



GREAT FALLS FIRE RESCUE

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To: Business owners and Managers, Contractors and Developers

From: Assistant Chief – Prevention Mike McIntosh

Re: Business License, Fees, and Cost Recovery

Date: December, 2, 2024

Purpose of Memorandum

This memorandum aims to inform the public, businesses and the development community of Great Falls Fire Rescues (GFFR) proposed changes to the Safety Inspection Certificate Program (SIC) and to its fee schedule. The proposed fee increases will affect SICs, Emergency Medical equipment and transport fees, false alarm activations, non-compliance with fire code violation fees, false alarm fees, and other services GFFR provides. New fees are also proposed as a cost recovery mechanism for services GFFR provides but are not reimbursed for.

Background

At the beginning of 2024, the City Commission directed all City of Great Falls (COGF) departments to evaluate their current fee schedules and determine if adjustments needed to be made. Given the direction from the City Commission, GFFR evaluated its current fees and worked with Planning and Community Development and the City Attorney's office to evaluate the SIC program and all of Title 5 (Business Licenses, Permits, and Safety Inspection Certificates) of the COGF.

Safety Inspection Certificate name change to Business License

GFFR and the COGF are proposing to change the name of the SIC back to Business License. In the past, the COGF used to have a Business License program; however, in 1995, the COGF transitioned the business license name to the SIC. This was done to recover the "cost of services" determined by Ralph Anderson and Associates of Sacramento, California. At the time, the COGF followed up with its own analysis prepared by Tim Magee, resulting in the name change resolution. Also, state statutes at the time allowed certain professions to be exempt from obtaining municipal business licenses. Under the SIC, all businesses operating in a commercial location must obtain an SIC, even those professions considered exempt by the state. Even though SIC is a certificate, it acts very much like a Business License.

In evaluating the current SIC program, GFFR found that all the other major municipalities in Montana, except Kalispell, operate under a Business License structure. When looking at these municipalities' Business License programs, GFFR and the COGF found that those professions, once considered exempt under the state statutes, were now required by these municipalities to obtain Business Licenses to operate in their municipalities.

Per Title 5 of the COGF, a business is defined to cover all businesses, associations, occupations, professions, trades, pursuits, vocations, entertainments, social activities, fraternal activities, religious activities located or meeting regularly in Buildings or Offices, multi-family dwelling units of four (4) or more units with common areas. This includes sole proprietorships, partnerships, corporations, Nonprofit corporations, religious organizations, social organizations, and fraternal organizations. This includes any



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person engaged or employed in the Business of selling to consumers by going from consumer to consumer, either on the streets or their places of residence or employment, and soliciting, selling, or taking orders for future delivery of any goods, wares, or merchandise. This does not include "Home Occupation".

Title 5 of the COGF also requires every Business in the jurisdictional limits of the COGF shall be required to obtain a SIC/Business License to ensure that the Business and commercial Building and/or operation comply with Uniform Safety Codes and other ordinances and regulations enacted for the purpose of protecting the health, safety, and welfare of the public.

GFFR has identified that many Businesses do not know what a SIC is, as it is not called a Business License. GFFR also identified that the SIC name confuses national corporations as it is not a Business License. This confusion has led to numerous compliance issues during the annual SIC renewal process. Given these findings and the review of other Montana municipalities' business license programs, GFFR and the COGF propose changing the name from SIC to business license to clear up any confusion about licensing and operating a business within the city.

Great Falls Fire Rescue adjustment of Fees

Based on direction from the City Commission and the Public Safety Advisory Committee, GFFR will be looking to increase the fee for a new issuance and a renewal of a Business License. The SIC fees were last adjusted in 2017. The proposed fee adjustment is based on the Western Consumer Price Index (WCPI) at the end of 2023. This equates to a 3.6% increase to the Business License Fees. GFFR will also be looking to adjust the other fees listed on its fee schedule. GFFR is also looking to add new fees, which are a cost recovery for services provided by GFFR's staff. The established fees on the GFFR fee schedule will also be adjusted by WCPI. The proposed new fees are based on similar fees issued by other Montana municipalities. *GFFR proposed fee schedule enclosed with this letter*

Approval Process

GFFR's proposed fees will be presented in future public hearings held during regularly scheduled City Commission meetings. During these public hearings, there will be the opportunity for public comment on GFFR's proposed fees. On completion of the public hearings, the City Commission will move to adopt or deny GFFR's proposed fee schedule. If the City Commission adopts the fee schedule, the new fees would begin upon adoption.

How to provide feedback and ask questions?

If you have any questions regarding the name change from SIC to Business License or about the new fees and adjustments proposed to the GFFR fee schedule, don't hesitate to get in touch with me or Great Falls Fire Rescue at 406-727-8070.