Department of Legislative Services

Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 149 (Delegate Charkoudian)
Economic Matters Education, Energy, and the Environment

Fire Prevention - Assistant Fire Marshals, Residential Rental High-Rise Property Fire Safety Equipment, and Fire Alarm System Technicians

This bill requires (1) the installation of automatic fire sprinklers and other specified fire safety equipment, beginning October 1, 2026, in each residential high-rise building that is undergoing a substantial renovation; (2) the State Fire Prevention Commission (SFPC) to adopt regulations to establish a program to license and regulate fire alarm system technicians and fire alarm system companies in the State; (3) the State Fire Marshal to approve the appointment of an assistant State fire marshal by a county or municipal government or, at the request of a local government, designate an individual to serve as an assistant State fire marshal; and (4) the Office of the State Fire Marshal (OSFM) to adopt regulations to establish requirements and standards for all individuals designated as an Assistant State Fire Marshal or a Special Assistant State Fire Marshal. The bill also makes stylistic changes.

Fiscal Summary

State Effect: General fund expenditures increase by $311,100 in FY 2027; future years reflect annualization and the elimination of one-time certification and information technology (IT) costs. General fund revenues increase as early as FY 2027 to the extent SFPC collects licensing revenue.

(in dollars)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
GF Revenue	-	-	-	-	-
GF Expenditure	$311,100	$231,400	$242,400	$253,500	$264,500
Net Effect	($311,100)	($231,400)	($242,400)	($253,500)	($264,500)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local government expenditures increase for staff training. Local revenues are not affected.

Small Business Effect: Meaningful.

Analysis

Bill Summary:

Automatic Sprinklers and High-rise Buildings

"High-rise building" means a building where the floor of an occupiable story is greater than 75 feet above the lowest level of fire department access. "Substantial renovation" means permanent alterations that (1) are intended to enhance the value of a building; (2) cost an amount equal to or greater than 40% of the value of the building as assessed by the State Department of Assessments and Taxation; and (3) meet the criteria for substantial renovation under any applicable local law. In determining if a proposed substantial renovation is intended to enhance the value of a building exclusive of land value, a county may consider building improvements completed over a four-year period from the date of the initial building permit.

Beginning October 1, 2026, automatic fire sprinklers must be installed in accordance with specified National Fire Protection Association (NFPA) criteria in each residential high-rise building that is undergoing a substantial renovation that receives building permits on or after October 1, 2026. A substantially renovated residential rental high-rise building must also have specified fire protection and life safety features.

Licensure of Fire Alarm System Technicians

"Fire alarm system technician" means a person who is engaged in the performance, installation, documentation, planning, and coordination of the periodic inspection and testing of existing fire alarm systems and their components, not including the commissioning of new systems.

SFPC must adopt regulations to (1) define fire alarm system technicians; (2) define fire alarm systems in a manner that does not conflict with specified provisions under the Business Occupations and Professions Article; (3) designate and identify exemptions to the regulations; (4) establish requirements for licensure, involving professional and technical standards and requirements for liability insurance; (5) establish a schedule of fees for licenses that will recover but not exceed the direct and indirect costs associated with the issuance of the licenses; and (6) establish procedures for the State Fire Marshal to deny, suspend, or revoke the license of a person who fails to comply with any regulation adopted by SFPC.

Minimum Standards for Fire Marshals

Regulations adopted by OSFM establishing requirements for all individuals designated as an Assistant State Fire Marshal or a Special Assistant State Fire Marshal must include (1) minimum training, certification, and other standards relating to fire inspection, including for fire plan review, fire plan examiners, and fire plan engineering staff; (2) minimum training, certification, and other standards relating to fire investigation; (3) acceptable minimum standards for the eligibility of an individual to serve as an Assistant State Fire Marshal or a Special Assistant State Fire Marshal; and (4) policies for application for, review of, expiration of, renewal of, and probationary status for the positions of Assistant State Fire Marshal and Special Assistant State Fire Marshal.

