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Progress Report

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Division of State Fire Marshal Implements Several OPPAGA Recommendations

at a glance

In response to our 2001 report, the Department of Insurance's Division of State Fire Marshal implemented several of our recommendations.

- The Bureau of Fire and Arson Investigations completed a customer satisfaction survey.
- The Bureau of Fire Prevention developed computer-based data systems to track major regulatory activities.
- The division initiated several processes to improve its boiler safety function.

However, the department's inspector general has not conducted a follow-up review of the Bureau of Fire and Arson Investigations data collection methods, and the Legislature has not yet enacted statutory changes that would increase the division's boiler safety-related regulatory authority.

Scope

In accordance with state law, this progress report informs the Legislature of the actions taken in response to the findings and recommendations included in OPPAGA's 2001 justification review of the Division of State Fire Marshal.^{1,2}

¹ [Justification Review: Fire Marshal Division Performs Well; Boiler](#)

Background

The purpose of the Division of State Fire Marshal is to minimize loss of life and property due to fire and to provide the public with maximum protection from threats of fire, arson, and other hazards. The division is organized into three bureaus, which provide the services described below.

The Bureau of Fire and Arson Investigations investigates fire scenes to determine cause and origin and maintains an arson laboratory complex.

The Bureau of Fire Prevention inspects state-owned and state-leased buildings and reviews building construction plans to determine compliance with fire safety codes. The bureau also assists local governments in providing fire prevention services, including code development and interpretation. In addition, the bureau has responsibility for inspecting boiler systems to determine compliance with the state boiler safety code; and investigating complaints against contractors providing

[Safety Function, Measures Need Improvement](#), Report No. 01-31, June 2001.

² At the time of our justification review, the division was located in the Department of Insurance. However, Florida voters passed a constitutional amendment that ultimately merged the duties and responsibilities of the Department of Insurance and the Department of Banking under a new Department of Financial Services, effective January 7, 2003.

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suppression equipment, explosives manufacturers and dealers, and sparkler manufacturers and sellers.

The Bureau of Fire Standards and Training develops curricula, delivers educational programs, and provides statutorily mandated certification for several fire-related professions.

The Legislature appropriated the division \$17,557,720 and 259 full-time equivalent (FTEs) positions for Fiscal Year 2002-03.³ The division is self-supporting through fees and fines deposited into the Insurance Commissioner's Regulatory Trust Fund.⁴

Prior Findings

Our 2001 review found that, overall, the Division of State Fire Marshal was performing reasonably well across most of its major functions and was accomplishing its primary mission of keeping Florida's citizens safe from fire-related hazards. However, we had several recommendations for improving the accuracy and usefulness of legislative performance data and for increasing the efficiency and effectiveness of the division's boiler safety function.

Performance measure accuracy and usefulness could be improved

During our prior review, we found that Department of Insurance inspector general reviews of the division's legislative performance measures had identified concerns with the Bureau of Fire and Arson Investigations' data classification and collection methods.⁵ Although bureau personnel had indicated that they would improve the data gathering system, the inspector general had not conducted a follow-up review to determine if data collection procedures had improved. We recommended

³ Appropriations include funding and FTEs for administration and support services.

⁴ Fees are assessed for the following: initial licensure and license renewal; reissuance of licenses and certificates; examinations; and inspections. Fines may be collected from licensees for several reasons, including violations of licensing standards and being found guilty of fraud or arson.

⁵ Department of Insurance Inspector General, *Performance Audit: PBPB Measures—Fire and Arson Investigations*, Report No. 98-01, April 7, 1998, and *Special Project: Verification of PBPB Data for Fiscal Year 1997-98*, Report No. 98-24.

that the inspector general conduct a follow-up review of the bureau's efforts to ensure performance data accuracy.

Moreover, we found that while the Bureau of Fire and Arson Investigations had good output measures, its legislative measures provided limited information about the quality of its services. We concluded that the bureau could better monitor its service quality by obtaining feedback from its primary customers and recommended that the bureau conduct a customer satisfaction survey of local jurisdictions that have requested fire investigations and the law enforcement and court officers that use the bureau's investigation and lab services.

Similarly, we found that the Bureau of Fire Prevention's legislatively mandated performance measures could be improved. At the time of our review, the bureau reported the number and percentage of regulatory, boiler, and fire safety inspections completed within statutory timeframes, but did not report the number of violations identified during inspections. Division officials advised that this was due to concerns with the accuracy of available information. To address these concerns, the bureau was considering developing a computer database to track regulatory inspection data. As developing more accurate data would help the bureau ensure compliance with fire safety codes and standards, we recommended that the division proceed with the computer database development.

Efficiency and effectiveness of boiler safety function could be enhanced

Our 2001 review determined that the division did not enforce the inspection of boilers by insurance companies. The division's boiler safety section is responsible for ensuring the inspection and certification of boilers located at public assembly locations such as schools, hospitals, and civic centers. State inspectors are responsible for examining uninsured boilers, while special inspectors employed by insurance companies are required to examine insured

boilers.⁶ However, at the time of our review, rather than enforce compliance by insurance companies, the division inspected insured boilers that had not been inspected in a timely manner. Officials cited the division’s inability to enforce the timely inspection of boilers by insurance companies as the reason for inspecting insured boilers.⁷ However, this unnecessarily increases the bureau’s workload and allows insurance companies to avoid their statutory responsibility to inspect the boilers. To support the division’s authority to enforce the state boiler code and to save division resources, we recommended that the Legislature consider giving the division the ability to levy administrative fines on boiler owners and insurance companies for code violations.

