State Fire Marshal's Office

Public Protection Classification Oversight

Deputy Joel Duke

Texas Department of Insurance

Agenda

1. The State Fire Marshals Office
2. Public Protection Classification (PPC)
3. What is a PPC?
4. Who surveys communities?
5. TXSFMO PPC Oversight Section
6. The ISO Survey
7. ISO grading breakdown
8. FAQ
9. Questions

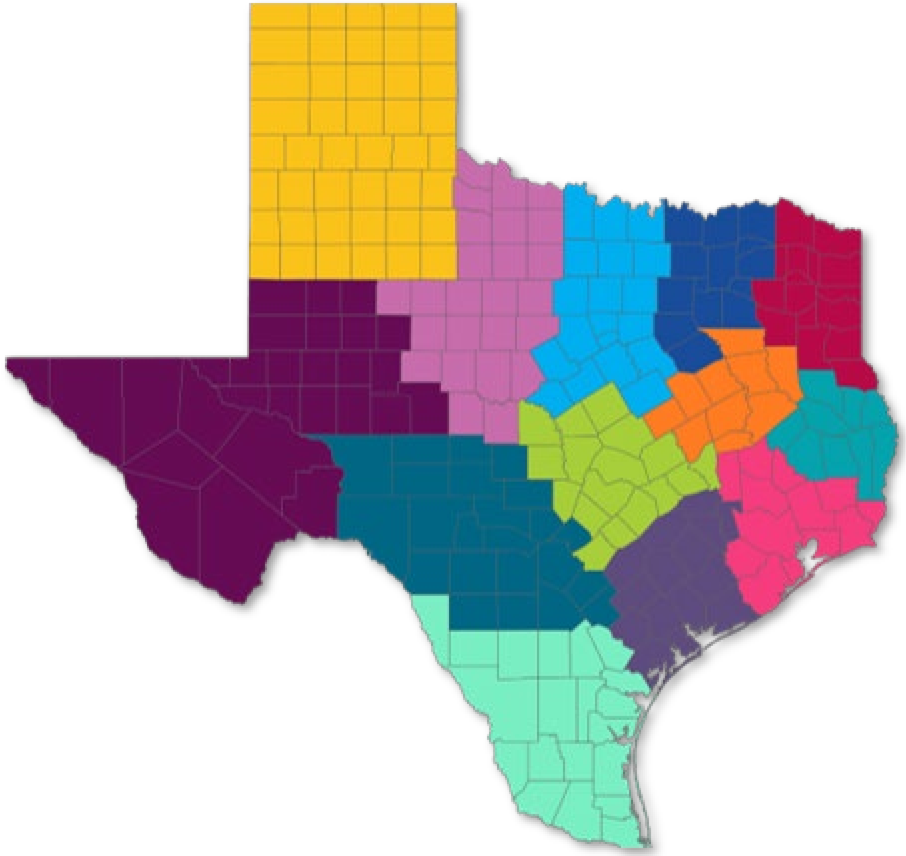
State Fire Marshal’s Office (SFMO)

Mission

The Texas State Fire Marshal's Office (SFMO) will reduce the loss of life and property through prevention, education, and protection.

Function

- The primary function of SFMO is to reduce the risk and impact of fire.
- The function directly and dramatically impacts TDI’s mission to protect insurance consumers.



Our values

Respect	• We will treat all with courtesy and kindness.
Accountability	• We are responsible for our actions.
Integrity	• We will be honest and act in a manner that upholds our core values even when no one is watching.
Diligence	• We are always mindful that we are public servants and will earnestly do our job.
Service	• We work to exceed our customers' expectations.
Objectivity	• We will act with fairness at all times and allow the facts, not preconceptions, to determine the outcome of our actions.
Passion	• We never allow mediocrity to be acceptable, only greatness.