The State Fire Marshal may administer an examination based on NFPA standards as relevant for the specified requirements before designating an individual as an Assistant State Fire Marshal or a Special Assistant State Fire Marshal.

Current Law:

State Fire Prevention Code

The State Fire Marshal must enforce all laws of the State relating to, among other things, the prevention of fire and the installation and maintenance of equipment intended to control, detect, or extinguish fire. The State Fire Marshal must also enforce regulations adopted by SFPC. SFPC within the Department of State Police (DSP) must adopt comprehensive regulations as a State Fire Prevention Code. The commission adopted by reference, subject to some exceptions noted in the regulations, the NFPA 1 Fire Code (2024 Edition), the NFPA 101 Life Safety Code (2024 Edition), and some requirements of the International Building Code as the State Fire Prevention Code. The State Fire Prevention Code has the force and effect of law in the political subdivisions of the State, and enforcement is the responsibility of the State Fire Marshal, a legally designated fire official of a county or municipality of the State, or other persons legally appointed by the State Fire Marshal (as specified under the Public Safety Article).

NFPA 101 Life Safety Code (2024 Edition) includes provisions requiring the installation of automatic sprinkler systems in all existing high-rise apartment buildings by January 1, 2033, unless the building meets specified egress requirements. However, the State Fire Prevention Code amended these provisions to instead require that all existing high-rise apartment buildings have installed automatic sprinkler systems, unless the building meets specified egress requirements, within 12 years of the date of the original violation notice issued by the fire authority having jurisdiction.

A person may not knowingly violate Title 6 of the Public Safety Article (SFPC and State Fire Marshal) or a regulation adopted by SFPC. A person who does so is guilty of a misdemeanor and on conviction is subject to imprisonment for up to 10 days and/or a fine of up to $1,000.

Melanie Nicholle Diaz Fire Safety Act

Chapter 744 of 2024 established requirements related to the installation of automatic smoke detectors, notices regarding the lack of automatic sprinkler systems in residential rental high-rise buildings, and emergency escape lighting consistent with NFPA standards. Chapter 744 also authorizes local governments to grant a property tax credit for specified residential high-rise buildings if the building owner makes fire safety improvements. Chapter 744 also established the Workgroup to Develop Fire Safety Best Practices for Pre-1974 High-rise Apartment Buildings. The workgroup was required to study, among other things, fire safety risks in high-rise apartment buildings that do not have automatic sprinkler systems or other fire safety technology. The workgroup submitted its interim report on December 23, 2024, and its final report on June 30, 2025.

Local Fire Marshals

A county or municipal corporation may designate a fire marshal or appropriate fire official to serve as an assistant State fire marshal to enforce the State fire code in that jurisdiction. An assistant State fire marshal may not receive compensation from the State. The State Fire Marshal must enforce the State fire code in a county or municipal corporation that has not designated an assistant State fire marshal.

Licensure of Fire Sprinkler Contractors

Generally, a person may not provide services as a fire sprinkler contractor in the State unless the person is licensed by OSFM. However, specified tests, inspections, and installations are permitted without a license. By regulation, all fire sprinkler contractor licenses expire two years after the date of issue. The initial application fee is $300, and the renewal application fee is $200.

A person may not knowingly violate these provisions. A person who does so is guilty of a misdemeanor and on conviction is subject to imprisonment for up to 10 days and/or a fine of up to $1,000.

State Fiscal Effect: General fund expenditures increase by $311,064 in fiscal 2027 for (1) additional SFPC staff; (2) initial NFPA certification for OSFM employees; and (3) one-time IT updates to administer the licensure of fire alarm system technicians. General fund revenues increase as early as fiscal 2027 to the extent fire alarm system

technicians are licensed with SFPC and fees are collected. These effects are discussed in more detail below.

