

INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE

Budget Review Subcommittee on Economic Development, Tourism, and Environmental Protection

Minutes of the 1st Meeting of the 2018 Interim

July 26, 2018

Call to Order and Roll Call

The first meeting of the Budget Review Subcommittee on Economic Development, Tourism, and Environmental Protection of the Interim Joint Committee on Appropriations and Revenue was held on Thursday, July 26, 2018, at 10:00 AM, in Room 129 of the Capitol Annex. Representative Jill York, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Rick Girdler, Co-Chair; Representative Jill York, Co-Chair; Senators Perry B. Clark, Denise Harper Angel, and Alice Forgy Kerr; Representatives Jim Gooch Jr., and, David Hale.

Guests: Gail Russell, Acting Secretary, Public Protection Cabinet (PPC); Matthew Thacker, Director, Division of Fiscal Responsibility, PPC; Christy Trout Van Tatenhove, Commissioner, Department of Alcoholic Beverage Control (ABC), PPC; Steve Humphress, General Counsel, ABC, PPC; Jeff Smith, Chief of Staff, ABC, PPC; Randy Harris, Director, Enforcement Team, ABC, PPC; Travis Tennill, Assistant Director, Enforcement Team, ABC, PPC; Carol Beth Martin, Malt Beverage Administrator, ABC, PPC; Trina Summers, Distilled Spirits Administrator, ABC, PPC; Steve Milby, Commissioner, Department of Housing, Buildings, and Construction (HBC), PPC; Tim House, Deputy Commissioner, HBC, PPC; and, Mike Haney, Executive Advisor and Acting Fire Marshal, Division of Fire Prevention, HBC, PPC.

LRC Staff: Seth Dawson, Sara Rome, Nick Peak, and Benjamin Thompson.

Alcoholic Beverage Control

Mr. Thacker, Ms. Trout Van Tatenhove, and Mr. Humphress provided a brief update on the activities and budgetary needs of Alcoholic Beverage Control (ABC).

In response to a question from Senator Clark, Ms. Trout Van Tatenhove said there is a high compliance rate and that fewer penalties are being imposed due to continued education of licensees and local communities.

In response to questions from Chair York, Ms. Trout Van Tatenhove said there is a formal process for handling complaints. After a complaint is logged, it is assigned to an investigator who conducts a thorough investigation, and the establishment involved is then notified of the findings. Ms. Trout Van Tatenhove added that licensing and enforcement staff are cross-trained to teach STAR education classes. Mr. Humphress said the goal is to get all licensees into compliance. Violators can be offered a fine in lieu of suspension or revocation, and a second violation within a two-year period requires an increased penalty. If it becomes evident that a licensee is not going to comply with law, then revocation would be sought as an extreme measure. Ms. Trout Van Tatenhove said that all licensees are entitled to due process under KRS Chapter 13B and the administrative hearing process. Mr. Humphress said that when a complaint is filed, the investigator checks about ten licensees in the area in an effort to best use resources. In the past, there could be one or two violations out of ten investigations, but today none are often found because of better compliance.

In response to questions from Chair York, Mr. Humphress said in those instances where a city is approved for alcohol sales but the county is still considered dry, the two are considered separate entities. The county vote would not affect the city, as outlined in KRS 242.125.

Housing, Buildings, and Construction

Division of Fire Prevention

Mr. Thacker, Mr. Milby, and Mr. Haney summarized the activities and budgetary needs of the Division of Fire Prevention (DFP) within the HBC.

In response to questions from Co-Chair Girdler, Mr. Haney said there has been no downturn in the number of fires in the past 30 years. Until 2007, the Office of State Fire Marshal (OSFM) had the National Fire Incidence Reporting System (NFIRS), which was to be used by local fire departments to report fire incidents. The program was transferred in 2007 to the State Fire Commission and that information is no longer made available to OSFM. OSFM works closely with the State Fire Commission, the Firefighters Association, and the Fire Chiefs Association, but DFP does not keep records on total loss numbers. OSFM assists in saving lives when there are incidents such as wind storms, tornadoes, and incidents other than fires. There are existing homes that were not built to current codes; as a result, there will be more fire incidents in these non-regulated homes.

In response to questions from Chair York, Mr. Haney said local fire departments are legally required to inspect for cause of origin after a fire incident, and arson-related fires are inspected by the Kentucky State Police.

In response to questions from Representative Hale, Mr. Haney said every inspection is different, and regulated buildings have a broad range of components, such as the function of the facility and the number of people expected to be in the facility. The fire code is so broad that every factor brings in more stringent code requirements. If a building was approved prior to current building codes and was maintained as it was originally approved, it can continue in use. Inspections would include checking to see that fire alarm systems, smoke detectors, sprinkler systems, and other fire prevention devices are well maintained and in working order, that exit signs are in place and work properly, and that combustible materials are not stored near electrical systems or boilers. Every component relating to fire safety is checked, such as handrails on stairs being properly maintained and corridors kept clear. Inspections encompass a broad range of components in regulated buildings. Facilities are not notified when an inspection is imminent. Churches are typically exempt, unless there is a complaint, or if there is a daycare facility in the church. Priority is given to inspections of places of assembly, where people sleep, and facilities where residents are not capable of self-preservation. Emphasis is placed on dormitories, motels, nursing homes, hospitals, day-care centers, and K-12 education facilities. Colleges and universities are usually inspected annually.

In response to a question from Chair York, Mr. Haney said that, if a building is in imminent danger of fire, the facility would be closed until the building is made safe. This does not happen very often because most facility operators are eager to comply with codes for the safety of their people.

In response to questions from Senator Kerr, Mr. Haney said churches are not typically inspected on an annual basis unless there is a daycare or private school present. Inspections are performed in places where there is an increased likelihood of fire, and there are very few, if any, fire deaths occurring in churches. The Beverly Hills Supper Club fire incident is the reason for the existence of the OSFM. Every new building that will be used for assembly must be approved by the Division of Building Code Enforcement for electrical, HVAC, plumbing, fire alarms, types of building materials used, and other fire-related issues.

In response to a question from Senator Clark, Mr. Haney said that, if an inspection is requested, it will be done.

In response to a question from Chair York, Mr. Haney said he did not know about movement or shifting of resources or inspectors.

There being no further business before the subcommittee, the meeting was adjourned at 11:04 AM.