



Audit Highlights

Highlights of Legislative Auditor report on the State Fire Marshal Division, issued on October 11, 2001. Report # LA02-12.

Purpose of Audit

The purpose of this audit was to evaluate the Division's processes for identifying businesses storing hazardous materials and renewing hazardous material permits for calendar years 1999 and 2000. The audit also included a review of the implementation status of the National Fire Incident Reporting System as of December 31, 2000.

Audit Recommendations

This audit report contained six recommendations to improve the Division's hazardous material permit process and implementation of the National Fire Incident Reporting System. Specifically, the Division should coordinate with state agencies to identify new businesses holding hazardous materials, and place the permit application form on its web site. In addition, the Division should track permit renewal forms, follow up on businesses not returning these forms, and enforce the requirement to submit a plan for terminating hazardous material storage. Finally, a formal, written plan should be established for implementing the NFIRS.

The Division accepted all six audit recommendations.

Status of Recommendations

The Department of Administration submitted the six-month report on the status of audit recommendations on July 11, 2002. The report indicated one recommendation had been fully implemented and five recommendations had been partially implemented.

At the September 10, 2002 Audit Subcommittee meeting the Division indicated it would be several months before full implementation of the recommendations. In October 2002 we met with the Division to discuss the implementation of the audit recommendations. Based on further information the State Fire Marshal Division provided, all six recommendations have been implemented.

State Fire Marshal Division

Department of Motor Vehicles and Public Safety

Results in Brief

The State Fire Marshal Division lacks an adequate process to ensure businesses storing hazardous materials are identified. As a result, some businesses have operated for years without the required hazardous material permits. These permits provide information about the type and quantity of hazardous materials stored at businesses. Therefore, this information is vital to the safety of emergency personnel when responding to hazardous material incidents. This condition was noted in our 1994 audit of the State Fire Marshal Division; but, little progress has been made.

The Division's process for renewing hazardous material permits does not ensure all businesses have a current and valid permit. Although regulations require businesses to renew permits annually, the Division lacks basic management controls over this process. Consequently, current information is not available to emergency responders. Although improvements to the renewal process have been made since our last audit, more needs to be done.

The Division has not made implementing the National Fire Incident Reporting System (NFIRS) a priority. A 1979 state law required implementation by January 1, 1984. However, the Division still has not fully implemented NFIRS. As a result, the State has missed opportunities to use NFIRS information in helping prevent fire incidents and improve public safety. This issue was raised in a 1994 legislative audit report which recommended the Division implement the NFIRS.

Principal Findings

The Division does not identify all businesses that store hazardous materials. The primary method used by Division inspectors is to select a geographical location and inspect businesses in that area. Eighteen of 30 businesses we tested had operated for at least 4 years without a valid permit.

Businesses are required to renew hazardous material permits annually. However, weaknesses in the permit renewal process have resulted in businesses operating for months without the required permit. In a recent 5-month period, 15% of the businesses had not renewed their permits by the due date.

Although required by state law since 1979, the National Fire Incident Reporting System (NFIRS) is still not fully implemented. NFIRS is a tool developed by the federal government to help local governments report fire incident information on a state and national level. By not implementing NFIRS, the Division has missed opportunities to help the state and local governments combat fire-related problems.