

# EXECUTIVE SUMMARY

## TALKING POINTS

- Our nation's fire service commends those homebuilding companies that have embraced residential fire sprinklers that are now required in all of the applicable national model building and fire codes.
- A vote to block the adoption of the national model code requirement for fire sprinklers in new residential occupancies has the following effect:
  - Will have absolutely no change in the current housing market which is driven by interest rate, credit history and mortgage availability.
  - Gives the new homebuilder a competitive advantage over the existing home seller.
  - Retains the fire damaged home rebuild market with no regard to property loss, insurance cost/lost ratios, loss of life's belongings, and loss of life.
  - Costs local government more money on infrastructure and services.
  - Restricts local government from managing growth.
  - Shifts the cost of growth from the builder to government.
  - Creates a greater exposure to liability for the homebuilder.
  - Continues the escalated fire risk to the public and firefighters that has resulted from new construction products that quickly fail in fires.
  - May cause changes in the community ISO BCEGS Community insurance rating – impacts existing homeowners insurance rates.
- Our nation's housing crisis during 2006-2009 and hopefully ending soon has absolutely nothing to do with the cost of fire sprinklers or granite countertops. The nation's housing crisis is directly related to mortgage availability or lack thereof. To argue the cost of fire sprinklers or granite countertops will hamper market recovery is grossly false as both can be installed in any priced new home. Our nation is in a deep recession because housing prices rapidly escalated faster than the median wage and some lending institutions chose to grab the moment by weakening loan acceptance criteria.
- The new homebuilders' motivation is the want to add as much "glitter" to the new home making it more attractive to the homebuyer than property available in the vast existing home market. For the want of providing money for more "glitter" in the new home so they can gain a "more attractive" competitive advantage over the existing home market, some homebuilder organizations are actively pursuing repealing or blocking the adoption of any national code requirement adding cost including fire sprinkler requirements that are part of all the national model building and fire codes.
- The total dollar loss from fire in small residential occupancies each year in our nation is over \$7 billion dollars. Fire loss studies from credible third party non-stakeholder sources, specifically Scottsdale, Arizona in its 15-Year report, shows the average fire loss in fire sprinkler protected homes at \$2,166 and non-sprinklered homes at a \$45,019, or a 95.189% decrease in property fire damage when fire sprinklers are present. Prince George's County Maryland in their 12-year report shows a 96.461% reduction in property loss when fire sprinklers are present. Fire sprinklers don't work for the new homebuilder because they reduce their potential rebuild market by 95%+. The fire service's view is ***the homebuilders' interest in retaining the rebuild market that will diminish with fire sprinklers is not a valid reason for a Legislator to support placing the new homebuyer and responding firefighters in peril.***
- Local government must provide fire protection services and to restrict local government's ability to apply the national model building and fire codes causes local government to spend more money on services and infrastructure such as water distribution systems – prohibiting local government from adopting a fire safety code, or provisions therein is considered an ***unfunded mandate***. Therefore, should state government reimburse local government for the millions of added infrastructure and recurring services costs created by this prohibition to decide what is best for their community?

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# EXECUTIVE SUMMARY

## TALKING POINTS (CONTINUED)

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- The homebuilder has an obligation to build a fire safe home regardless of what government does or does not do or what government allows or does not allow. The national standard of care for new homes in all of the applicable national model building and fire codes requires all new homes to be fire sprinkler protected. Blocking local government from adopting fire safety standards for new homes simply deepens the liability hole for the homebuilder, particularly when they are members of an association that actively lobby for this unsafe condition for the want of a greater profit margin.
- Homebuilders falsely argue that smoke detectors are the fail-safe solution to reducing fire deaths and tout the reduction of fire deaths during the past 30 years. The truth is because of increased public fire safety awareness there **has been a reduction in the number of home fires during the past 30 years by 44.851%**. There was an average of one fire death for every 123.36 fires in 1977 compared to one death in every 139.22 fires in 2007. This means we have on average only 15.86 more home fires without a fire death in 2007 than we had in 1977 – good but not impressive. Smoke detectors save lives but they are not the fail-safe cure all purported by the homebuilders. The success of smoke detectors is demonstrated by the statistic today that the most vulnerable in fires are the very young and the elderly or those who cannot or timely self-evacuate when the alarm signals.
- Most insurance companies provide a reduction for homes that are protected with a fire sprinkler system. The reduction ranges between 5 - 15% but averages 7%. And most importantly, insurance companies penalize communities that waive national code requirements by increased premium rates for all residential properties.
- While large commercial fire sprinkler systems must be maintained by a trained and qualified contractor, the uncomplicated residential fire sprinkler system requires little maintenance. The owner can conduct the minor tests on the system such as opening a valve to ensure water flows, and checking fire sprinklers to make sure they are not obstructed.
- Fire sprinkler system material meets a much higher laboratory listing standard than plumbing products. The fire sprinkler system is tested for leaks at a high pressure for an extended period of time prior to occupancy of the home. Accordingly, these systems do not accidentally leak.
- Homebuilders argue new homes are much more fire safe than older homes. This is grossly false – NAHB is totally aware of this fact. New homes typically have more open space; therefore less fire compartments to control the fire. Light-weight materials used in 65% of roof trusses and 25% of floor trusses in today's homes provide superior strength but do not fare well in fires causing roof and floor collapse after much less exposure to fire temperatures than the material used in older construction. There have been numerous firefighter deaths and injuries directly related to this material used in new construction. A detailed UL University test of the fire stability of these new construction products is found at <http://content.learnshare.com/courses/73/187716/player.html>
- Let the owner decide is another argument used to persuade against a fire safe home. This is like saying let the truckers decide what the speed limit will be on our highways. However, there is a difference, the truckers know the consequences of their speeding; the homebuyer is not aware of the consequences of deleting fire safety and other code required features in their homes. Should the owner decide on roof truss strength, electrical grounding, load-bearing walls? If not then why should safety items that are required in our nation's model codes be subjected to a decision from the untrained and not technically knowledgeable homebuyer?
- Pipe freeze is another concern raised by homebuilders as they debase fire safety. Yes, water filled pipe, plumbing or fire sprinklers, will freeze in cold weather conditions. The difference is the fire sprinkler installation standard has temperature limits and insulation requirements that address this concern. The problem is mitigated by simply following installation and insulation standards.