

HB 2422

**RELATING TO
BOILER AND
ELEVATOR
SAFTEY**

A BILL FOR AN ACT

RELATING TO 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 to read as follows:

3 "~~[+] §397-3 [+] Definitions. ["Appeals board" means the~~
4 ~~department of labor and industrial relations appeals board.]~~ As
5 used in this chapter:

6 "Appeals board" means the labor and industrial relations
7 appeals board established by section 371-4.

8 "Boiler" means a closed vessel in which water or other
9 liquid is heated, steam or vapor is generated, steam or vapor is
10 superheated, or any combination thereof, under pressure for use
11 external to itself, by the direct application of [heat. The
12 term "boiler" includes fired units for heating or vaporizing
13 liquids other than water where these units are separate from
14 processing systems and complete within themselves.] energy from
15 the combustion of fuels, or from electricity, or solar energy.

16 "Contractor" means any person, firm, or corporation
17 installing, repairing, or servicing and responsible for the safe



1 operation of any boiler, pressure system, amusement ride, and
2 elevator and kindred equipment or structure inspected pursuant
3 to this chapter.

4 "Department" means the department of labor and industrial
5 relations.

6 "Director" means the director of labor and industrial
7 relations.

8 "Division" means the division of occupational safety and
9 health.

10 "Elevator" means a hoisting and lowering mechanism
11 permanently installed in a structure, designed to carry
12 passengers or authorized personnel, equipped with a car or
13 platform which moves in fixed guides and serves two or more
14 fixed landings.

15 "Elevators and kindred equipment" as used in this chapter
16 means elevators, escalators, dumbwaiters, moving walks, stage
17 lifts, [~~mechanized parking elevators, manlifts,~~] inclined lifts,
18 personnel hoists, [~~aerial tramways,~~] permanently installed
19 material lifts, [~~personal automatic trains~~] and any other
20 similar mechanized equipment used to convey people in places
21 other than a public right-of-way.



1 "National Board" means the National Board of Boiler and
2 Pressure Vessel Inspectors [~~7, 1055 Crupper Avenue, Columbus, Ohio~~
3 43229].

4 "Owner" means any person, firm or corporation with legal
5 title to any boiler, pressure system, amusement ride, and
6 elevator and kindred equipment inspected pursuant to this
7 chapter who may or may not be the user.

8 "Pressure piping" means piping systems specified in the
9 [~~American National Standard Code for Pressure Piping developed~~
10 ~~and promulgated by the~~] American Society of Mechanical
11 Engineers [~~-~~] B31.1 Power Piping Code.

12 "Pressure systems" means both pressure vessels and pressure
13 piping as defined in this section.

14 "Pressure vessel" means a closed vessel in which pressure
15 is obtained from an external source or by the direct application
16 of heat from a direct or indirect source.

17 "User" means any person, firm or corporation legally in
18 possession and responsible for the safe operation of any boiler,
19 pressure system, amusement ride, and elevator and kindred
20 equipment inspected pursuant to this chapter.



1 "Vendor" means any person, firm, or corporation that sells
2 or distributes any boiler, pressure system, amusement ride, and
3 elevator and kindred equipment required to be inspected pursuant
4 to this chapter."

5 SECTION 2. Section 397-4, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "§397-4 Powers and duties. (a) Administration.

8 (1) The department shall establish a boiler and elevator
9 inspection branch for the enforcement of the rules
10 adopted under this chapter and other duties as
11 assigned;

12 (2) The department shall:

13 (A) Implement and enforce the requirements of this
14 chapter; and

15 (B) Keep adequate and complete records of the type,
16 size, location, identification data, and
17 inspection findings for boilers, pressure
18 systems, amusement rides, and elevators and
19 kindred equipment required to be inspected
20 pursuant to this chapter;



