

S .B. NO. 1158

JAN 27 2021

A BILL FOR AN ACT

RELATING TO THE BOILER AND ELEVATOR SAFETY LAW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 397-3, Hawaii Revised Statutes, is
2 amended by adding new definitions to be appropriately inserted
3 and to read as follows:

4 "Amusement ride" means a mechanically or electrically
5 operated device designed to carry passengers in various modes
6 and used for entertainment and amusement.

7 "Permit to operate" means a certificate issued by the
8 department that indicates that the pressure retaining item,
9 amusement ride, or elevator and kindred equipment has met the
10 required safety inspection and tests required by this chapter
11 and rules adopted under this chapter, and that required fees
12 have been paid as set forth in this chapter.

13 "Pressure retaining item" means a boiler, pressure
14 vessel, or pressure system."

15 SECTION 2. Section 397-4, Hawaii Revised Statutes, is
16 amended by amending subsection (a) to read as follows:

17 "(a) Administration.

S .B. NO. 1158

- 1 (1) The department shall establish a boiler and elevator
2 inspection branch for the enforcement of the rules
3 adopted under this chapter and other duties as
4 assigned;
- 5 (2) The department shall:
- 6 (A) Implement and enforce the requirements of this
7 chapter; and
- 8 (B) Keep adequate and complete records of the type,
9 size, location, identification data, and
10 inspection findings for [~~boilers, pressure~~
11 ~~systems,~~ pressure retaining items, amusement
12 rides, and elevators and kindred equipment
13 required to be inspected pursuant to this
14 chapter;
- 15 (3) The department shall formulate definitions and adopt
16 and enforce standards and rules pursuant to chapter 91
17 that may be necessary for carrying out this chapter;
- 18 (4) Emergency temporary standards may be adopted without
19 conforming to chapter 91 and without hearings to take
20 immediate effect upon giving public notice of the
21 emergency temporary standards or upon another date
22 that may be specified in the notice. An emergency

S.B. NO. 1158

1 temporary standard may be adopted, if the director
2 determines:

3 (A) That the public or individuals are exposed to
4 grave danger from exposure to hazardous
5 conditions or circumstances; and

6 (B) That the emergency temporary standard is
7 necessary to protect the public or individuals
8 from danger.

9 Emergency temporary standards shall be effective until
10 superseded by a standard adopted under chapter 91, but
11 shall not be effective longer than six months;

12 (5) Variances from standards adopted under this chapter
13 may be granted upon application of an owner, user,
14 contractor, or vendor. Application for variances
15 shall correspond to procedures set forth in the rules
16 adopted pursuant to this chapter. The director may
17 issue an order for variance, if the director
18 determines that the proponent of the variance has
19 demonstrated that the conditions, practices, means,
20 methods, operations, or processes used or proposed to
21 be used will provide substantially equivalent safety
22 as that provided by the standards;

S.B. NO. 1158

1 (6) Permits.

2 (A) The department shall issue a ["]permit to
3 operate["] regarding any [~~boiler, pressure~~
4 ~~system,~~] pressure retaining item, amusement ride,
5 or elevator and kindred equipment if found to be
6 safe in accordance with rules adopted pursuant to
7 chapter 91[+] and all required fees have been
8 paid;

9 (B) The department may immediately revoke any
10 ["]permit to operate["] of any [~~boiler, pressure~~
11 ~~system,~~] pressure retaining item, amusement ride,
12 or elevator and kindred equipment found to be in
13 an unsafe condition or where a user, owner, or
14 contractor ignores prior department orders to
15 correct specific defects or hazards and continues
16 to use or operate the aforementioned apparatus
17 without abating the hazards or defects[+]. The
18 department may also revoke or suspend any permit
19 to operate and issue an order prohibiting the use
20 or operation of any pressure retaining item,
21 amusement ride, or elevator and kindred equipment
22 if the owner, user, or contractor of such

S.B. NO. 1158

1 equipment fails to pay any fee or fine required
2 under this chapter or any rule adopted under this
3 chapter. The order shall be rescinded when the
4 department has determined the owner, user, or
5 contractor has paid the fee or fine;

