Legislative Analysis



Mitchell Bean, Director Phone: (517) 373-8080 http://www.house.mi.gov/hfa

VOLUNTARY REGISTRATION OF BOILER OPERATORS AND STATIONARY ENGINEERS

House Bill 4216 (Substitute H-2) Sponsor: Rep. Robert Jones

Committee: Labor

Complete to 3-13-07

A SUMMARY OF HOUSE BILL 4216 AS REPORTED FROM COMMITTEE

The bill would amend the Boiler Act (MCL 408.752 et al.) to require the Board of Boiler Rules 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 misdemeanor to use a restricted title unless registered.
- ** Establish minimum levels of education and experience for registration.
- ** Provide for reciprocity with other states that regulate boiler operators and stationary engineers.
- ** Provide a "grandfather" clause for existing boiler operators and stationary engineers.

<u>Voluntary Registration</u>. Currently, person 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. It would:

- --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 registration would be a misdemeanor punishable by imprisonment for not more than 60 days and/or a fine of not more than \$2,000 or both. A business advertising the use of an individual having one of the listed titles would be punishable by imprisonment for not more than 60 days and/or a fine of not more than \$2,000 or both.
- -- Create titles for persons in approved apprenticeship programs.
- --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 and charge an examination fee.
- --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 <u>if</u> 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.
- --Make 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 also apply to the registration of a certified boiler operator or certified stationary engineer.

<u>Registration Fees</u>. For a new application for registration, an applicant would be required to pay a fee prescribed under departmental rules. The annual registration fee thereafter would be prescribed by departmental rules. Individuals grandfathered in would presumably pay a registration fee as they would not be required to take an examination. Individuals licensed or registered in other jurisdictions would pay a fee to also be registered in this state, as promulgated by the departmental rules.

FISCAL IMPACT:

The bill could increase State of Michigan restricted revenue for the State Boiler Inspection Fund through the creation of fees for persons who already meet the definitions of boiler operator or stationary engineer in other states or countries that have reciprocity with Michigan. In addition, new applicants would pay testing and registration fees. The amount of such fees is to be determined by the Department of Labor and Economic Growth, and shall allow the Department to recover their costs for administering this new licensing and registration program. Certain individuals with prior experience would be able to waive the examination, but the bill is silent on whether a registration fee is required. 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. This bill explicitly states that the added expenditures to examine and register boiler operators and stationary engineers shall be offset by new fees.

Legislative Analyst: E. Best 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.