- 1 (3) The department shall formulate definitions and adopt
2 and enforce standards and rules pursuant to chapter 91
3 that may be necessary for carrying out this chapter[-
4 ~~Definitions and rules adopted in accordance with~~
5 ~~chapter 91 under the authority of chapter 396, prior~~
6 ~~to the adoption of this chapter that pertain to~~
7 ~~boilers, pressure systems, amusement rides, and~~
8 ~~elevators and kindred equipment required to be~~
9 ~~inspected pursuant to this chapter, shall be continued~~
10 ~~in force under the authority of this chapter];~~
11 (4) Emergency temporary standards may be adopted without
12 conforming to chapter 91 and without hearings to take
13 immediate effect upon giving public notice of the
14 emergency temporary standards or upon another date
15 that may be specified in the notice. An emergency
16 temporary standard may be adopted, if the director
17 determines:
18 (A) That the public or individuals are exposed to
19 grave danger from exposure to hazardous
20 conditions or circumstances; and



1 (B) That the emergency temporary standard is
2 necessary to protect the public or individuals
3 from danger.

4 Emergency temporary standards shall be effective until
5 superseded by a standard adopted under chapter 91, but
6 [~~in any case~~] shall not be effective [~~no~~] longer than
7 six months;

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

19 (6) Permits.

20 (A) The department shall issue a "permit to operate"
21 regarding any boiler, pressure system, amusement



1 ride, or elevator and kindred equipment if found
2 to be safe in accordance with rules adopted
3 pursuant to chapter 91;

4 (B) The department may immediately revoke any "permit
5 to operate" of any boiler, pressure system,
6 amusement ride, or elevator and kindred equipment
7 found to be in an unsafe condition or where a
8 user, owner, or contractor ignores prior
9 department orders to correct specific defects or
10 hazards and continues to use or operate the
11 [~~above-mentioned~~] above-mentioned apparatus
12 without abating the hazards or defects;

13 (C) The department shall reissue a "permit to
14 operate" to any user, owner, or contractor who
15 demonstrates that the user, owner, or contractor
16 is proceeding in good faith to abate all
17 nonconforming conditions mentioned in department
18 orders and the boilers, pressure systems,
19 amusement rides, and elevators and kindred
20 equipment are safe to operate; and



1 (D) The department shall establish criteria for the
2 periodic reinspection and renewal of the permits
3 to operate, and may provide for the issuance of
4 temporary permits to operate while any
5 noncomplying boiler, pressure system, amusement
6 ride, and elevator and kindred equipment are
7 being brought into full compliance with the
8 applicable standards and rules adopted pursuant
9 to this chapter; provided that the period between
10 an initial safety inspection or the inspection
11 used as a basis for the issuance of a permit to
12 operate, and any subsequent inspection of
13 elevators and kindred equipment shall not exceed
14 one year;

15 (7) No boiler, pressure system, amusement ride, or
16 elevator and kindred equipment which are required to
17 be inspected by this chapter or by any rule adopted
18 pursuant to this chapter shall be operated, except as
19 necessary to install, repair, or test, unless a permit
20 to operate has been authorized or issued by the
21 department and remains valid; and



- 1 (8) The department, upon the application of any owner or
- 2 user or other person affected thereby, may grant time
- 3 that may reasonably be necessary for compliance with
- 4 any order. Any person affected by an order may for
- 5 cause petition the department for an extension of
- 6 time.

- 7 (b) Inspection and investigation.

- 8 (1) Authorized representatives of the director shall have
- 9 the right to enter without delay during regular
- 10 working hours and at other reasonable times any place,
- 11 establishment or premises in which are located
- 12 boilers, pressure systems, amusement rides, and
- 13 elevators and kindred equipment requiring inspection
- 14 pursuant to this chapter.

- 15 (2) The department shall inspect for the purpose of
- 16 insuring compliance with the purposes and provisions
- 17 of this chapter any activity related to the erection,
- 18 construction, alteration, demolition or maintenance of
- 19 buildings, structures, bridges, highways, roadways,
- 20 dams, tunnels, sewers, underground buildings or



1 structures, underground pipelines or ducts, and other
2 construction projects or facilities.

3 (3) The department shall review plans and make
4 inspections, and investigations of boilers, and
5 pressure systems, and the premises appurtenant to each
6 at times and at intervals determined by the director
7 for the purpose of insuring compliance with the
8 purpose and provisions of this chapter. This section
9 shall not apply to single family dwellings or multiple
10 dwelling units of less than six living units.