6 (C) The department [~~shall~~] may reissue a [""]permit to
7 operate[""] to any user, owner, or contractor who
8 demonstrates that the user, owner, or contractor
9 is proceeding in good faith to abate all
10 nonconforming conditions mentioned in department
11 orders and the [~~boilers, pressure systems,~~]
12 pressure retaining items, amusement rides, and
13 elevators and kindred equipment are safe to
14 operate; and

15 (D) The department shall establish criteria for the
16 periodic reinspection and renewal of the permits
17 to operate, and may provide for the issuance of
18 temporary permits to operate while any
19 noncomplying [~~boiler, pressure system,~~] pressure
20 retaining item, amusement ride, and elevator and
21 kindred equipment are being brought into full
22 compliance with the applicable standards and

S .B. NO. 1158

1 rules adopted pursuant to this chapter; provided
2 that the period between an initial safety
3 inspection or the inspection used as a basis for
4 the issuance of a permit to operate, and any
5 subsequent inspection of elevators and kindred
6 equipment shall not exceed one year;

7 (7) No person shall operate a [~~boiler, pressure system,~~
8 pressure retaining item, amusement ride, or elevator
9 and kindred equipment that [~~are~~] is required to be
10 inspected by this chapter or by any rule adopted
11 pursuant to this chapter, except as necessary to
12 install, repair, or test, unless a permit to operate
13 has been authorized or issued by the department and
14 remains valid; and

15 (8) The department, upon the application of any owner,
16 user, or other person affected thereby, may grant time
17 that may reasonably be necessary for compliance with
18 any order. Any person affected by an order may for
19 cause petition the department for an extension of
20 time."

21 SECTION 3. Section 397-5, Hawaii Revised Statutes, is
22 amended to read as follows:

1 "**§397-5 Fees.** (a) The director [~~may~~] shall prescribe
2 reasonable fees to be charged for inspection, examination, other
3 services rendered and for permits, certificates, or licenses,
4 the issuance of which are required by this chapter or by any
5 rules of the department adopted pursuant to this chapter, and
6 for:

7 (1) Inspections by the department of any [~~boiler, pressure~~
8 ~~system,~~] pressure retaining item, amusement ride, and
9 elevator and kindred equipment for which a permit or
10 certificate is required for its installation, repair,
11 alteration, operation, or use, and which is required
12 to be inspected by this chapter or by any rules of the
13 department; and

14 (2) Examination of any person applying for permits,
15 certificates, or licenses as required by this chapter
16 or by any rules of the department.

17 (b) All fees received by the department pursuant to this
18 section shall be paid into the boiler and elevator revolving
19 fund.

20 [~~(c) Effective July 1, 2012, the fees for inspections,~~
21 ~~permits, and examinations of boilers, pressure systems,~~
22 ~~elevators, kindred equipment, and amusement rides shall be as~~

1 ~~prescribed by the schedules in this section; provided that the~~
 2 ~~director may adopt rules pursuant to chapter 91 to amend the~~
 3 ~~fees specified in this section.~~

4 ~~SCHEDULE A: Boiler and Pressure System Fees~~

5 ~~Installation, Repair, and Alteration Permit Fees:~~

6 ~~(1) Power boilers (shall pass a hydrostatic test unless~~
 7 ~~indicated otherwise):~~

8 ~~Miniature electric (no hydrostatic test~~

9 ~~required) _____ \$190~~

10 ~~Less than 500 square feet of heating~~

11 ~~surface _____ \$250~~

12 ~~Greater than or equal to 500 and less~~

13 ~~than or equal to 3,000 square feet of~~

14 ~~heating surface _____ \$400~~

15 ~~Greater than 3,000 square feet of heating~~

16 ~~surface _____ \$750~~

17 ~~(2) Heating boiler _____ \$190~~

18 ~~Retrofit _____ \$160~~

19 ~~(3) Pressure vessel _____ \$175~~

20 ~~Retrofit _____ \$130~~

21 ~~(4) Sterilizers and steam kettles _____ \$150~~

22 ~~Retrofit _____ \$110~~

S.B. NO. 1158

1 ~~(5) Repair application fee~~ _____ ~~\$200~~

2 ~~(6) Alteration application fee~~ _____ ~~\$500~~

3 ~~Examination and License Fees:~~

4 ~~(1) Boiler inspectors certificate of competency~~
5 ~~examination fee~~ _____ ~~\$300~~

