

HOUSE BILL 1322

E4

71r0087

By: **Chair, Economic Matters Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Introduced and read first time: February 28, 2007

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Commissioner of Labor and Industry – Boiler Safety**

3 FOR the purpose of allowing authorized insurers, owners who employ special
4 inspectors, and the Commissioner of Labor and Industry to contract with
5 authorized inspection agencies for certain boiler and pressure vessel
6 inspections; providing for authorized inspection agencies to request special
7 inspector commissions; requiring authorized inspection agencies to submit a
8 certain surety bond to the Commissioner; excepting certain inspections by
9 certain persons from certain fees; requiring that authorized inspection agencies
10 file certain reports with the Chief Boiler Inspector and notify the Commissioner
11 of certain hazardous conditions; requiring certain persons to maintain
12 inspection records in a certain way; defining a certain term; and generally
13 relating to the inspection of boilers and pressure vessels.

14 BY repealing and reenacting, with amendments,
15 Article – Public Safety
16 Section 12–901, 12–907, 12–909, and 12–910
17 Annotated Code of Maryland
18 (2003 Volume and 2006 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article – Public Safety**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 12-901.

2 (a) In this subtitle the following words have the meanings indicated.

3 (B) **“AUTHORIZED INSPECTION AGENCY” MEANS AN ENTITY THAT:**

4 (1) **IS ACCREDITED IN ACCORDANCE WITH THE NATIONAL BOARD**
5 **OF BOILER AND PRESSURE VESSEL INSPECTORS NB-369; OR**

6 (2) **MEETS THE QUALIFICATION AND DEFINITION OF THE**
7 **NATIONAL BOARD OF BOILER AND PRESSURE VESSEL INSPECTORS NB-360.**

8 [(b)] (C) “Board” means the Board of Boiler Rules.

9 [(c)] (D) “Boiler” means:

10 (1) a closed vessel in which water is heated, steam is generated, steam
11 is superheated, or a combination of these functions is accomplished, under pressure or
12 vacuum for use externally to the vessel by the direct application of heat from the
13 combustion of fuels or from electricity or nuclear energy; or

14 (2) a fired unit for heating or vaporizing liquids other than water if the
15 unit is separate from a processing system and is complete within itself.

16 [(d)] (E) “Certificate” means a certificate issued by the Chief Boiler
17 Inspector to operate a boiler or pressure vessel.

18 [(e)] (F) “Certificate inspection” means an inspection, the report of which is
19 used by the Chief Boiler Inspector to determine whether to issue a certificate.

20 [(f)] (G) “Commissioner” means the Commissioner of Labor and Industry.

21 [(g)] (H) “Heating boiler” means:

22 (1) a steam boiler that operates at pressures not exceeding 15 psig; or

23 (2) a hot water boiler that operates at pressures not exceeding 160
24 psig or temperatures not exceeding 250 degrees Fahrenheit.

1 [(h)] (I) “High pressure, high temperature water boiler” means a water
2 boiler that operates at pressures exceeding 160 psig or temperatures exceeding 250
3 degrees Fahrenheit.

4 [(i)] (J) “Model steam boiler” means a boiler that is:

5 (1) individually fabricated for noncommercial use;

6 (2) used primarily for demonstration, exhibition, or educational
7 purposes; and

8 (3) not for profit.

9 [(j)] (K) “Power boiler” means a boiler in which steam or other vapor is
10 generated at a pressure of more than 15 psig.

11 [(k)] (L) (1) “Pressure vessel” means a vessel in which the pressure is
12 obtained:

13 (i) from an external source; or

14 (ii) by the application of heat from:

15 1. an indirect source; or

16 2. a direct source other than a boiler.

17 (2) “Pressure vessel” does not include a pipe, piping component, or
18 structure whose primary function is to transport fluids.

19 [(l)] (M) “Secretary” means the Secretary of Labor, Licensing, and
20 Regulation.

21 12-907.

22 (a) (1) The following entities may request the Commissioner to issue
23 special inspector commissions:

24 (i) an authorized insurer that insures boilers and pressure
25 vessels in the State; [or]

1 (ii) a person that operates pressure vessels in the State that
2 regularly are inspected and rated by an established inspection service under the
3 supervision of engineers whose qualifications are satisfactory to the Board and in
4 accordance with the regulations adopted under this subtitle; **OR**

5 (III) **AN AUTHORIZED INSPECTION AGENCY.**

6 (2) On request of an entity described in paragraph (1) of this
7 subsection, the Commissioner may issue a special inspector commission to an
8 individual employed by the entity to serve as a special inspector if the entity and the
9 individual satisfy the requirements of this section.