Chief Debra Knight

- State Fire Marshal
- Doctor of Jurisprudence – South Texas College of Law
- Colonel, United States Army – Retired in 2014
- FEMA Region VI Emergency Preparedness Liaison Officer
- Former Deputy Commissioner – Compliance and Investigations, Division of Worker's Comp
- 30+ years of experience in administrative and criminal law, and insurance and compliance analysis.

Assistant Chief Chuck Allen

- Bachelor’s Degree from West Texas A&M in Emergency Management
- Master's Degree from Grand Canyon in Leadership with Emphasis in Disaster Preparedness and Executive Fire Leadership
- Master Fire Inspector and Fire/Arson Investigator
- Master Peace Officer
- Certified Fraud Examiner
- Former County Fire Marshal/EMC
- Been with SFMO since June 2016
- Over 30 years of public safety (Municipal, County, and State)

Director Linda Villarreal

- Director – Operations, Licensing Administration, and Outreach, Policy, and Research
- Former Project Manager – Compliance and Investigations, Division of Workers' Compensation
- 25+ years experience in property and casualty insurance

Sections of SFMO

Investigations

K9 Investigations

Licensing Investigations

Inspections

Licensing

Texas Fire Incident Reporting System

Licensing Investigations

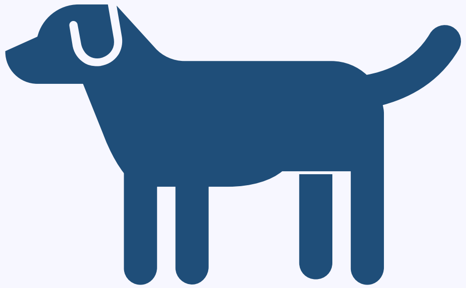
Investigate complaints into fire protection industries, fire alarm, sprinkler systems, extinguishers, and fireworks. Ensuring licensed contractors perform correct work and equipment was properly installed and maintained by a registered firm.

- Investigate throughout the state of Texas
- Six investigators throughout the state

Canine Investigations

Canines are certified to find hydrocarbons found in ignitable liquid substances. Passively trained to sit and stare at source. Live fulltime with their handler.

- Handlers are peace officers/arson investigators
- Investigate throughout the state of Texas
- Five teams throughout the state



Fire Investigations

Any community that has suffered a fire-related incident may contact **Fire Investigations Services** for assistance. But because Texas experiences thousands of fires each year, the demand for investigation services requires a protocol that allocates the State Fire Marshal's Office resources in the most effective manner.

- Works more fatal fires than any other agency
- Can deal with serial arson, hate crimes, or a vital public institution
- Investigate all line of duty deaths

Licensing Administration

Regulate licensing for individuals and companies that service inspect and monitor fire alarm systems, extinguishers, and extinguisher systems, fire sprinkler systems, and fireworks (technicians, displays, display/retail distribution).

- 14 PSI licensing exams through Texas SFMO
- 4 Programs – Fire alarms, fire extinguisher, fire sprinklers, fireworks.
- 37 Licenses/permits

Public Protection Classification Oversight

Deputy Joel Duke

Public Protection Classification Oversight Officer
Deputy State Fire Marshal
Certified Basic Fire Inspector
Certified MOS Associate
Certified User Experience Designer
Bachelors in Education, Arizona State University
O: (512)-676-6784
PPCOversight@tdi.Texas.gov

What is a Public Protection Classification? (PPC)

A grading system classifying a community's ability to suppress structure fires

- Class 1-10
  - Class 1 is the highest rating
  - Class 10 – not a recognized fire department

Used by insurance providers for underwriting homeowners' insurance

Every community in Texas has a PPC score

Communities participate in a survey conducted by the Insurance Services Office (ISO) to receive a classification

Who surveys communities?

