A BILL FOR AN ACT

RELATING TO THE BOILER AND ELEVATOR SAFETY LAW.

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

- SECTION 1. Section 397-3, Hawaii Revised Statutes, is 1 amended by adding new definitions to be appropriately inserted 2 and to read as follows: 3 4 ""Amusement ride" means a mechanically or electrically operated device designed to carry passengers in various modes 5 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, amusement ride, or elevator and kindred equipment has met the 9 required safety inspection and tests required by this chapter 10 11 and rules adopted under this chapter, and that required fees have been paid as set forth in this chapter. 12 "Pressure retaining item" means a boiler, pressure vessel, or pressure system."
- 13
- 14
- 15 SECTION 2. Section 397-4, Hawaii Revised Statutes, is
- amended by amending subsection (a) to read as follows: 16
- "(a) Administration. 17

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

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10		superseded by a standard adopted under chapter 91, but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;

#.B. NO. 1004

1 (6) Permits.

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

["]permit to operate["] of any [boiler, pressure system,] pressure retaining item, amusement ride, or elevator and kindred equipment found to be in an unsafe condition or where a user, owner, or contractor ignores prior department orders to correct specific defects or hazards and continues to use or operate the aforementioned apparatus without abating the hazards or defects[+]. The department may also revoke or suspend any permit to operate and issue an order prohibiting the use or operation of any pressure retaining item, amusement ride, or elevator and kindred equipment if the owner, user, or contractor of such

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

#.B. NO. <u>1004</u>

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	SECT	ION 3. Section 397-5, Hawaii Revised Statutes, is
22	amended to	o read as follows:

1	"§39	7-5 Fees. (a) The director [may] shall prescribe
2	reasonabl	e fees to be charged for inspection, examination, other
3	services	rendered and for permits, certificates, or licenses,
4	the issua	nce 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 s	hall 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	prescribe	d by the schedules in this section; provided	that th
2	director	may adopt rules pursuant to chapter 91 to ame	nd the
3	fees spec	ified in this section.	
4		SCHEDULE A: Boiler and Pressure System Fees	
5	Inst	allation, 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

1	(5)	Repair application fee	\$200
2	(6)	Alteration application fee	\$500
3	Exam	ination 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	Inte	rnal 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	\$18(
20		With manholes greater than 3,000 and less	
21		than or equal to 10,000 square feet of	
22		heating surface	\$26 0

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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	Repo	orts 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

1		SCHEDULE B: Elevator and Kindred Equipment	Fees
2	Insta	allation 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	z
21		for the fee reduction.	

1	(5)	Installation of new elevators (including mate	erial
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)	\$45 0
22	(7)	For each valid alteration or installation	

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	Insp	ection Fees:	
14	(1)	Permit renewal inspection fees:	
15		Dumbwaiter	\$140
16		Escalator, moving walk, or moving ramp	\$15 0
17		Hand elevator or stage lift	\$15 0
18		Wheelchair or stairway lifts	\$15 0
19		Hydraulic elevator - holed	\$15 0
20		Hydraulic elevator - holeless	\$200
21		Traction elevator:	
22		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		Personnel hoists	\$175
7		Inclined tunnel lifts	\$220
8	(2)	Safety, load or internal test (witness fees)	<u>.</u>
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 require	:d
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	

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	"§39	7-6 Safety inspection by qualified inspectors. (a)
17	All safet	y inspections required under this chapter of [boilers
18	and press	ure systems] pressure retaining items shall be
19	performed by deputy boiler inspectors in the employ of the	
20	departmen	t who are qualified boiler inspectors and, when
21	authorize	d by the director, may be performed by special
22	inspector	s 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."

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	
6	INTRODUCED BY:
7	BY REQUEST
	IAN 2 5 2021

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.

H.B. No. 1004

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.

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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.

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OTHER AFFECTED

AGENCIES:

None.

EFFECTIVE DATE:

Upon approval.