6 ~~(2) Review of shops and facilities for the~~
7 ~~issuance of National Board or American~~
8 ~~Society of Mechanical Engineers~~
9 ~~certificate of authorization~~ _____ ~~\$1,500~~

10 ~~(3) Review of shops and facilities for the~~
11 ~~issuance of Non-Boiler External Piping~~
12 ~~certificate of authorization~~ _____ ~~\$750~~

13 ~~(4) Boiler inspector's Hawaii commission,~~
14 ~~initial and renewal~~ _____ ~~\$75~~

15 ~~Internal and External Inspection Fees:~~

16 ~~(1) Power boilers:~~
17 ~~Without manholes~~ _____ ~~\$150~~

18 ~~With manholes but less than or equal to~~
19 ~~3,000 square feet of heating surface~~ _____ ~~\$180~~

20 ~~With manholes greater than 3,000 and less~~
21 ~~than or equal to 10,000 square feet of~~
22 ~~heating surface~~ _____ ~~\$260~~

S.B. NO. 1158

1	With manholes and over 10,000 square	
2	feet of heating surface	-----\$450
3	(2) Heating boilers:	
4	Hot water supply	-----\$130
5	Steam and water heating without manholes	-----\$110
6	Steam, over 100 square feet but not over	
7	500 square feet of heating surface	-----\$140
8	All with manholes and steam over 500 .	
9	square feet of heating surface	-----\$170
10	(3) Pressure vessels:	
11	Routine inspections	-----\$65
12	Internal for air or water service	-----\$130
13	Ultrasonic testing	-----\$130
14	(4) For all other types of inspections	
15	an hourly fee is assessed	-----\$100
16	(1) Hydrostatic test	-----\$300
17	(2) School "specials" (non-code objects)	-----\$10
18	Reports and Permit Processing Fees:	
19	(1) Report and permit	-----\$25
20	(2) Permit reprint	-----\$20
21	(3) Signed permit card (old issue)	-----\$10
22	(4) Owner portal	-----\$5

S.B. NO. 1158

1 ~~SCHEDULE B: Elevator and Kindred Equipment Fees~~
2 ~~Installation and Alteration Permits:~~
3 ~~(1) Alteration involving only the replacement of~~
4 ~~up to two parts (such as a valve, a jack,~~
5 ~~or a cylinder) _____ \$150~~
6 ~~(2) Alteration involving only cosmetic changes~~
7 ~~(such as car interior modernizations) _____ \$300~~
8 ~~(3) Alterations of more than two parts, or~~
9 ~~components, and/or subsystems:~~
10 ~~1 — 3 floors _____ \$600~~
11 ~~4 — 9 floors _____ \$650~~
12 ~~10 — 19 floors _____ \$700~~
13 ~~20 — 29 floors _____ \$750~~
14 ~~30 — 39 floors _____ \$800~~
15 ~~40 or more floors _____ \$900~~
16 ~~(4) Where alterations to four or more units at~~
17 ~~the same location are identical, the fee for~~
18 ~~each additional alteration permit shall be~~
19 ~~reduced by fifty per cent. The applications~~
20 ~~must be submitted at the same time to qualify~~
21 ~~for the fee reduction.~~

S.B. NO. 1158

- 1 ~~(5) Installation of new elevators (including material~~
- 2 ~~lifts) and kindred equipment:~~
- 3 ~~Dumbwaiter _____ \$500~~
- 4 ~~Escalator, moving walk, or moving ramp _____ \$500~~
- 5 ~~Hand elevator or stage lift _____ \$500~~
- 6 ~~Wheelchair or stairway lifts _____ \$500~~
- 7 ~~Elevator, 1 - 3 floors _____ \$600~~
- 8 ~~Elevator, 4 - 9 floors _____ \$650~~
- 9 ~~Elevator, 10 - 19 floors _____ \$700~~
- 10 ~~Elevator, 20 - 29 floors _____ \$750~~
- 11 ~~Elevator, 30 - 39 floors _____ \$800~~
- 12 ~~Elevator, 40 or more floors _____ \$900~~
- 13 ~~Personnel hoists _____ \$250~~
- 14 ~~Inclined tunnel lifts _____ \$500~~
- 15 ~~(For elevators, such as observation or deep~~
- 16 ~~well elevators, which have considerable rise~~
- 17 ~~but few openings, each ten feet of vertical~~
- 18 ~~rise shall be considered one floor for the~~
- 19 ~~purpose of determining installation or~~
- 20 ~~alteration permit fees.)~~
- 21 ~~(6) Temporary use permits (construction car) _____ \$450~~
- 22 ~~(7) For each valid alteration or installation~~

