Department of Legislative Services

Maryland General Assembly 2025 Session

FISCAL AND POLICY NOTE

Enrolled - Revised

Senate Bill 175 (Senators Lewis Young and Brooks)

Education, Energy, and the Environment

Environment and Transportation

Public Safety - Fuel Gas Piping Systems and Corrugated Stainless Steel Tubing - Prohibitions and Study

This bill prohibits the sale, transfer, or distribution of non-arc-resistant jacketed corrugated stainless steel tubing (CSST). A person who violates this prohibition is subject to a civil penalty of up to \$1,000. In addition, the bill establishes a civil penalty of up to \$1,000 for a violation of a provision of current law that prohibits the *use* of non-arc-resistant jacketed CSST in specified construction and piping systems. The bill also requires the Maryland Department of Labor (MD Labor) and the Office of the State Fire Marshal (OSFM) to conduct a study and make recommendations related to preventing fire hazards associated with commonly used fuel gas piping systems, including gas piping and CSST, in residential and commercial buildings. Related reporting requirements are established. **The bill takes effect June 1, 2025.**

Fiscal Summary

State Effect: No effect in FY 2025. General fund expenditures increase by \$102,000 in FY 2026 and by \$22,100 in FY 2027 to complete the study and prepare the required reports. Potential minimal increase in general fund revenues due to the bill's penalty provisions.

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	102,000	22,100	0	0
Net Effect	\$0	(\$102,000)	(\$22,100)	\$0	\$0

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

Local Effect: It is assumed that affected local government entities can consult with MD Labor and OSFM in carrying out the study using existing resources. No effect on revenues.

Small Business Effect: Meaningful.

Analysis

Bill Summary: In conducting the study and making recommendations, MD Labor and OSFM must (1) study and compare the fire hazard risks of different types of fuel gas piping systems, including gas piping and CSST; (2) study the likelihood of fuel gas piping systems, including gas piping and CSST, causing a fire in a residential or commercial building following a direct or indirect lightning strike; (3) analyze the effectiveness of existing standards and requirements in the State related to fuel gas piping systems, including gas piping and CSST, and identify areas for improvement; (4) analyze and identify the best practices for state and local legislative, regulatory, and building code standards for fuel gas piping systems, including gas piping and CSST; (5) identify potential legislative or regulatory changes in the State to prevent or minimize the fire hazards associated with fuel gas piping systems, including gas piping and CSST, specified provisions of the Public Safety Article, and provisions in the bill; (6) determine what industry standards or requirements are necessary to prevent or minimize the fire hazards associated with fuel gas piping systems, including gas piping and CSST; (7) determine what standards or requirements are necessary, if any, to address aggravating factors that may reasonably contribute to the failure or malfunctioning of fuel gas piping systems, including gas piping and CSST, and create a fire hazard, such as improper installation or grounding; (8) assess the prevalence of non-arc-resistant jacketed CSST in residential and commercial buildings and the fire hazards that this presents; and (9) assess the feasibility of implementing the standards and requirements identified in the study.

In carrying out the study, MD Labor and OSFM must consult with (1) the State Fire Prevention Commission (SFPC); (2) local government entities responsible for residential or commercial gas fitting inspections; and (3) manufacturers of fuel gas piping systems and CSST.

By December 1, 2025, MD Labor and OSFM must submit an interim report of their findings and recommendations to the Governor, the Senate Committee on Education, Energy, and the Environment, and the House Environment and Transportation Committee. A final report is due by September 1, 2026.

Current Law:

Natural Gas and Liquefied Propane Piping Systems in Construction

Chapter 140 of 2022 established that, for any building using fuel gas piping systems not subject to Title 49, Part 192 of the Code of Federal Regulations (CFR), non-arc-resistant jacketed CSST may not be used in (1) the new construction of a customer-owned natural gas or liquefied propane piping system in a building; (2) a natural gas or liquefied propane piping system in a renovated property if the renovation affects more than 50% of the total SB 175/ Page 2

square footage of the property; or (3) a natural gas or liquefied propane piping system that requires the addition of a new gas line to the gas piping system. (The bill establishes a civil penalty for a violation of this prohibition.)

Regulation of Gas Lines – Generally

The Board of Plumbers within MD Labor incorporates by reference the 2018 International Fuel and Gas Code (IFGC) in regulation. Title 49, Part 192 of the CFR specifies the minimum federal safety standards for gas pipeline facilities and the transportation of natural and other gas by pipeline. Both the IFGC and federal regulations include standards for the installation and maintenance of gas piping systems.

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 all kinds 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 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 (2018 Edition), the NFPA 101 Life Safety Code (2018 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).

State Fiscal Effect: MD Labor and OSFM advise that they do not possess the expertise necessary to evaluate the fire hazard risks of different types of fuel gas piping systems. As a result, general fund expenditures increase by \$101,983 in fiscal 2026, which accounts for a 30-day start-up delay from the bill's June 1, 2025 effective date, and by \$22,124 in fiscal 2027. This estimate reflects the cost of MD Labor hiring one contractual engineer with expertise in fuel gas piping systems to consult with specified entities, study the fire hazards associated with fuel gas piping systems (including gas piping and CSST), identify potential legislative or regulatory changes to prevent fire hazards associated with fuel gas piping systems, and prepare the required reports. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

	FY 2026	FY 2027
Contractual Position	1.0	-
Salary and Fringe Benefits	\$88,398	\$20,855
Operating Expenses	13,585	1,269
Total State Expenditures	\$101,983	\$22,124

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State's implementation of the federal Patient Protection and Affordable Care Act.

The estimate reflects termination of the contractual position on October 1, 2026, following the submission of the final report.

This analysis assumes that MD Labor takes the lead on the study and that OSFM provides assistance with existing resources.

General fund revenues may increase minimally due to the bill's penalty provisions for cases heard in the District Court.

Small Business Effect: As the bill prohibits the sale, transfer, or distribution of non-arc-resistant jacketed CSST, any small business that sells, transfers, or distributes non-arc-resistant jacketed CSST in violation of the bill's prohibition could be significantly affected.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB 586 and HB 503 of 2024.

Designated Cross File: HB 222 (Delegate Stein, *et al.*) - Environment and Transportation.

Information Source(s): Anne Arundel, Baltimore, Cecil, and Frederick counties; Maryland Association of Counties; cities of Frederick and Havre de Grace; Maryland Municipal League; Judiciary (Administrative Office of the Courts); Baltimore City Community College; University System of Maryland; Morgan State University; Interagency Commission on School Construction; Maryland Department of Labor; Department of State Police; Maryland Department of Transportation; Public Service Commission; Maryland Stadium Authority; International Code Council; National Fire Protection Association; Department of Legislative Services

Fiscal Note History: First Reader - January 24, 2025 km/mcr Third Reader - March 24, 2025

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Analysis by: Thomas S. Elder Direct Inquiries to:

(410) 946-5510 (301) 970-5510