10 (b) (1) An applicant for a special inspector commission shall be employed
11 by the entity that requests the special inspector commission.

12 (2) An applicant for a special inspector commission for a person that
13 operates pressure vessels shall:

14 (i) be employed full time by the person; and

15 (ii) be responsible for making inspections of pressure vessels
16 that are used or to be used by the person and are not for resale.

17 (3) An applicant for a special inspector commission shall:

18 (i) pass the examination given by the Board under subsection
19 [(d)] (E) of this section;

20 (ii) hold a commission or certificate of competency as an
21 inspector of boilers and pressure vessels in another state that has an examination
22 substantially equivalent to the examination given by the Board; or

23 (iii) 1. hold a commission as an inspector of boilers and
24 pressure vessels issued by the National Board of Boiler and Pressure Vessel
25 Inspectors; and

26 2. pass the part of the examination given by the Board
27 that differs from the national examination.

28 (c) (1) The employer of an applicant for a special inspector commission
29 shall:

1 (i) submit to the Commissioner an application on the form that
2 the Commissioner requires; and

3 (ii) pay to the Commissioner a fee of \$50.

4 (2) The application shall include:

5 (i) the name and qualifications of the individual who will serve
6 as a special inspector; and

7 (ii) evidence that the individual satisfies the requirements of
8 subsection (b) of this section.

9 **(D) (1) AN AUTHORIZED INSPECTION AGENCY SHALL SUBMIT A**
10 **SURETY BOND TO THE COMMISSIONER.**

11 **(2) THE SURETY BOND SHALL:**

12 **(I) RUN TO THE COMMISSIONER FOR THE BENEFIT OF ANY**
13 **PERSON WHO HAS BEEN DAMAGED BY A VIOLATION OF ANY PROVISION OF THIS**
14 **COMMITTED BY THE AUTHORIZED INSPECTION AGENCY;**

15 **(II) BE IN THE AMOUNT OF \$5000;**

16 **(III) BE SIGNED BY THE APPLICANT AS PRINCIPAL AND BY AN**
17 **SURETY COMPANY AUTHORIZED TO DO BUSINESS IN THE STATE AS A SURETY;**

18 **(IV) BE CONDITIONED THAT THE AUTHORIZED INSPECTION**
19 **SERVICE WILL COMPLY WITH THIS TITLE; AND**

20 **(V) BE APPROVED BY THE COMMISSIONER.**

21 **[(d)] (E) (1) The Board shall give examinations to applicants for special**
22 **inspector commissions as provided in this subsection.**

23 (2) The examination:

24 (i) shall be in writing;

25 (ii) shall be limited to questions the answers to which will help
26 to determine the fitness and competency of the individual for the intended service; and

1 (iii) may consist of questions prepared by the National Board of
2 Boiler and Pressure Vessel Inspectors.

3 (3) (i) An applicant who fails the examination may appeal to the
4 Board for a reexamination.

5 (ii) The reexamination shall be given by the Board within 90
6 days.

7 (4) The record of an applicant's examination shall be available to the
8 applicant and the applicant's employer.

9 (5) The fee for an examination or reexamination is \$50.

10 [(e)] (F) (1) The Commissioner shall issue a special inspector
11 commission to each applicant who meets the requirements of this subtitle.

12 (2) The Commissioner may issue a special inspector commission to a
13 representative of an employee organization covered by a collective bargaining
14 agreement.

15 [(f)] (G) An inspection by a special inspector of a boiler or pressure vessel
16 insured or pressure vessel operated by the employer of the special inspector, **OR AN**
17 **INSPECTION BY A SPECIAL INSPECTOR EMPLOYED BY AN AUTHORIZED**
18 **INSPECTION AGENCY**, exempts the owner or user of the boiler or pressure vessel from
19 the payment to the State of inspection fees required by this subtitle for the boiler or
20 pressure vessel.

21 [(g)] (H) A special inspector may not receive a salary from or have any
22 expenses paid by the State.

23 [(h)] (I) (1) A special inspector commission expires 2 years after its
24 effective date.