S.B. NO. 1158

1 ~~permit, the department shall provide one~~
2 ~~inspection per unit.~~

3 ~~(8) The fee for each additional inspection or~~
4 ~~witnessing of tests, or both, shall be \$300~~
5 ~~per day for up to two hours and \$600 per day~~
6 ~~for more than two hours if during the normal~~
7 ~~workday. Fees for overtime hours shall~~
8 ~~be \$600 per day for up to two hours and~~
9 ~~\$1,200 per day for more than two hours.~~

10 ~~(9) Each installation or alteration permit~~
11 ~~shall be valid for up to one year from date~~
12 ~~of issuance.~~

13 ~~Inspection Fees:~~

14 ~~(1) Permit renewal inspection fees:~~

15	Dumbwaiter	_____	\$140
16	Escalator, moving walk, or moving ramp	_____	\$150
17	Hand elevator or stage lift	_____	\$150
18	Wheelchair or stairway lifts	_____	\$150
19	Hydraulic elevator - holed	_____	\$150
20	Hydraulic elevator - holeless	_____	\$200
21	Traction elevator:		
22	1 - 3 floor rise	_____	\$225

S .B. NO. 1158

1	4 — 9 floor rise	—————	\$250
2	10 — 19 floor rise	—————	\$275
3	20 — 29 floor rise	—————	\$325
4	30 — 39 floor rise	—————	\$400
5	40 or more floor rise	—————	\$475
6	Personnel hoists	—————	\$175
7	Inclined tunnel lifts	—————	\$220
8	(2) Safety, load or internal test (witness fees):		
9	3-year safety test	—————	\$200
10	5-year safety test	—————	\$300
11	Escalator internal	—————	\$100

12 ~~(3) Permit renewal and witness fees are per~~
13 ~~inspection, which may constitute one day or~~
14 ~~part of the day. If the inspector is required~~
15 ~~to return on another day or at another time~~
16 ~~on the same day, additional fees shall be~~
17 ~~assessed at the rate of \$300 per day for up~~
18 ~~to two hours and \$600 per day for more than~~
19 ~~two hours. Fees for overtime hours shall be~~
20 ~~\$600 per day for up to two hours and \$1,200~~
21 ~~per day for more than two hours.~~

22 ~~Schedule C: Amusement Ride Fees~~

S.B. NO. 1158

1 ~~Inspection Fees:~~

2 ~~(1) Permit renewal inspection fees:~~

3 ~~Amusement ride _____ \$100~~

4 ~~(2) Permit renewal fees are per inspection,~~
5 ~~which may constitute one day or part of the~~
6 ~~day. If the inspector has to return on~~
7 ~~another day or at another time within the~~
8 ~~same day, additional fees shall be assessed~~
9 ~~at the rate of \$300 per day for up to two hours~~
10 ~~and \$600 per day for more than two hours. Fees~~
11 ~~for overtime hours shall be \$600 per day for up~~
12 ~~to two hours and \$1,200 per day for more than~~
13 ~~two hours.] "~~

14 SECTION 4. Section 397-6, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§397-6 Safety inspection by qualified inspectors.** (a)

17 All safety inspections required under this chapter of [~~boilers~~
18 ~~and pressure systems~~] pressure retaining items shall be
19 performed by deputy boiler inspectors in the employ of the
20 department who are qualified boiler inspectors and, when
21 authorized by the director, may be performed by special
22 inspectors who are qualified boiler inspectors in the employ of

1 insurance companies insuring boilers or pressure systems in this
2 State.