11 (4) The department shall review plans and make
12 inspections, and investigations of elevators and
13 kindred equipment and the premises appurtenant to each
14 at times and at intervals determined by the director
15 for the purpose of insuring compliance with the
16 purposes and provisions of this chapter. This section
17 shall not apply to single family dwellings.

18 (5) The department shall inspect, at least semi-annually
19 all mechanically or electrically operated devices
20 considered as major rides and used as amusement rides
21 at a carnival, circus, fair, or amusement park for the



1 purpose of protecting the safety of the [~~general~~]
2 public. This section shall not apply to any coin
3 operated ride or mechanically or electrically operated
4 devices considered or known in the amusement trade as
5 kiddie rides.

6 (6) The department may investigate accidents involving
7 boilers, pressure systems, amusement rides, and
8 elevators and kindred equipment inspected under this
9 chapter and may issue orders and recommendations with
10 respect to the elimination and control of the cause
11 factors.

12 (7) The department shall have the right to question any
13 employer, owner, operator, agent, or employee in
14 investigation, enforcement, and inspection activities
15 covered by this chapter.

16 (8) Any employee of the State acting within the scope of
17 the employee's office, employment, or authority under
18 this chapter shall not be liable in or made a party to
19 any civil action growing out of the administration and
20 enforcement of this chapter.

21 (c) Education and training.



- 1 (1) The department may disseminate through exhibitions,
2 pictures, lectures, pamphlets, letters, notices, and
3 any other method of publicity, to owners, users,
4 vendors, architects, contractors, employees, and the
5 [general] public information regarding boilers,
6 pressure systems, amusement rides, and elevators and
7 kindred equipment required to be inspected pursuant to
8 this chapter.
- 9 (2) Where appropriate, the department may undertake
10 programs in training and consultation with owners,
11 users, property management firms, vendors, architects,
12 contractors, employees, and the [general] public
13 regarding the safety requirements of this chapter and
14 the rules [~~and regulations~~].
- 15 (d) Enforcement.
- 16 (1) Whenever right of entry to a place to inspect any
17 boiler, pressure system, amusement ride, or elevator
18 and kindred equipment required by this chapter to be
19 inspected is refused to an authorized representative
20 of the director, the department may apply to the
21 circuit court where such place exists for a search



1 warrant providing on its face that the wilful
2 interference with its lawful execution may be punished
3 as a contempt of court.

4 (2) Whenever the department finds that the construction of
5 or the operation of any boiler, pressure system,
6 amusement ride, or elevator and kindred equipment
7 required to be inspected by this chapter is not safe,
8 or that any practice, means, method, operation, or
9 process employed or used is unsafe or is not in
10 conformance with the rules [~~and regulations~~]
11 promulgated pursuant to this chapter, the department
12 shall issue an order to render the construction or
13 operation safe or in conformance with this chapter or
14 rules [~~and regulations~~] and deliver the same to the
15 contractor, owner, or user. Each order shall be in
16 writing and may be delivered by mail or in person.
17 The department may in the order direct that, in the
18 manner and within a time specified such additions,
19 repairs, improvements, or changes be made and such
20 safety devices and safeguards be furnished, provided
21 and used as are reasonably required to insure



1 compliance with the purposes and provisions of this
2 chapter. The owner, or user, or contractor shall obey
3 and observe all orders issued by the department or be
4 subject to appropriate civil penalties.

5 (3) Whenever in the opinion of the department the
6 condition of, or the operation of boilers, pressure
7 systems, amusement rides, or elevators and kindred
8 equipment required to be inspected by this chapter, or
9 any practice, means, method, operation, or process
10 employed or used, is unsafe, or is not properly
11 guarded or is dangerously placed, the use thereof may
12 be prohibited by the department, an order to that
13 effect shall be posted prominently on the equipment,
14 or near the place or condition referred to in the
15 order. The order shall be removed when a
16 determination has been made by an authorized
17 representative of the department that the boilers,
18 pressure systems, amusement rides, or elevators and
19 kindred equipment are safe and the required safeguards
20 or safety devices are provided.