In addition, although division documents indicated that the number of boilers increases every year at a rate of 8% to 10%, the division had no formal process for identifying new boilers. To ensure that the division fulfills its mission of protecting the public from unsafe and unsound boilers, we recommended that the division establish a method for identifying new and existing boilers in need of certification and a formal process for fire safety inspectors to report uncertified boilers to the boiler safety section.

Current Status

The Division of State Fire Marshal implemented several of our recommendations to improve the usefulness and accuracy of performance data. However, the inspector general did not conduct a follow-up review of data collection methods, and the 2002 Legislature did not adopt statutory changes that would increase the division’s boiler safety-related regulatory authority.

⁶ According to s. 554.109, *F.S.*, “any insurance company insuring a boiler located in a public assembly location in this state shall inspect such boiler so insured.”

⁷ Boiler owners who operate a boiler with an invalid or suspended certificate of compliance are guilty of a second-degree misdemeanor punishable by a \$500 fine. However, there are no criminal or administrative sanctions for insurance companies that do not inspect insured boilers as required by statute.

Division increased the usefulness and accuracy of performance data

The Bureau of Fire and Arson Investigations implemented our recommendation to develop and pilot test a customer satisfaction survey. In July 2001, the bureau completed a telephone survey of 78 randomly selected customers (i.e., local police and fire officials who used the bureau’s services). The survey solicited input regarding several aspects of the bureau’s performance, including response time and competency of bureau investigators. As shown in Exhibit 1, survey results indicate that customers are very satisfied with the timeliness and quality of the services they received. The bureau also has posted this survey on the division webpage so that private citizens can complete the survey as well. Once the bureau has refined its methodologies and established reliable baseline data, the division should consider adding the customer satisfaction survey to its legislative performance measures.

Exhibit 1
Overall, Bureau of Fire and Arson Investigations Customers Are Satisfied

Survey Question	Percentage of Respondents Providing “Favorable” Ratings
How would you rate our investigators’ response times to your incidents?	76.7%
How would you rate our investigators’ overall interactions with other public service personnel on your scene?	93.6%
How would you rate our investigators as it relates to their methods for processing your fire scenes?	90.9%
How would you rate the competence and abilities of the investigators serving your department’s area of responsibility?	96.1%

Source: Bureau of Fire and Arson Investigations Customer Satisfaction Survey.

The division’s Bureau of Fire Prevention developed computer systems to track regulatory licensing, boiler safety, and plans review

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activities.⁸ Full implementation of these systems will likely increase the accuracy of regulatory violation data, including the number of violations identified during inspections and the number of violations corrected after bureau intervention, which would help the bureau to ensure compliance with fire safety codes and standards. We continue to recommend that, once the data systems are fully implemented, the division report regulatory, boiler, and fire safety violation information to the Legislature.

The department's inspector general has not implemented our recommendation to conduct a follow-up review of the Bureau of Fire and Arson Investigations data collection procedures. However, the Office of Inspector General will consider whether to conduct another review of the bureau's measures during future planning periods. We continue to recommend such a review to determine if the procedures have improved and to ensure that performance data is accurate.

Division improved its boiler safety function

The division initiated several modifications to its boiler safety function. Specifically, the division has

- developed a web-based document detailing the division's boiler safety activities and providing contact information for reporting new boilers and non-compliant boilers;
- initiated an internal process for division fire safety inspectors to report non-compliant boilers;

⁸ The bureau has implemented the Regulatory Licensing System and the Boiler and Pressure Vessel Management System. The Plans Review Inspection System is still being tested and is only partially implemented.

- recruited local fire safety officials' assistance to locate new boilers; and
- worked with the Department of Business and Professional Regulation to establish a process for notifying the division when DBPR inspectors discover non-compliant boilers.

According to division officials, these modifications have resulted in four to five reports of non-compliant boilers per month. Increasing the identification of uncertified boilers will help the division to fulfill its mission of providing the public with maximum protection from fire-related hazards.

Although the division developed statutory language aimed at increasing its authority over non-compliant insurance companies and boiler owners, the proposed changes were not filed as a legislative bill. Had the proposed changes been introduced via legislation, adopted by the Legislature, and signed into law, the division would now have the authority to

- impose administrative penalties on boiler owners for failure to possess a valid certificate of compliance;
- increase penalties on individuals who fraudulently obtain a certificate of compliance; and
- impose an administrative fine of not more than \$110 per inspection on insurers that failed to inspect a boiler within 60 days of the expiration of the certificate of compliance.

We continue to recommend that the Legislature consider increasing the division's authority related to its boiler-safety functions by giving the division the ability to issue administrative fines to boiler owners and insurance companies for code violations.

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Florida Monitor: <http://www.oppaga.state.fl.us/>

Project supervised by Debbie Gilreath (850/487-9278)
Project conducted by Kara Collins-Gomez (850/487-4257)

John W. Turcotte, OPPAGA Director