25 (2) Before a special inspector commission expires, the employer of the
26 special inspector may renew the commission if the employer:

27 (i) pays to the Commissioner a renewal fee of \$50; and

28 (ii) submits evidence to the Commissioner that the special
29 inspector:

- 1 1. meets the standards imposed by this subtitle;
- 2 2. remains in the employment of the employer; and
- 3 3. has been trained on current boiler and pressure vessel
4 technology in accordance with regulations adopted under this subtitle.

5 [(i)] (J) Within 30 days after the termination of the employment of a
6 special inspector, the employer shall return the special inspector commission to the
7 Chief Boiler Inspector.

8 [(j)] (K) (1) If an identification card of a special inspector is lost or
9 destroyed, the Commissioner shall issue a new identification card in its place without
10 another examination.

11 (2) The fee for replacement of an identification card is \$50.

12 [(k)] (L) (1) After investigation and recommendation by the Board, the
13 Commissioner may suspend the special inspector commission for:

- 14 (i) incompetence of the special inspector;
- 15 (ii) untrustworthiness of the special inspector;
- 16 (iii) willful falsification of any matter or statement contained in
17 the application for the special inspector commission; or
- 18 (iv) willful falsification of any matter or statement contained in
19 a report of an inspection made by the special inspector.

20 (2) Within 10 days after suspending a special inspector commission,
21 the Commissioner shall give written notice of the suspension to the special inspector
22 and the employer of the special inspector.

23 (3) (i) An individual whose special inspector commission has been
24 suspended may appeal to the Board.

25 (ii) At the hearing on the appeal, the individual may be present
26 and represented by counsel.

1 (4) An individual whose special inspector commission has been
2 suspended may apply for reinstatement of the commission after 90 days following the
3 date of the suspension.

4 **[(1)] (M)** (1) If the Board has reason to believe that a special inspector is
5 no longer qualified to hold a commission, the Board shall hold a hearing.

6 (2) The Board shall give at least 10 days' written notice of the hearing
7 to the special inspector and to the employer of the special inspector.

8 (3) At the hearing, the special inspector and the employer shall have
9 an opportunity to be heard.

10 (4) If after the hearing the Board finds that the special inspector is no
11 longer qualified to hold a commission:

12 (i) the Board shall recommend to the Commissioner that the
13 special inspector commission be revoked; and

14 (ii) the Commissioner shall revoke the special inspector
15 commission immediately.

16 12-909.

17 (a) The requirements of this section and §§ 12-910 and 12-911 of this
18 subtitle do not apply to:

19 (1) a boiler or pressure vessel that is located on a farm and used solely
20 for agricultural purposes;

21 (2) a heating boiler that is located in a private residence or an
22 apartment house with less than six family units;

23 (3) a pressure vessel that:

24 (i) contains only water under pressure for domestic supply
25 purposes, including a pressure vessel that contains air, the compression of which
26 serves only as a cushion or airlift pumping system; and

27 (ii) is located in a private residence or an apartment house with
28 less than six family units; or

1 (4) an exhibition or antique boiler or pressure vessel, including a
2 steam or gas engine, wheat thresher, or antique tractor, if the boiler or pressure
3 vessel:

4 (i) has been inspected and issued a certificate of safety by
5 another state that has safety requirements equal to or greater than those of this State;
6 and

7 (ii) has been brought into this State to be used in a temporary
8 exhibit or show.

9 (b) The Chief Boiler Inspector or a deputy boiler inspector shall have free
10 access, during reasonable hours, to any premises in the State:

11 (1) to determine whether a boiler or pressure vessel is being
12 constructed for use or installed in the State in accordance with this subtitle;

13 (2) to inspect or investigate an accident or explosion that involves a
14 boiler or pressure vessel; or

15 (3) to make an inspection required under this subtitle.

16 (c) (1) Except as provided in paragraphs (2), [and] (3), **AND (4)** of this
17 subsection, the Chief Boiler Inspector or a deputy boiler inspector shall make the
18 certificate inspections required under subsection (d) of this section.

19 (2) If a boiler or pressure vessel is insured by an insurer, a special
20 inspector employed by the insurer **OR BY AN AUTHORIZED INSPECTION AGENCY**
21 **UNDER CONTRACT WITH THE INSURER** shall make the inspections required under
22 subsection (d) of this section.