1 (4) When in the opinion of the department the operation of
2 boilers, pressure systems, amusement rides, or
3 elevators and kindred equipment, required to be
4 inspected by this chapter or any practice, means,
5 method, operation, or process employed or used
6 constitutes an imminent hazard to the life or safety
7 of any person, or to property, the department may
8 apply to the circuit court of the circuit in which
9 such boilers, pressure systems, amusement rides, or
10 elevators and kindred equipment are situated or such
11 practice, means, method, operation, or process is
12 employed for an injunction restraining the use or
13 operation until the use or operation is made safe.
14 The application to the circuit court accompanied by an
15 affidavit showing that the use or operation exists in
16 violation of a standard, rule, [~~regulation,~~] variance,
17 or order of the department and constitutes an imminent
18 hazard to the life or safety of any person or to
19 property and accompanied by a copy of the standard,
20 rule, [~~regulation,~~] variance, or applicable order,
21 shall warrant, in the discretion of the court, the



1 immediate granting of a temporary restraining order.
2 No bond shall be required from the department as a
3 prerequisite to the granting of a restraining order.
4 (5) The director and the director's authorized
5 representative shall have the same powers respecting
6 the administering of oaths, compelling the attendance
7 of witnesses, the production of documentary evidence,
8 and examining or causing to be examined witnesses as
9 are possessed by the court and may take depositions
10 and certify to official acts. The circuit court of
11 any circuit upon application by the director shall
12 have the power to enforce by proper proceedings the
13 attendance and testimony of any witness so subpoenaed.
14 Subpoena and witness fees and mileage in such cases
15 shall be the same as in criminal cases in the circuit
16 courts. Necessary expenses of, or in connection with,
17 such hearings or investigations shall be payable from
18 the funds appropriated for expenses of administration
19 of the department. No person shall be excused from
20 attending or testifying or producing materials, books,
21 papers, correspondences, memoranda, and other records



1 before the director or in obedience to subpoena on the
2 grounds that the testimony or evidence, documentary or
3 otherwise, required of the person may tend to
4 incriminate the person or subject the person to a
5 penalty or forfeiture; but no individual shall be
6 prosecuted or subjected to any penalty or forfeiture
7 for or on account of any transaction, matter, or thing
8 concerning which the individual is compelled, after
9 having claimed the individual's privilege against
10 self-incrimination, to testify or produce evidence,
11 documentary, or otherwise, except that such
12 individuals so testifying shall not be exempt from
13 prosecution and punishment for perjury committed in so
14 testifying.

15 (6) Where a condition or practice involving any boiler,
16 pressure system, amusement ride, or elevator and
17 kindred equipment required to be inspected by this
18 chapter could reasonably be expected to cause death or
19 serious physical harm, the department shall have the
20 right, independent of any other enforcement powers
21 under this chapter, to:



- 1 (A) Immediately take steps to obtain abatement by
- 2 informing the owners, users, contractors, and all
- 3 persons in harms way of such hazard by meeting,
- 4 posted notice, or otherwise;
- 5 (B) Take steps to immediately obtain abatement
- 6 through direct control or elimination of the
- 7 hazard if after reasonable search, the user,
- 8 owner, or contractor or their representative is
- 9 not available;
- 10 (C) Take steps to obtain immediate abatement when the
- 11 nature and imminency of the danger or hazard does
- 12 not permit a search for the owner, user, or
- 13 contractor; and
- 14 (D) Where appropriate, initiate necessary legal
- 15 proceedings to require abatement by the owner,
- 16 user, or contractor.
- 17 (7) The department may prosecute, defend and maintain
- 18 actions in the name of the department for the
- 19 enforcement of the provisions of this chapter,
- 20 including the enforcement of any order issued by it,



1 the appeal of any administrative or court decision,
2 and other actions necessary to enforce this chapter."