Communities are surveyed by the Insurance Services Office (ISO)

- ISO is a subsidiary of Verisk
- Verisk is one of the largest risk analysis companies in the world

ISO is a state approved organization

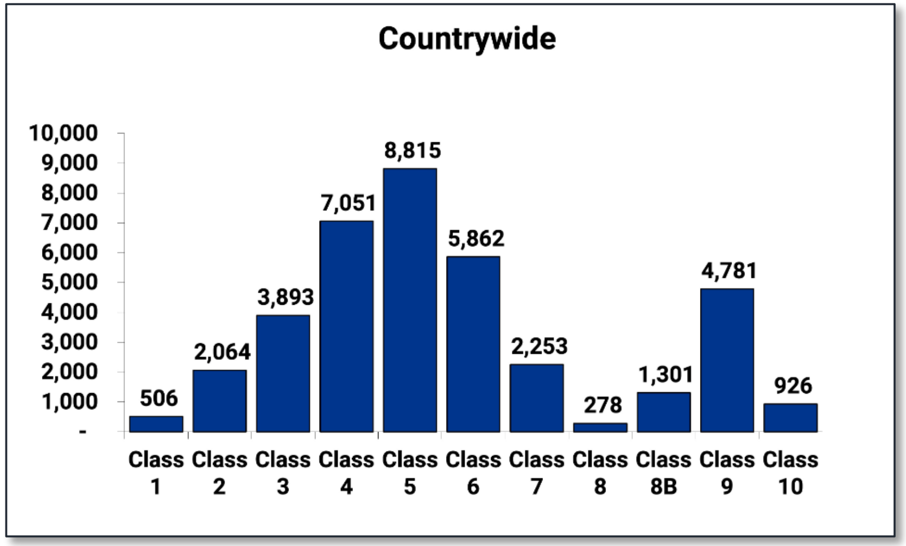
ISO has been conducting surveys for Texas since 2000

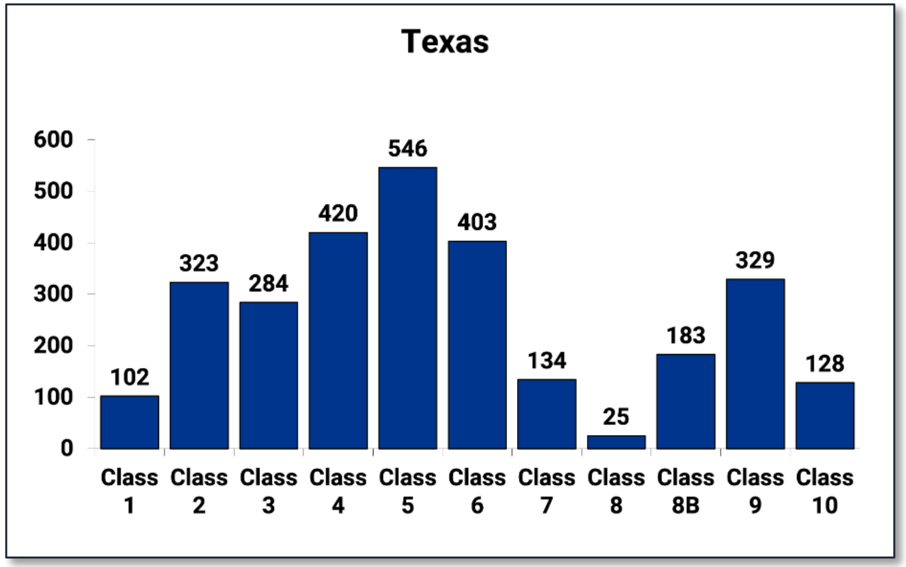
- Previously, the State Fire Marshal's Office conducted PPC surveys inhouse

Who surveys communities?