23 (3) If a pressure vessel is owned or operated by a person who employs
24 a special inspector who holds a commission, the special inspector **OR A SPECIAL**
25 **INSPECTOR EMPLOYED BY AN AUTHORIZED INSPECTION AGENCY UNDER**
26 **CONTRACT WITH THE OWNER OR OPERATOR** shall make the inspections required
27 under subsection (d) of this section.

28 (4) **IF A BOILER OR PRESSURE VESSEL IS NOT INSURED BY AN**
29 **INSURER, THE COMMISSIONER MAY CONTRACT WITH AN INSURER OR AN**
30 **AUTHORIZED INSPECTION AGENCY TO HAVE A SPECIAL INSPECTOR WHO IS**
31 **EMPLOYED BY THAT INSURER OR AUTHORIZED INSPECTION AGENCY MAKE THE**
32 **INSPECTIONS REQUIRED UNDER SUBSECTION (D) OF THIS SECTION.**

1 (d) (1) Except for boilers and pressure vessels exempt under subsection
2 (a) of this section or § 12-903 of this subtitle, each boiler and each pressure vessel that
3 is used or proposed to be used in the State shall be inspected thoroughly as to its
4 construction, installation, and condition in accordance with this subsection.

5 (2) A certificate inspection required under this subsection shall be:

6 (i) an internal inspection if construction allows; or

7 (ii) an inspection that is as complete as possible.

8 (3) (i) Except for model steam boilers, a power boiler or a high
9 pressure, high temperature water boiler shall:

10 1. receive a certificate inspection annually; and

11 2. be externally inspected annually while under
12 pressure, if possible.

13 (ii) The Board may extend to 2 years the interval between
14 certificate inspections of a power boiler if:

15 1. the power boiler has internal continuous water
16 treatment under the general supervision of a professional engineer who has experience
17 in the treatment of boiler water; and

18 2. the owner or user of the power boiler keeps available,
19 for examination by the Chief Boiler Inspector or by a deputy boiler inspector or special
20 inspector, accurate records that show:

21 A. the date, time, and reason that the power boiler is out
22 of service; and

23 B. a chemical and physical analysis of samples of the
24 boiler water taken at regular intervals of not more than 48 hours of operation that
25 adequately show the condition of the boiler water and any elements or characteristics
26 of the boiler water that are capable of producing corrosion or other deterioration of the
27 power boiler or its parts.

28 (4) A nuclear vessel within the scope of this subtitle shall be inspected
29 and reported in a form and with appropriate information designated by the Board.

1 (5) (i) Except as provided in paragraph (3) of this subsection,
2 certificate inspections shall be conducted at time intervals set forth in regulations
3 adopted under this subtitle and in accordance with Title 10 of the State Government
4 Article.

5 (ii) The intervals shall protect public safety taking into
6 consideration, consistent with § 12-905 of this subtitle, the design, type, age, extent of
7 automated monitoring, fuel, and operating characteristics of the boiler or pressure
8 vessel.

9 (e) If, at the discretion of the inspector, a hydrostatic test is considered
10 necessary, the owner or user of a boiler or pressure vessel shall make the hydrostatic
11 test.

12 (f) (1) Except as provided in paragraph (2) of this subsection, at least 30
13 days before installing a boiler or pressure vessel covered by this subtitle, the person
14 who will perform the installation shall give the Commissioner notice of the installation
15 in accordance with regulations adopted under this subtitle.

16 (2) Under emergency circumstances, the person who will perform the
17 installation of a boiler or pressure vessel may give the Commissioner notice of the
18 installation less than 30 days before installation in accordance with regulations
19 adopted under this subtitle.

20 (3) Except for a cast-iron sectional boiler or pressure vessel, each
21 boiler to be installed in the State shall be inspected:

22 (i) during construction or field assembly, as required by
23 regulations adopted under this subtitle, by an inspector authorized to inspect boilers
24 and pressure vessels in the State; or

25 (ii) if the boiler is constructed outside the State, by an inspector
26 who holds a commission issued by the National Board of Boiler and Pressure Vessel
27 Inspectors.

28 (g) (1) Within 24 hours after an accident or explosion, the owner or user of
29 a boiler or pressure vessel shall give the Chief Boiler Inspector notice of the accident
30 or explosion in accordance with regulations adopted under this subtitle.

31 (2) On notification or information, the Chief Boiler Inspector or a
32 deputy boiler inspector shall investigate each accident or explosion that involves a
33 boiler or pressure vessel covered by this subtitle.

