

The Fire Sprinkler Incentive Act of 2010

The Fire Sprinkler Incentive Act of 2010 would amend the 1986 Internal Revenue Code to classify fire sprinkler retrofits as a five year property for purposes of depreciation. Presently, a fire sprinkler retrofit in a commercial building is depreciated over 39 years and a residential building over 27 and one-half years. This archaic depreciation schedule provides no economic incentive for the retrofitting of fire sprinklers in the high inventory of critical occupancies across America. Passage of the Fire Sprinkler Incentive Act would eliminate this economic roadblock by providing for a more rapid recovery of cost and serve greatly to reduce the tremendous annual economic and human losses that fire in the US inflicts on the national economy and the quality of life. Passage of the Fire Sprinkler Incentive Act would be consistent with past practice at the Federal level where Congress historically has provided incentives and left decisions regarding adoption of fire protection requirements up to state and local government.

Some astounding highlights:

- **There were 3,320 civilian fire deaths in the US in 2008. (NFPA Fire Journal, Sept/Oct 2009)**
- **The National Fire Protection Association (NFPA) estimates that 15.5 billion dollars in direct property damage occurred as a result of fire in 2008. (NFPA Fire Journal, Sept/Oct 2009)**
- **The total estimated indirect cost of fire in 2004, the last year of available data, was 97.5 billion dollars. (NFPA, "The Total Cost of Fire in the US," December 2006)**
- **The complete total cost of fire in the US is estimated to be between 231 and 278 billion dollars. This is 2.5% of the Gross Domestic Product. (NFPA, "The Total Cost of Fire in the US," December 2006)**
- **There are literally thousands of high-rise buildings built under older codes that lack adequate fire protection. In addition, billions of dollars were spent to make these and other buildings handicapped accessible; however, people with disabilities are now occupying these buildings that are not adequately protected from fire.**
- **Representatives of the health care industry estimate that there are approximately 3,200 nursing homes that still need to be retrofitted with fire sprinklers. It is incomprehensible that there are 3200 unsprinklered nursing homes in America in 2009.**
- **In addition to the alarming number of nursing homes lacking fire sprinkler protection there are literally thousands of assisted living**

facilities housing older Americans and people with disabilities that lack fire sprinkler protection.

- **Over 80% of campus related fire deaths have occurred in off-campus housing where 2/3 of the students across the nation live. (Campus Fire Watch)**
- **In early 2003, the “Station” nightclub fire in Rhode Island killed 100 occupants. Still today there are thousands of similar nightclubs and entertainment venues that need to be retrofitted with fire sprinklers.**
- **For the second year in a row, 103 firefighters died while on duty in 2008. Over 3,600 firefighter fatalities have occurred in the 32 year period of 1977 to 2009. Hundreds more annually receive disabling injuries, and thousands more suffer pain of injuries and incur lost time all at the expense to taxpayers. When pain and death equal more tax dollars, the equation needs to be changed. Passage of the Fire Sprinkler Incentive Act will cause more buildings to be protected and reduce the opportunities for firefighters to be exposed to these dangers and leave them to the myriad of duties they have been assigned to protect America**
- **Recommendation 26 in the National Institute of Standards and Technology report on the 9/11 disaster states that, “NIST recommends that state and local jurisdictions should adopt and aggressively enforce available provisions in building codes to ensure that egress and sprinkler requirements are met by existing buildings.”**
- **Building owners do not argue with fire authorities over the logic of protecting their buildings with fire sprinklers. The issue is cost! Passage of the Fire Sprinkler Incentive Act would drastically reduce the staggering annual economic toll of fire in America and thereby dramatically improve the quality of life for everyone involved. Coupled with the cost savings associated with insurance discounts, accelerating the depreciation of the retrofit of fire sprinkler systems will allow the system to be paid for in a few short years thus providing safer buildings and the potential of capital through insurance savings.**