3 SECTION 3. Section 397-5, Hawaii Revised Statutes, is
4 amended by amending subsections (b) and (c) to read as follows:

5 "(b) All fees received by the department pursuant to this
6 section shall be paid into the boiler and elevator [~~special~~]
7 revolving fund.

8 (c) Effective July 1, 2012, the fees for inspections,
9 permits, and examinations of boilers, pressure systems,
10 elevators, kindred equipment, and amusement rides shall be as
11 prescribed by the schedules in this section; provided that the
12 director may adopt rules pursuant to chapter 91 to amend the
13 fees specified in this section.

14 SCHEDULE A: Boiler and Pressure System Fees

15 Installation, Repair, and Alteration Permit Fees:

- 16 (1) Power Boilers (shall pass a hydrostatic test unless
- 17 indicated otherwise):
- 18 Miniature electric (no hydrostatic test
- 19 required) \$190
- 20 Less than 500 square feet of heating
- 21 surface \$250



1	Greater than or equal to 500 and less	
2	than or equal to 3,000 square feet of	
3	heating surface	\$400
4	Greater than 3,000 square feet of	
5	heating surface	\$750
6	(2) Heating boiler	\$190
7	Retrofit	\$160
8	(3) Pressure vessel	\$175
9	Retrofit	\$130
10	(4) Sterilizers and steam kettles	\$150
11	Retrofit	\$110
12	(5) Repair application fee	\$200
13	(6) Alteration application fee	\$500
14	Examination and License Fees:	
15	(1) Boiler inspectors certificate of	
16	competency examination fee	\$300
17	(2) Review of shops and facilities for the	
18	issuance of National Board or American	
19	Society of Mechanical Engineers	
20	certificate of authorization	\$1,500



1	(3) Review of shops and facilities for the	
2	issuance of Non-Boiler External Piping	
3	certificate of authorization	\$750
4	(4) Boiler inspector's Hawaii commission,	
5	initial and renewal	\$75
6	Internal and External Inspection Fees:	
7	(1) Power boilers:	
8	Without manholes	\$150
9	With manholes but less than or equal to	
10	3,000 square feet of heating surface	\$180
11	With manholes greater than 3,000 and	
12	less than or equal to 10,000 square	
13	feet of heating surface	\$260
14	With manholes and over 10,000 square	
15	feet of heating surface	\$450
16	(2) Heating boilers:	
17	Hot water supply	\$130
18	Steam and water heating without	
19	manholes	\$110



1	Steam, over 100 square feet but not	
2	over 500 square feet of heating	
3	surface	\$140
4	All with manholes and steam over 500	
5	square feet of heating surface	\$170
6	(3) Pressure vessels:	
7	Routine inspections	\$65
8	Internal for air or water service	\$130
9	Ultrasonic testing	\$130
10	(4) For all other types of inspections an	
11	hourly fee is assessed	\$100
12	(5) Hydrostatic test	\$300
13	(6) School "specials" (non-code objects)	\$10
14	Reports and Permit Processing Fees:	
15	(1) Report and permit	\$25
16	(2) Permit reprint	\$20
17	(3) Signed permit card (old issue)	\$10
18	(4) Owner portal	\$5
19	SCHEDULE B: Elevator and Kindred Equipment Fees	
20	Installation and Alteration Permits:	



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



- 1 (6) Temporary use permits (construction car) \$450
- 2 (7) For each valid alteration or installation permit, the
- 3 department shall provide one inspection per unit.
- 4 (8) The fee for each additional inspection or witnessing
- 5 of tests, or both, shall be \$300 per day for up to two
- 6 hours and \$600 per day for more than two hours if
- 7 during the normal workday. Fees for overtime hours
- 8 shall be \$600 per day for up to two hours and \$1,200
- 9 per day for more than two hours.
- 10 (9) Each installation or alteration permit shall be valid
- 11 for up to one year from the date of issuance.

