



Alabama Department of Insurance

**NOTICE OF INTENDED ACTION**

**AGENCY NAME:** Alabama Department of Insurance

**RULE NO. & TITLE:** Rule 482-2-103: Fire Protection Sprinkler Requirements.

**INTENDED ACTION:** Amend rule.

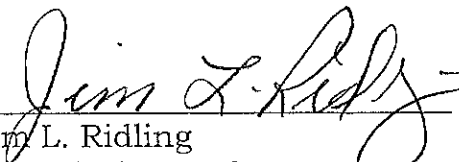
**SUBSTANCE OF PROPOSED ACTION:** The State Fire Marshal is proposing to amend the rule which sets forth the fees necessary for the administration and enforcement of the Fire Protections Sprinkler Systems Act. The fee was originally set in 1988 in Section 34-33-4, Code of Alabama 1975. The revisions adjust the fees according to changes in the Consumer Price Index over the last ten years as permitted by Alabama Act No. 2015-441. The proposed effective date of the revisions is January 1, 2016.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Interested persons may submit data, views, or arguments in writing at any time prior to December 1, 2015, to the Alabama Department of Insurance, Attention: Legal Division, Post Office Box 303351, Montgomery, Alabama 36130-3351, or orally by appearing at the public hearing, Suite 502, RSA Tower, 201 Monroe Street, Montgomery, Alabama, beginning at 2:00 PM, December 8, 2015.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

December 4, 2015

**CONTACT PERSON AT AGENCY:** Reyn Norman  
General Counsel

  
\_\_\_\_\_  
Jim L. Ridling  
Commissioner of Insurance

**ECONOMIC IMPACT STATEMENT  
FOR APA RULE  
(Section 41-22-23(f))**

Control 482 Department or Agency Department of Insurance

Rule No. Rule 482-2-103

Rule Title: Fire Protection Sprinkler Requirements.

New       Amend       Repeal       Adopt by Reference

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:

Permit fees are intended to defray the expense of issuing the permits. Proposed changes are expected to more closely approximate the actual expense to the agency of issuing the permits.

2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

Permit fees are intended to defray the expense of issuing the permits. Proposed changes are expected to more closely approximate the actual expense to the agency of issuing the permits.

3. EFFECT OF THIS RULE ON COMPETITION:

Applicable to all permit holders, thus should have no effect on competition.

4. EFFECT OF THIS RULE ON COST-OF-LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

Fees are increasing according to changes in the Consumer Price Index, limited to 2% per year for 10 years (a total of 20%), as authorized in Act 2015-441.

5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

Should have no effect.

6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:

Initial applicants and annual renewal for sprinkler contractor permits, and for initial and annual renewal of skilled worker exemption certificates.

7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THIS RULE:

Increases the initial and annual renewal fee for sprinkler contractors, and initial and annual renewal of skilled worker exemption certificates, by 20% by increasing from \$100 to \$120.

8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:

None known.

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

None.

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:

None.

**\*\*Additional pages may be used if needed.**

1 ALABAMA DEPARTMENT OF INSURANCE  
2 STATE FIRE MARSHAL REGULATION

3  
4  
5 CHAPTER 482-2-103

6  
7  
8 FIRE PROTECTION SPRINKLER REQUIREMENTS

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1 **482-2-103-.01. Permit Fees.**

2 (1) The State Fire Marshal hereby sets the following fees  
3 as are declared necessary for the administration and  
4 enforcement of Chapter 33 of Title 34, Code of Alabama 1975,  
5 known as the Fire Protection Sprinkler Systems Act, and  
6 adjusted according to Alabama Act No. 2015-441:

7 (a) ~~Initial~~ Application Fee for Contractor Permit,  
8 initial and annual renewal ..... \$100 \$120

9 ~~(b) Annual Renewal Fee for Contractor Permit~~ .... \$100

10 ~~(e)(b) Annual~~ Skilled Worker Exemption Certificate (per  
11 worker), initial and annual renewal ..... \$100 \$120

12 (2) In the event a permit lapses for non-renewal, the  
13 holder must submit a new application and pay the initial  
14 Application Fee.

15 **Author:** State Fire Marshal  
16 **Statutory Authority:** Code of Alabama 1975, §§ 27-2-17, 34-33-  
17 2, 34-33-4, & 34-33-7 & Ala. Act No. 2015-441  
18 **History:** New September 11, 2003, effective October 1, 2003;  
19 Revised May 7, 2007, effective June 1, 2007; Revised November  
20 9, 2010, effective November 22, 2010; Revised \_\_\_\_\_,  
21 Effective January 1, 2016

1 **482-2-103-.02 Skilled Employee Exemption.**

2 (1) Skilled employees of a fire protection sprinkler  
3 system owner are not required to hold a fire protection  
4 sprinkler system contractor permit in order to perform and  
5 certify to the weekly fire pump testing on the owner's systems  
6 required by National Fire Protection Association Standard for  
7 Water Based Fire Protection Systems (NFPA Standard 25). The  
8 State Fire Marshal will issue a certificate of exemption to an  
9 employer for each such employee who meets the requirements of  
10 this ~~regulation~~ rule.

11 (2) An employer seeking an exemption for an employee must  
12 apply to the State Fire Marshal for a certificate of exemption  
13 on forms prescribed by the State Fire Marshal for that  
14 purpose. ~~A \$100.00~~ The skilled worker exemption certificate  
15 fee indicated in Rule 482-2-103-.01 must be paid with each  
16 application. With the application the employer must submit  
17 documentation (i) that the employee has satisfactorily  
18 completed a course of training in pump maintenance and testing  
19 specific to the pump equipment the employee is responsible  
20 for, and (ii) that, based on observation of the employee's  
21 performance of a pump test, the certified fire protection  
22 sprinkler system contractor responsible for overall

1 maintenance of the employer's system certifies to the  
2 employee's ability to perform testing on the specific pump  
3 equipment the employee is responsible for.

4 (3) A certificate of exemption authorizes the named  
5 employee to perform and certify to weekly pump testing  
6 required by NFPA Standard 25 without holding a fire protection  
7 sprinkler system contractor permit. A certificate is limited  
8 to (i) the employee named and (ii) the specific pump equipment  
9 identified in the certificate (which must be located on or  
10 within the employer's premises). The certificate is not  
11 transferable. If the employee leaves employment, the  
12 certificate is void as of the date employment terminates.  
13 Within seven (7) business days after the employee's  
14 termination date, the owner/employer shall notify the State  
15 Fire Marshal in writing of the employee's name, certificate  
16 number, and the employment termination date.

17 (4) A certificate does not authorize an employee to  
18 perform pump testing on equipment not specified in the  
19 certificate or as to any system that is not located on the  
20 employer's premises or owned by the employer or to engage in  
21 any activity for which a fire protection sprinkler contractor  
22 permit is otherwise required.



1 (5) A certificate is valid until the earlier to occur of  
2 one year after its issue date or the date the employee  
3 separates from employment. A certificate may be renewed on an  
4 annual basis by payment of a ~~\$100.00~~ the skilled worker  
5 exemption certificate annual renewal fee indicated in Rule  
6 482-2-103-.01.

7 **Author:** State Fire Marshal  
8 **Statutory Authority:** Code of Alabama 1975, §§ 27-2-17 & 34-  
9 33-2, & Ala. Act No. 2015-441  
10 **History:** New September 11, 2003, effective October 1, 2003;  
11 Revised May 7, 2007, effective June 1, 2007; Revised November  
12 9, 2010, effective November 22, 2010; Revised \_\_\_\_\_,  
13 Effective January 1, 2016