- ISO uses the Fire Suppression Rating Schedule (FSRS) to survey communities
- Communities do not pay for the surveys
- ISO surveys communities on a 5-7 year basis
- Insurance providers subscribe to ISO's database

PPC Gradings





Grading	Percentage in Texas
Class 1	20.3%
Class 2	15.6%
Class 3	7%
Class 4	6%
Class 5	6%
Class 6	7%
Class 7	6%
Class 8	9%
Class 8B	14%
Class 9	7%
Class 10	14%

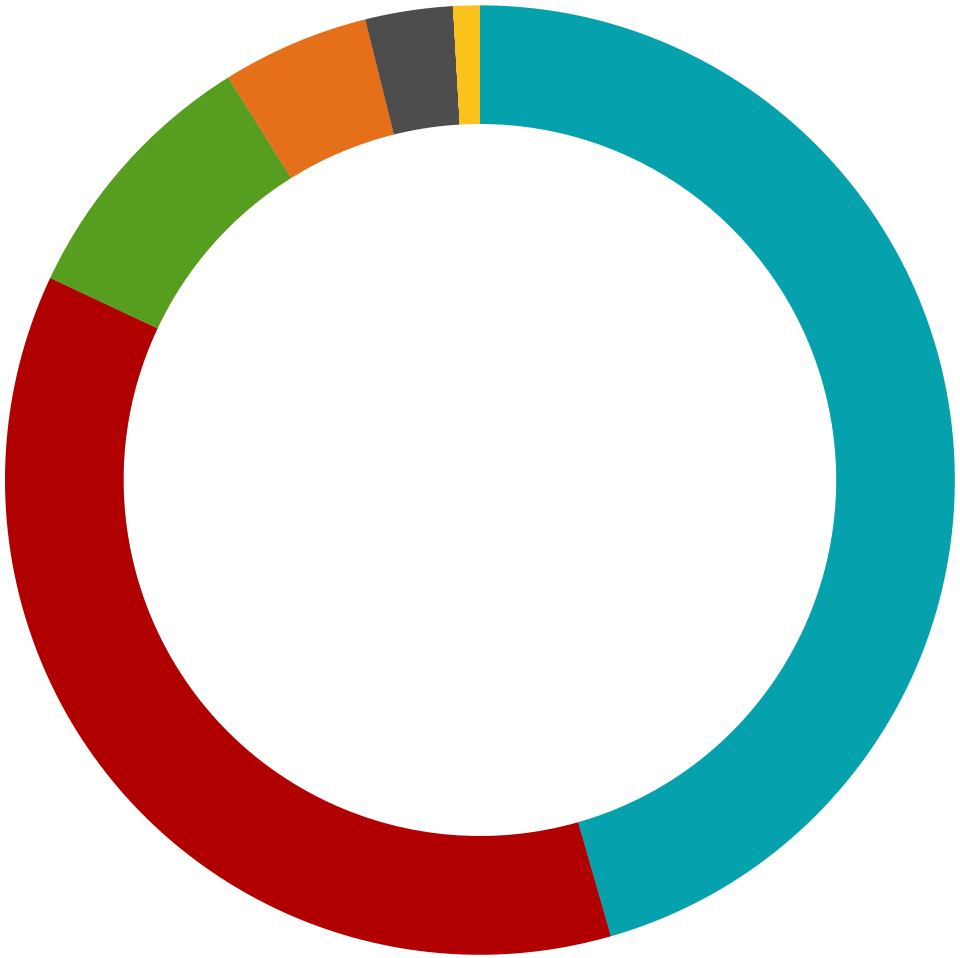
TXSFMO PPC Oversight Section

- The only state with oversight of ISO
- Oversee PPC Surveys statewide.
- Review each classification rating submittal.
- Mediates appeals.
- Approves/denies ISO recommended PPC's.

TXSFMO PPC Oversight Section

- Approve/disapprove assessment criteria and findings.
- Monitor ISO’s evaluation process.
- Complaint resolution.
- Assist fire departments and municipalities.

FSRS Point Value



- Maximum points by category

Type	Points
Fire departments	50.00
Water supply and distribution	40.00
Emergency communications	10.00
Community risk reduction	5.50
Texas exception: training*	3.26
Texas exception: compressed air foam system	1.00

* Texas exception training credit for attending / instructing at annual fire school or having certified volunteers is added to the FSRS training section. This section is a maximum of nine points.