12 Inspection Fees:

- 13 (1) Permit renewal inspection fees:
- 14 Dumbwaiter \$140
- 15 Escalator, moving walk, or moving ramp \$150
- 16 Hand elevator [~~manlift~~] or stage lift \$150
- 17 Wheelchair or stairway lifts \$150
- 18 Hydraulic elevator - holed \$150
- 19 Hydraulic elevator - holeless \$200
- 20 Traction elevator:
- 21 1 - 3 floor rise \$225



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	Aerial tramways	\$400
7	Personnel hoists	\$175
8	Inclined tunnel lifts	\$220
9	(2) Safety, load or internal test (witness fees):	
10	3-year safety test	\$200
11	5-year safety test	\$300
12	Escalator internal	\$100
13	(3) Permit renewal and witness fees are per inspection,	
14	which may constitute one day or part of the day. If	
15	the inspector is required to return on another day or	
16	at another time on the same day, additional fees shall	
17	be assessed at the rate of \$300 per day for up to two	
18	hours and \$600 per day for more than two hours. Fees	
19	for overtime hours shall be \$600 per day for up to two	
20	hours and \$1,200 per day for more than two hours.	

21 SCHEDULE C: Amusement Ride Fees



1 SECTION 5. Section 397-13, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "~~[§]~~397-13~~[§]~~ Boiler and elevator ~~[special]~~ revolving
4 fund; establishment; purposes. (a) There is established in the
5 state treasury the boiler and elevator ~~[special]~~ revolving fund,
6 into which shall be deposited all fees collected pursuant to
7 section 397-5 and any appropriation from the legislature. All
8 interest and investment moneys earned on any moneys in the
9 ~~[special]~~ revolving fund shall become part of the ~~[special]~~
10 revolving fund.

11 (b) The purpose of the ~~[special]~~ revolving fund is to
12 provide for sufficient operating costs to carry out the purposes
13 of this chapter. Moneys in the fund may be expended for:

- 14 (1) Personnel and operating expenses;
- 15 (2) Staff training and staff certification fees and
16 expenses;
- 17 (3) Preparation and dissemination of public information on
18 safe installation and use of equipment regulated by
19 this chapter;
- 20 (4) Preparation of annual reports to the legislature as
21 required by this chapter; and



1 (5) Reimbursement to the general fund as required by this
2 section.

3 (c) The director shall submit a report to the legislature
4 on the status of the boiler and elevator [~~special~~] revolving
5 fund, including expenditures and program results, not less than
6 twenty days prior to the convening of each regular session.

7 (d) No later than [~~five~~] ten years from the date of the
8 establishment of the [~~special~~] revolving fund, the director
9 shall reimburse the general fund for the amount of any initial
10 appropriation that was made by the general revenues of the State
11 to the [~~special~~] revolving fund."

12 SECTION 6. This Act does not affect rights and duties that
13 matured, penalties that were incurred, and proceedings that were
14 begun before its effective date.

15 SECTION 7. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 8. This Act shall take effect on July 1, 2018.

18

INTRODUCED BY:



JAN 23 2018



H.B. NO. 2422

Report Title:

Boiler and Elevator Safety Law; Boiler and Elevator Revolving Fund

Description:

Redefines "boiler" within the Boiler and Elevator Safety Law. Extends the time from five years to ten years for the Director of Labor and Industrial Relations to reimburse the general fund from the Boiler and Elevator Revolving Fund. Reclassifies the Boiler and Elevator Special Fund to a revolving fund. Makes housekeeping amendments to Boiler and Elevator Safety Law.

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



HB 2422

TESTIMONY

DAVID Y. IGE
GOVERNOR

DOUGLAS S. SHINN
LIEUTENANT GOVERNOR



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February 8, 2018

To: The Honorable Aaron Ling Johanson, Chair,
The Honorable Daniel Holt, Vice-Chair, and
Members of the Senate Committee on Labor

Date: Thursday, February 8, 2018

Time: 09:00 a.m.

