

ALLOW REGISTRATION OF BOILER OPERATORS & STATIONARY ENGINEERS

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House Bill 6125 (Substitute H-1)
Sponsor: Rep. Edward Gaffney, Jr.
Committee: Regulatory Reform

Complete to 6-21-06

A SUMMARY OF HOUSE BILL 6125 AS REPORTED FROM COMMITTEE

The bill would amend the Boiler Act MCL 408.752 et al.) to require the Department of Labor and Economic Growth to certify, on a voluntary basis, persons who register as a boiler operator or stationary engineer, restrict the use of certain titles to registered persons, make it a misdemeanor to use a restricted title unless registered, establish registration and examination fees, establish minimum levels of education and experience for registration, provide for reciprocity with other states that regulate boiler operators and stationary engineers, and provide a grandfather clause for existing boiler operators and stationary engineers.

Currently, persons who inspect, install, or repair boilers must be licensed, but those who operate boilers are not regulated. The bill would create a voluntary program of registration for boiler operators and stationary engineers as follows:

- Limit the use of certain terms relating to the operation of boilers to those registered under the bill or exempt from the act. An individual could only use one of the listed titles or the abbreviation C.B.O. or C.S.E. Using a title without a registration would be a misdemeanor punishable by imprisonment for not more than 60 days and/or a fine of not more than \$500.
- Create titles for persons in an approved apprenticeship program.
- Require applicants for registration to be at least 18 years of age and possess the physical and mental capacities to perform the duties of a boiler operator or stationary engineer competently and safely.
- Allow the Board of Boiler Rules to conduct an examination designed to establish the competency of applicants for registration.
- Grandfather in, without an examination, applicants who meet the bill's requirements regarding years of experience, training, and education for the class or category for which they are applying, and persons who are licensed as a boiler operator or stationary engineer from the cities of Detroit or Dearborn.
- Allow individuals who hold a license or registration as a boiler operator or stationary engineer in another state, municipality, or country with substantially equivalent licensure and registration requirements to register – without examination – for the use of a restricted title if the state, municipality, or country extended the same privileges through reciprocity to a person registered in this state.

- Establish educational and experience requirements for registration, by class or category. An applicant could apply for certification as a low or a high pressure certified boiler operator, or a third-class, second-class, or first-class certified stationary engineer.
- Require the Board of Boiler Rules, within one year of the bill's effective date, to promulgate rules designating the course content for qualified technical education courses for the various categories and classes of registration and require certain components to be included in the content for entry level registrants, and similar, though more in depth treatments of, the same components for the other categories and classes. (Note: Executive Order 1996-2 transferred rule-making authority from various boards and bureaus regulated by the Department of Labor to the director of the Department of Consumer and Industry Services, now the Department of Labor and Economic Growth.)
- Shift the responsibility for rule promulgation from the Board of Boiler Rules to DLEG, with the exception noted above.
- Apply current license sanctions for incompetence or falsification of a matter or statement contained in a license application or inspection report by a licensed inspector, repairer, or installer to the registration of a certified boiler operator or certified stationary engineer.

Registration fees. For a new application for registration, an applicant would pay either the fee prescribed under departmental rules or \$30 (a testing fee of \$10 and a registration fee of \$20), whichever was higher. The annual registration fee thereafter would be the higher of a fee prescribed by rules or \$20. Individuals grandfathered in would presumably pay a registration fee of \$20 since they are not required to take an examination. Individuals licensed or registered in other jurisdictions would pay a fee of \$30 to also be registered in this state, though it is unclear what the renewal fee would be.

FISCAL IMPACT:

This bill could increase State of Michigan restricted revenue for the State Boiler Inspection Fund through the creation of a \$30.00 registration fee for persons who already meet the definitions of boiler operator or stationary engineer in other states or countries that have reciprocity with Michigan. New applicants would pay a testing fee of \$10.00 and a registration fee of at least \$20.00. However, certain individuals with prior experience would be able to waive the examination, but the bill is silent on the amount of registration fee. The bill as written does not require boiler operator and stationary engineer registration, but rather makes it voluntary. It is unclear why any organization or individual would voluntarily pay these new fees. The existing law already requires that the fees levied reflect the actual costs and expenses of the Department of Labor and Economic Growth. Therefore, the added expenditures to examine and register boiler operators and stationary engineers should be offset by new fees.

POSITIONS:

A representative of the Michigan Plumbing and Mechanical Contractors Association testified in support of the bill. (6-13-06)

A representative of the International Union of Operating Engineers Local 547 testified in support of the bill. (6-13-06)

The Michigan State AFL-CIO indicated support for the bill. (6-13-06)

The Michigan Apprenticeship Steering Committee, Stationary Engineers Education Center, indicated support for the bill. (6-13-06)

The Michigan Catholic Conference indicated neutrality on the bill. (6-13-06)

The Department of Labor and Economic Growth indicated neutrality on the bill. (6-13-06)

The Sheet Metal and Air Conditioners National Association/Michigan Chapter indicated neutrality on the bill. (6-13-06)

Legislative Analyst: Susan Stutzky
Fiscal Analyst: Richard Child

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.