Score breakdown

PPC	Score
1	90 +
2	80 to 89.99
3	70 to 79.99
4	60 to 69.99
5	50 to 59.99
6	40 to 49.99
7	30 to 39.99
8	20 to 29.99
9	10 to 19.99
10	0 to 9.99

ISO Survey

ISO field representative contacts fire chief / highest community official.

ISO provides the community:
pre-survey documents.
A copy of the FSRS.

Pre-survey meeting
Discuss info / missing info.
Save and digitize files in case you need to resubmit.

ISO works with the fire chief until all necessary info is received.

ISO applies points into the FSRS.
This process can take months.

Proposed PPC score review
ISO emails submittal package for review. 30 days to review info.

SFMO review
ISO submits the proposed score to SFMO. SFMO has 30-days to review.

SFMO emails approval letter to fire chief / highest community official.

Communities can publish PPC score through website, social media, community letter, etc.

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ISO Survey

Community scores are based on the info submitted during the survey.

- First number is properties within:
  Five road miles of a fire station.
  1,000 feet of a creditable water supply.
- Second number is properties:
  Within five road miles of a fire station.
  Beyond 1,000 feet of a creditable water supply.

4/4Y

ISO Survey

Old classification	New classification
1/9	1/1X
2/9	2/2X
3/9	3/3X
4/9	4/4X
5/9	5/5X
6/9	6/6X
7/9	7/7X
8/9	8/8X
9	9

2015 Classification Changes

Old classification	New classification
1/8B	1/1Y
2/8B	2/2Y
3/8B	3/3Y
4/8B	4/4Y
5/8B	5/5Y
6/8B	6/6Y
7/8B	7/7Y
8/8B	8/8Y
8B	8B

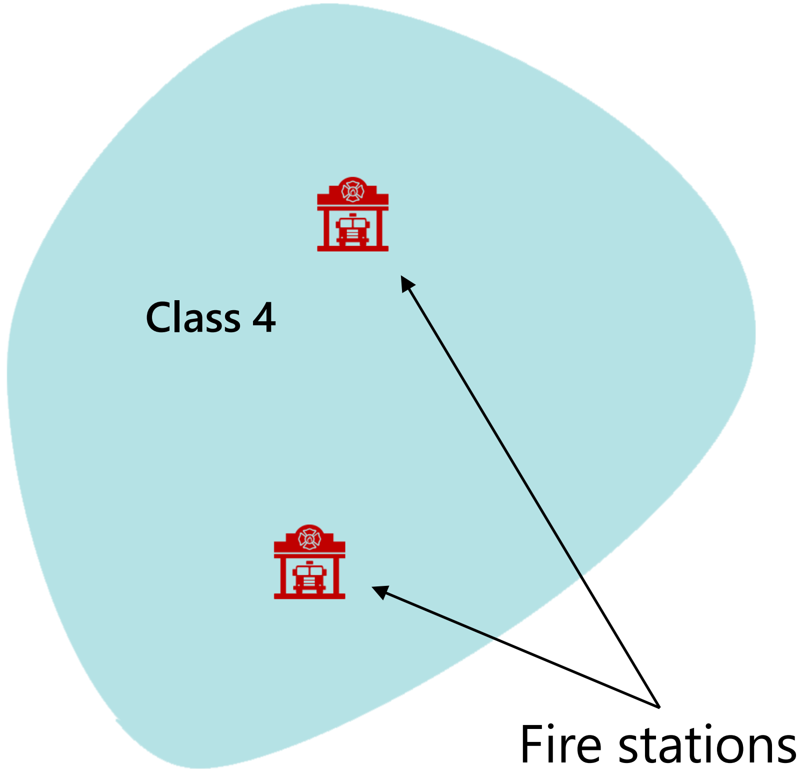
ISO Survey

Example: Single class 4

Properties within:

- Five road miles of a fire station.
- Within 1,000 feet of a creditable water supply.