Place: Conference Room 309 State Capitol

From: Leonard Hoshijo, Acting Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 2422 Relating to Boiler and Elevator Safety Law

I. OVERVIEW OF PROPOSED LEGISLATION

This bill makes housekeeping amendments to the definition of boilers, elevators and kindred equipment; makes housekeeping amendments in various parts of the chapter pertaining to pressure vessels; makes a housekeeping amendment for the qualification of boiler inspectors; changes the classification of the Boiler and Elevator Special Fund to the Boiler and Elevator Revolving Fund; and extends the time from five to ten years for the Director to reimburse the general fund from the Boiler and Elevator Revolving Fund.

The Department strongly supports this DLIR bill.

II. CURRENT LAW

The current law contains various definitions of elevators and kindred equipment that are either no longer a part of applicable standards, transitioned to the jurisdiction of other work groups, excluded from American Society of Mechanical Engineers (ASME) Safety codes, or none existent in Hawaii.

The current law also misclassifies the Boiler and Elevator Branches funding category as a Special Fund instead of a Revolving Fund. The Conference Committee Rep. No. 168-12 (SLH, 2012) for Act 103 that established the fund reported, "The purpose of this measure is to improve public safety by providing a mechanism for self-sufficiency for the Boiler and Elevator Inspection Branch of the Department of Labor and Industrial Relations."

Lastly, the law currently allows only a five-year reimbursement period for the initial appropriation or seed money of one million dollars made from the State's general fund.

III. COMMENTS ON THE HOUSE BILL

This proposed bill makes needed housekeeping amendments to the definition of elevators and kindred equipment by deleting certain types of equipment from the definition. These housekeeping amendments will eliminate the ambiguities and/or misrepresentations which could likely cause unnecessary confusion or potential problems in attempts to examine or comply with the law.

Mechanized parking elevators are no longer part of the national consensus standards (ASME A17.1, Safety Code for Elevators and Escalators), therefore, there is no code to adhere to for inspections. In addition, mechanized parking elevators are not intended or designed to move people.

The jurisdiction for manlifts has transitioned to the other branches within the Hawaii Occupational Safety and Health Division (HIOSH) because HIOSH considers manlifts to be hazardous equipment requiring safety training for employees who use them. Furthermore, ASME A17.1, Safety Code for Elevators and Escalators, excludes manlifts. There are currently six manlifts in the state.

Aerial tramways are commonly found in mountainous areas and used for the purposes of accessing remote areas in high elevations and for sightseeing. There are no aerial tramways in the State and DLIR believes that it is highly unlikely that such equipment would be built for the foreseeable future. Furthermore, the national consensus standards for this type of equipment is not currently covered by the ASME A17.1, Safety Code for Elevators and Escalators.

Personal automatic trains are an antiquated term and DLIR was unable to obtain evidence of their existence by searching the internet.

The national consensus standards adopted by the National Board of Boiler and Pressure Vessel Inspectors contains the term "pressure vessel" in addition to boilers and pressure systems, therefore, this proposal inserts "pressure vessel" in the appropriate sections in the chapter. The proposal also makes a housekeeping amendment for the qualification of boiler inspectors.

The classification of the Boiler and Elevator Special Fund should be changed to a revolving fund to properly align the fund with the statutory definition of a revolving fund found in section 37-62, HRS. "Revolving fund" means a fund from which is paid the cost of goods and services rendered or furnished to or by a state agency and which is replenished through charges made for the goods or services or through transfers from other accounts or funds." The alignment to the correct definition would allow for the proper processing of the funds as a revolving fund that supports the self-sustaining charter of this operational work group.

The Boiler and Elevator Branch has made significant strides in finding and recruiting the uniquely skilled elevator inspectors for its recovery efforts, which has taken a little longer than expected. The Branch has now filled all but one of its vacancies with the needed skilled inspectors and supervisor, and is functioning as intended. Due to this extended recovery period, the Boiler and Elevator Branch has only reimbursed about sixty percent (60%) of its initial appropriated general fund seed money, but has made reimbursement payments every year. This proposal extends the time for the Director to reimburse the general fund from the Boiler and Elevator operating fund from five to ten years, which will help ensure that safety operations can continue while maintaining a feasible repayment schedule. DLIR plans to repay \$100,000 per year over the next four years to repay the general fund.

HB 2422

**LATE
TESTIMONY**