

**MEMORANDUM**

TO: Shannon Himes, Department of Commerce, Division of Industrial Compliance

FROM: Sophia Papadimos, Regulatory Policy Assistant

DATE: August 7, 2014

RE: **CSI Review – Boiler Inspection Rules (OAC 1301:3-5-01 to 1301:3-5-10)**

On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (“CSI”) Office under Ohio Revised Code (“ORC”) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis. This memo represents the CSI Office’s comments to the Agency as provided for in ORC 107.54.

Analysis

This rule package consists of ten rules being submitted by the Department of Commerce’s Division of Industrial Compliance regarding boiler inspections pursuant to the five-year review requirement of ORC 119.032. Six of the rules are being proposed with no changes, one rule is being proposed for rescission, and three rules are being proposed with amendments. This rule package was submitted to the CSI Office on May 15, 2014 and the comment period was held open through June 6, 2014. No comments were received during this time.

The draft regulations govern the inspection requirements for boilers in Ohio, the means of acquiring and maintaining a certificate of operation, and the required course of action when unsafe conditions are found. The rules are being amended for minor language changes and grammar corrections.

Stakeholders were contacted several times via email regarding the draft rules and according to the Division, all were in favor of the rules and suggested no changes.

The adverse impacts described in the BIA are fees and personnel time. The impacts differ between boiler owners and boiler operators. Boiler owners are required to have a certificate of operation. A certificate of operation fee is \$50 for boilers subject to annual inspections, \$100 for boilers subject to biennial inspections, \$150 for boilers subject to triennial inspections, and \$250 for boilers subject to quinquennial inspections. Boiler owners are also required to conduct pre-inspection maintenance, and they will also be responsible for any costs that result from boiler closures. Boiler operators must pay a \$75 application fee and a \$100 examination fee. All fees are set forth by statute. Any person who does not possess 2,000 hours of experience will need to take a certain number of education courses depending on the type of license. A low-pressure license requires a 50-hour course, a high-pressure license requires a 75-hour course and the stationary-engineer license requires a 125-hour course. According to the Department, tuition costs for the courses vary and range from \$330 to \$4,850. Section 4101.02 of the Revised Code specifically requires rules to be adopted in accordance with industry standards for the operation and maintenance of boilers.

After reviewing the proposed rule package and BIA, the rule package satisfactorily meets the standards espoused by the CSI Office.

Recommendations

The CSI Office does not have any recommendations for this rule package.

Conclusion

The Division should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.

cc: Mark Hamlin, Lt. Governor's Office