The community is a single Class 4.



ISO Survey

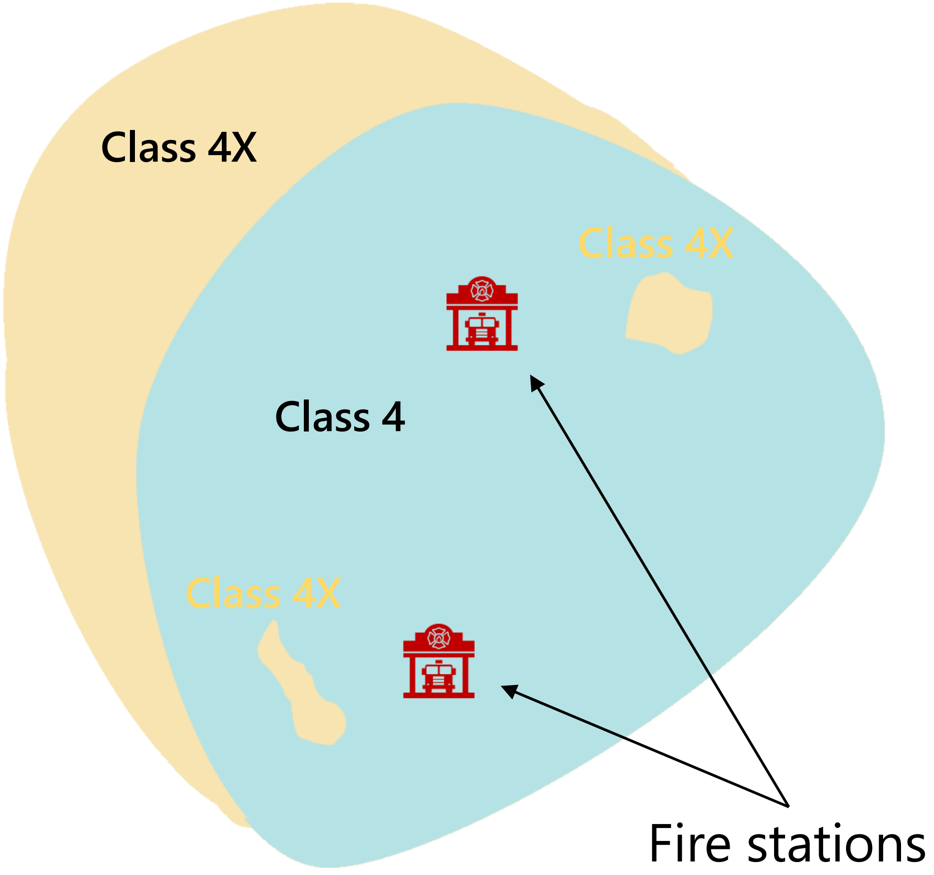
Example: Split class 4/4X

Class 4X properties are:

- Within five road miles of a fire station.
- Beyond 1,000 feet of a creditable water supply.

These properties are typically:

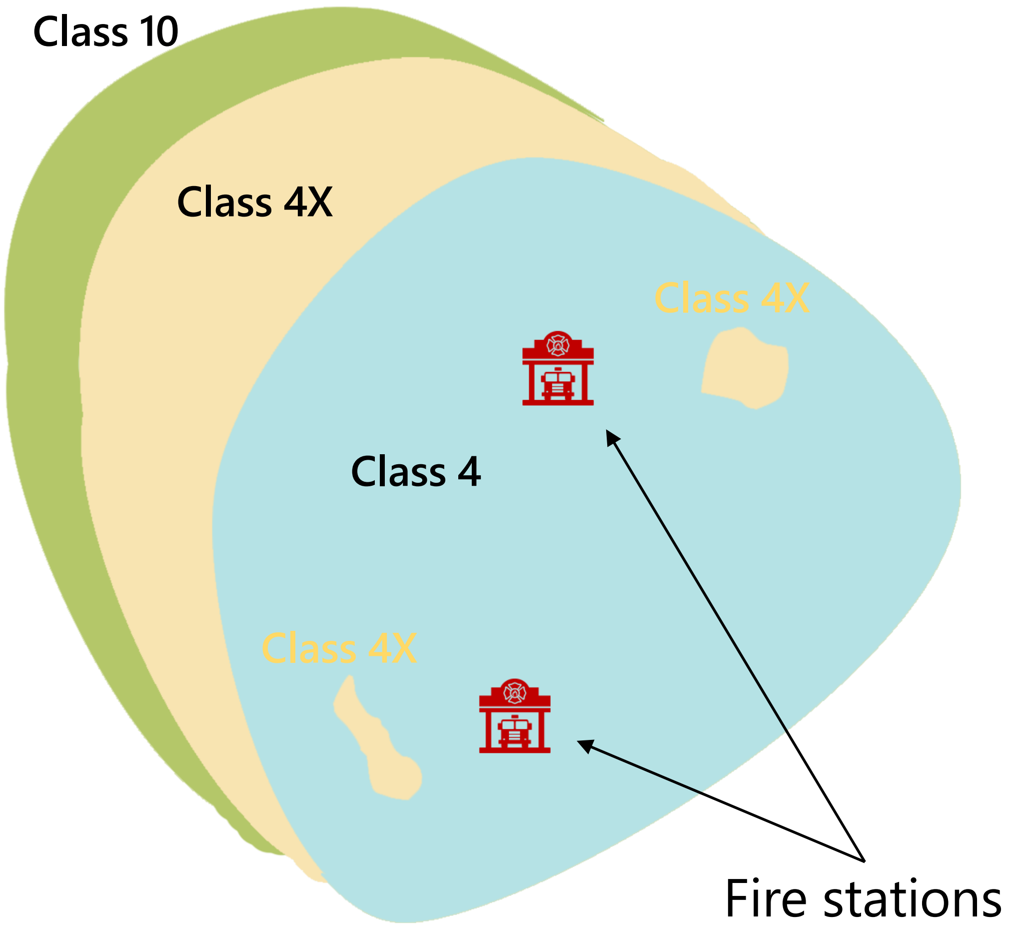
- Rural areas or large plots.
- Surrounded by a single-class community.



ISO Survey

Example: Class 10 – by distance

- **All protected and non-protected areas beyond five road miles of a fire station are a Class 10**
- Properties within 5-7 road miles of a fire station with a creditable water supply, might qualify as a 10W.
- Hauled water could qualify as creditable water supply.



Frequently asked questions

Where do I find my client's PPC score?

- Submit an inquiry with your insurance provider.
  - Most major insurance providers subscribe to ISO.
- Contact the fire department of the community in question.
- Submit an open records request to the Texas Department of Insurance
  - This is *not* a guarantee of the information

Frequently asked questions

Why did my client’s premium go up/not get renewed policy?

- The PPC score may have decreased.
- The fire department’s protection boundary may have changed.
- Other risk factors, besides PPC, may be changing the premiums.
    - Example: wildland fires.

Frequently asked questions

What if a community retrogresses?

- A community is notified. The community can:
    - Accept retrogression.
    - Enters a retrogression improvement plan with ISO to maintain or improve classification.
- TXSFMO sends a retrogression approval letter to community.

Frequently asked questions

A community had a survey in 2013, why should they have another one done?

- **Insurers take notice** of old scores and may be charging higher premiums.
- An updated maintained score is better than an old score.

Frequently asked questions

The community PPC went up. Why didn't insurance premiums go down?

- Homeowner insurance providers use PPC scores at their own discretion.
- Multiple factors play into underwriting premiums.
- When homeowners renew their policy, they should compare multiple insurance providers to find their best rate.

Contact

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Thank you