1 (h) (1) The Board shall provide for public safety and therefore has
2 jurisdiction over the interpretation and application of the inspection requirements
3 provided in the regulations adopted under this subtitle.

4 (2) Inspection requirements of operating equipment shall:

5 (i) be in accordance with generally accepted practice; and

6 (ii) be compatible with the actual service conditions, including:

7 1. previous experience, based on records of performance
8 and maintenance;

9 2. location, with respect to personnel hazard;

10 3. provision for related safe operation **OF** controls; and

11 4. interrelation with other operations outside the scope
12 of this subtitle.

13 (i) The owner or user of a boiler or pressure vessel required by this subtitle
14 to be inspected by the Chief Boiler Inspector or a deputy boiler inspector shall pay
15 directly to the Chief Boiler Inspector, on completion of the inspection, a fee in
16 accordance with the following schedule:

17 (1) certificate inspection:

18 (i) initial certificate inspection of a boiler or pressure vessel not
19 previously inspected in the State..... no charge

20 (ii) certificate inspection of a boiler or pressure vessel, other
21 than a pressure vessel attached to an air compressor, previously inspected in the
22 State.....\$40

23 (iii) certificate inspection of a pressure vessel, attached to an air
24 compressor, previously inspected in the State \$10

25 (iv) certificate inspection of an additional boiler or pressure
26 vessel previously inspected in the State, at the same location, on the same date..... \$10

27 (v) follow-up inspection to determine compliance \$50

1 (2) inspection of an antique or model steam boiler or pressure
2 vessel.....\$15

3 (3) investigation of an accident or complaint..... no charge

4 (4) special inspection, such as an inspection at a fabrication or repair
5 facility, ASME joint review, or National Board of Inspection Code Repair Review, shall
6 be charged at the following rates, and shall include all expenses such as travel and
7 hotel costs:

8 (i) half day (up to 4 hours)..... \$250

9 (ii) full day (up to 8 hours)..... \$500

10 12-910.

11 (a) (1) Each authorized insurer **OR AUTHORIZED INSPECTION AGENCY**
12 that employs a special inspector shall file with the Chief Boiler Inspector a report on:

13 (i) each certificate inspection; and

14 (ii) any other inspection for which a report is required to be filed
15 under regulations adopted under this subtitle.

16 (2) The report filed under paragraph (1) of this subsection shall:

17 (i) be filed within 30 days after an inspection; and

18 (ii) be in the form required by regulations adopted under this
19 subtitle.

20 (3) For each report not filed electronically, the authorized insurer
21 shall pay a \$5 report filing fee.

22 (4) Within 24 hours after an inspection, each authorized insurer **OR**
23 **AUTHORIZED INSPECTION AGENCY** that employs a special inspector shall notify the
24 Chief Boiler Inspector if an inspection reveals a hazardous condition as described in §
25 12-915(a)(2) of this subtitle that affects the safety of a boiler or pressure vessel.

26 (b) (1) Each person that operates pressure vessels covered by an
27 owner-user inspection service that meets the requirements of this subtitle shall

1 maintain in its files an inspection record that lists, by **A MARYLAND** number and by
2 an abbreviated identification description:

3 (i) each pressure vessel covered by this subtitle;

4 (ii) the date of the last inspection of the pressure vessel; and

5 (iii) the approximate date for the next inspection of the pressure
6 vessel, calculated by applying the appropriate rules for inspection to all data available
7 when the inspection record is compiled.

8 (2) The inspection record shall be readily available for examination by
9 the Chief Boiler Inspector or authorized representative during business hours.

10 (3) (i) In addition, the person shall file annually with the Chief
11 Boiler Inspector a statement that:

12 1. is signed by the professional engineer who supervised
13 the inspections made during the period covered;

14 2. states the number of pressure vessels covered by this
15 subtitle that were inspected during the year; and

16 3. certifies that each inspection was conducted in
17 accordance with the inspection requirements of this subtitle.

18 (ii) The statement shall be accompanied by a filing fee of:

19 1. \$5 per pressure vessel, for a statement that covers not
20 more than 25 pressure vessels;

21 2. \$125, for a statement that covers more than 25 but
22 less than 101 pressure vessels;

23 3. \$250, for a statement that covers more than 100 but
24 less than 501 pressure vessels; or

25 4. \$325, for a statement that covers more than 500
26 pressure vessels.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2007.