



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

January 9, 2026

Honorable Derek Mallow
State Senator
121-H State Capitol
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
Senate Bill (LC 52 0876)

Dear Senator Mallow:

This bill would require licensed and regulated long-term care (LTC) facilities with 25 or more beds in buildings with two or more stories in height to acquire and maintain an emergency power system sufficient to ensure continuity of operations for at least 96 hours. The Department of Community Health (DCH) and the Office of Insurance and Safety Fire Commissioner (OCI) would coordinate inspection of LTC facilities to ensure compliance. DCH would also be required to establish a grant program to provide funding for the acquisition and installation of these systems. DCH and OCI would establish grant criteria and make award decisions, with priority given to LTC facilities in rural counties. LTC facilities would be required to obtain these systems on or after January 1, 2027.

The bill allows the General Assembly to appropriate funds to establish a grant program allowing LTC facilities to purchase and install emergency and standby power systems. Generator costs were estimated in a previous fiscal note (LC 50 1179S), which found that the cost for commercial diesel generators varies, with an average cost of \$20,000 per system (\$15,000 for the system and \$5,000 for installation). Therefore, an appropriation of \$1 million would allow for the purchase and installation of 50 systems.

DCH would be able to implement the administrative provisions of the bill with existing resources, while OCI would incur costs of approximately \$450,000 (**Table 1**). The estimate assumes OCI will handle required inspections, as the agency's building inspectors already inspect certain LTCs under a contract with DCH. Given the LTC facilities inspected and the bill's requirements associated with generator capabilities, the agency estimated the need for three additional inspectors.¹ OCI may also require an additional employee to coordinate with DCH on the grant requirements, depending on the complexity of the requirements and the technical assistance needed.

Table 1. Additional Annual Costs to OCI, LC 52 0876

Staff	Salary and Benefits	Vehicle, Gas, Maintenance
Inspectors (3)	\$267,300	\$93,501
Grant Staff (1)	<u>\$89,100</u>	<u>-</u>
Total	\$356,400	\$93,501

¹ The bill does not detail the frequency of inspections. If more frequent than currently performed, costs may be higher.

Respectfully,

A handwritten signature in blue ink, appearing to read "Greg S. Griffin".

Greg S. Griffin
State Auditor

A handwritten signature in blue ink, appearing to read "Richard Dunn".

Richard Dunn, Director
Office of Planning and Budget

GSG/RD/jm