3 (b) A qualified boiler inspector is a person eligible for
4 or in possession of a valid commission issued by the National
5 Board of Boiler and Pressure Vessel Inspectors, who has
6 satisfied the requirements established by the department, and
7 who has received from the director or the director's authorized
8 agent briefings and instructions regarding the rules pertaining
9 to boilers and pressure systems in this State.

10 (c) All safety inspections required under this chapter of
11 elevators and kindred equipment, and amusement rides and the
12 premises appurtenant thereto, shall be performed by deputy
13 elevator inspectors of the department who are qualified elevator
14 inspectors and who are employed primarily for purposes of
15 elevator and related inspection work.

16 (d) A qualified elevator inspector is a person who meets
17 the criteria of the American Society of Mechanical Engineers and
18 the standards for the qualification of elevator inspectors of
19 the American National Standards Institute and has satisfied
20 requirements established by the department of labor and
21 industrial relations."

S . B . NO . 1158

1 SECTION 5. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 6. This Act shall take effect upon its approval.

4

5

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INTRODUCED BY:

A handwritten signature in black ink, appearing to be "M. M. W.", written over a horizontal line.

7

BY REQUEST

S.B. NO. 1158

Report Title:

Boiler and Elevator Safety Law; Permits to Operate

Description:

Authorizes the Director of Labor and Industrial Relations to prohibit the operation of pressure retaining items, amusement rides, and elevators and kindred equipment if inspection fees or fines are not paid timely; deletes the boiler and elevator fee schedule; effective upon approval.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

SB. NO. 1158

JUSTIFICATION SHEET

DEPARTMENT: Labor and Industrial Relations

TITLE: A BILL FOR AN ACT RELATING TO THE BOILER AND ELEVATOR SAFETY LAW.

PURPOSE: To add definitions for "amusement ride", "permit to operate", and "pressure retaining item" into the law.

To allow the department to revoke or suspend the permit to operate for equipment for which the required fees or fines are not submitted to the department after notification.

To eliminate the fee schedule for boilers, pressure vessels, pressure systems, elevators and kindred equipment, and amusement rides.

MEANS: Amend sections 397-3, 397-4(a), 397-5, and 397-6, Hawaii Revised Statutes (HRS).

JUSTIFICATION: The purpose of this Act is to augment the capacity of the department to inspect elevators and kindred equipment and amusement rides. The Supplemental Appropriations Act of 2012 included six additional elevator inspector positions. Act 103, Session Laws of Hawaii (SLH) 2012, established the boiler and elevator special fund, changed the means of financing to special funding, and provided a mechanism for self-sustainability for the Boiler and Elevator Branch (Branch) of the Occupational Safety and Health Division (HIOSH).

In passing Act 103, the Legislature recognized that the boiler and elevator inspection program staffing and budget had suffered from across-the-board cuts and neglect that had rendered it ineffective and a hindrance to economic revitalization, and most importantly, a threat to public safety.

Act 186, SLH 2018, amended the law by changing the special fund to a revolving fund to properly align the fund with the statutory definition of a revolving fund found in section 37-62, HRS.

However, despite the additional resources and elevator inspector positions, the department has struggled to perform inspections of all elevators and kindred equipment in a timely manner.

The department has struggled to collect fees for inspections already completed, which threatens the viability of the boiler and elevator revolving fund. Providing the department with the ability to prohibit the use of equipment will enhance compliance with the timely paying of fees.

The fee schedules for boilers and elevators and kindred equipment are outdated and unnecessary as the director has undergone chapter 91, HRS, rule-making for both boilers and elevators and kindred equipment and already changed the fees. The updated fee schedules are in the related rules.

Impact on the public: The enhanced ability to collect fees will help enable the department's stewardship of the boiler and elevator revolving fund.

Impact on the department and other agencies: This proposal will improve the department's ability to conduct inspections and safety tests and serve as the steward of the boiler and elevator revolving fund.

GENERAL FUND:	None.
OTHER FUNDS:	None.
PPBS PROGRAM DESIGNATION:	LBR143.

OTHER AFFECTED
AGENCIES:

None.

EFFECTIVE DATE:

Upon approval.