National Fire Protection Association Certification

Although the bill does not require OSFM employees to complete NFPA certification, the DSP advises that the standards it is required to adopt by regulation likely will require NFPA certification for OSFM staff. There are 71 individuals within OSFM (45 Deputy State Fire Marshals, 18 fire safety inspectors, and 8 fire protection engineers) who must therefore complete a relevant NFPA certification program to ensure they meet any future standard set by OSFM, as required under the bill. The application fee for certification by NFPA is $499 and is valid for three years. DSP further advises that it anticipates having the National Fire Academy and the Maryland Fire and Rescue Institute update their training so that future program participants who may later join OSFM will graduate already meeting the bill's minimum training and standards requirements.

Therefore, general fund expenditures increase by $35,429 only in fiscal 2027 for OSFM staff to complete NFPA certification.

Licensure of Fire Alarm System Technicians

DSP advises that OSFM currently employs one individual to administer the licensure of approximately 400 fire sprinkler contractors and that additional staff are necessary to oversee the licensure of fire alarm system technicians; the Department of Legislative Services (DLS) concurs. OSFM must also upgrade its existing licensing system to accommodate the addition of fire alarm system technicians. Therefore, general fund expenditures increase by $275,635 in fiscal 2027, which accounts for the bill's October 1, 2026 effective date. This estimate reflects the cost of hiring (1) two administrators to process applications and ensure fees are collected, and (2) one manager to provide oversight of the licensure program. It includes salaries, fringe benefits, one-time start-up costs, one-time IT upgrades, and ongoing operating expenses.

Positions	3.0
Salaries and Fringe Benefits	$173,213
Information Technology Costs	75,000
Operating Expenses	27,422
Total FY 2027 State Expenditures	**$275,635**

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses. General fund revenues increase to the extent OSFM collects licensure fees as any fees collected by DSP are deposited to

the general fund; however, as the bill does not specify what the fee must be, a reliable estimate is not feasible. Licensing may begin as early as fiscal 2027, but may also be delayed until fiscal 2028, allowing for the promulgation of regulations.

Other Effects

The University System of Maryland advises the University of Maryland, College Park may require upgrades to eight of its older university-owned high-rise residential housing facilities to install automatic sprinkler systems, with estimated costs of $2.0 million in fiscal 2027. DLS partially agrees but notes that the bill's requirements regarding the installation of automatic sprinkler systems only occur if the building undergoes *substantial renovation*, and any associated costs would be covered as a construction expense. However, to the extent that the cost of such a project increases to include automatic sprinkler systems, less funding is available for other capital projects.

The application of existing criminal penalty provisions to violations of the bill does not materially affect State finances.

Local Fiscal Effect: Although under the bill, Assistant State Fire Marshals are approved or designated by OSFM, their compensation is covered by the local governments that host them. Therefore, local government expenditures increase to the extent they must procure additional training and certification for Assistant State Fire Marshals so they comply with the minimum standards established by OSFM, as required under the bill.

It is anticipated that local governments can inspect residential high-rise buildings and enforce the bill's requirements with existing resources.

The application of existing criminal penalty provisions to violations of the bill does not materially affect local expenditures.

Small Business Effect: Any small business that provides services for the installation of automatic sprinkler systems and other specified fire safety equipment may experience additional business as a result of the bill. However, any small business that employs fire alarm system technicians must comply with the bill's requirements and is subject to additional oversight by DSP. Additionally, any small businesses that own residential high-rise buildings (including condominiums) experience additional costs to the extent they must install automatic sprinkler systems and other specified fire safety equipment in affected buildings during the substantial renovation of a building.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 513 (Senator Smith) - Education, Energy, and the Environment.

Information Source(s): Kent, Montgomery, and Worcester counties; City of Salisbury; Maryland Municipal League; Town of Bel Air; University System of Maryland; Morgan State University; St. Mary's College of Maryland; Department of Housing and Community Development; Department of State Police; National Fire Protection Association; Department of Legislative Services

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