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# 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 three new definitions to be appropriately  
3 inserted and to read as follows:

4           "Chief boiler inspector" means the department employee  
5 duly appointed by the director as the chief boiler and pressure  
6 vessel inspector and represents the State as the voting member  
7 of the National Board of Boiler and Pressure Vessel Inspectors  
8 and serves as an American Society of Mechanical Engineers  
9 Conference Committee member.

10           "Exclusive employment" means that an inspector shall be  
11 employed on a full-time or part-time basis for only one  
12 authorized inspection agency, owner-user inspection  
13 organization, or federal inspection agency."

14           "Owner-user inspection organization" means an owner or user  
15 of pressure retaining items, whose organization and inspection  
16 procedures meet the requirements of the National Board of Boiler  
17 and Pressure Vessel Inspectors, and is approved by the  
18 director."

1 SECTION 2. Section 397-6, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:

3 "(a) All safety inspections required under this chapter of  
4 pressure retaining items shall be performed by deputy boiler  
5 inspectors in the employ of the department who are qualified  
6 boiler inspectors and, when authorized by the director, may be  
7 performed by special inspectors who are qualified boiler  
8 inspectors in the [~~employ~~] exclusive employment of insurance  
9 companies insuring pressure retaining items in this State[-] or  
10 by owner-user inspectors who are qualified boiler inspectors in  
11 the exclusive employment of an owner-user inspection  
12 organization approved by the director."

13 SECTION 3. Section 397-13, Hawaii Revised Statutes, is  
14 amended by amending subsection (d) to read as follows:

15 "(d) No later than [~~ten~~] thirteen years from the date of  
16 the establishment of the revolving fund, the director shall  
17 reimburse the general fund for the amount of any initial  
18 appropriation that was made by the general revenues of the State  
19 to the revolving fund."

20 SECTION 4. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.

22 SECTION 5. This Act shall take effect upon its approval.

**S.B. NO. 3126**

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INTRODUCED BY: *Wm. N. H. C.*

BY REQUEST

**Report Title:**

Boiler and Elevator Safety Law

**Description:**

Allows the Director of Labor and Industrial Relations to permit owner-user inspectors in the exclusive employment of owner-user inspection organizations to perform inspections on pressure retaining items and extends the time from ten to thirteen years for the Director to reimburse the general fund from the Boiler and Elevator Revolving Fund.

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

JUSTIFICATION SHEET

DEPARTMENT: Labor and Industrial Relations

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

PURPOSE: To clarify that the Director of Labor and Industrial Relations may authorize owner-user inspectors exclusively employed by owner-user inspector organizations to perform inspections of pressure retaining items and to extend the time from ten to thirteen years for the Director to reimburse the general fund from the Boiler and Elevator Revolving Fund.

MEANS: Amend sections 397-3, 397-6(a), and 397-13(d), Hawaii Revised Statutes (HRS).

JUSTIFICATION: The National Board of Boiler and Pressure Vessel Inspectors permits an owner-user inspection organization (OUIO) to establish and maintain an inspection program as long as the organization and inspection procedures meet the national accreditation requirements of NB-371, Accreditation of Owner-User Inspection Organizations, NB-381, Quality Program for Inspection Organizations, NB-263, National Board Rules for Commissioned Inspectors, and the jurisdiction's approval.

Allowing an additional type of pressure retaining item inspection will augment the ability of the department to inspect and assure the safe operation and use of boilers, pressure vessels, and pressure systems in Hawaii.

This bill also extends the time for the Director to reimburse the general fund from the Boiler and Elevator revolving fund from ten to thirteen years, which will allow more flexibility to fund boiler and elevator

safety operations while maintaining a feasible repayment schedule.

Impact on the public: This bill will have a positive effect on the public by ensuring that boiler and elevator safety operations are more adequately funded while maintaining a feasible repayment schedule to the general fund.

Impact on the department and other agencies: Enactment of this bill will help the Boiler and Elevator Revolving Fund maintain reserves to allow for continuing operations, by allowing a feasible repayment schedule to the general fund.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: LBR143.

OTHER AFFECTED  
AGENCIES: None.

EFFECTIVE DATE: Upon approval.