Home** state any new subdivision built within city limits will increase city costs by requiring the city to pay for the installation of fire hydrants. The cost of this unfunded mandate is unknown since it is not known what development will take place.

Officials from the **City of Sikeston** assume this proposal transfers the cost of development from the developer to the taxpayer at large, even though the taxpayer at large doesn't necessarily benefit from the installation of the hydrant.

Officials from the **Florissant Valley Fire Protection District** assume this proposal could reduce or limit required fire code requirements for fire flow that is important for firefighting, leaving areas without needed and required water supplies for firefighting

Oversight notes the responses from the cities and fire protection district above indicated this proposal would have an unknown negative impact. Oversight is unable to project a statewide cost for this proposal based on the number of cities and the number of potential fire hydrants that would be needed in any given year. Oversight will, therefore, show the impact to local governments-political subdivisions as an unknown cost.

Officials from the **Department of Public Safety's Division of Fire Safety** and the **City of Claycomo** assume the proposal will have no fiscal impact on their organizations. **Oversight** does

not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these entities.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities and fire protection districts were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in Oversight’s database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
LOCAL POLITICAL SUBDIVISIONS			
<u>Costs – Cities – installation of fire hydrants (§71.395) p. 3</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill requires an incorporated city to pay for the costs of installing a fire hydrants, other than a dry fire hydrant. If the city cannot or does not pay the cost of installation of the fire hydrant, installation of the fire hydrant cannot be required.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

City of Camden

City of Claycomo

City of Springfield

City of Grandview

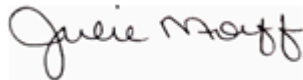
City of Prairie Home

City of Sikeston

Florissant Valley Fire Protection District

Department of Public Safety

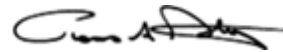
Division of Fire Safety



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January 24, 2022



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