By John Haestenbach H.B. No. 437

A BILL TO BE ENTITLED

AN ACT

relating to special inspections of boiler and pressure vessel manufacturers by the commissioner of labor and standards; adding Section 4b to Chapter 436, Acts of the 45th Legislature, Regular Session, 1937, as amended (Article 5221c, Vernon's Texas Civil Statutes).

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

Section 1. Chapter 436, Acts of the 45th Legislature, Regular Session, 1937, as amended (Article 5221c, Vernon's Texas Civil Statutes), is amended by adding Section 4b to read as follows:

"Section 4b. The Commissioner may conduct and charge a fee for special inspections of a boiler or pressure vessel manufacturer's plant necessary for that manufacturer to obtain certification by the American Society of Mechanical Engineers."

Sec. 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

HOUSE COMMITTEE REPORT

1st. Printing

By Hoestenbach H.B. No. 437

Substitute the following for H.B. No. 437

By Watson C.S.H.B. No. 437

A BILL TO BE ENTITLED

AN ACT

relating to certification of manufacturer, assembler, and installers of boilers, pressure vessel or their appurtenances under the American Society of Mechanical Engineers Boiler and Pressure Vessel Code; adding Section 4b to Chapter 436, General Laws, Acts of the 45th Legislature, Regular Session, 1937, as amended (Article 5221c, Vernon's Texas Civil Statutes).

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

Section 1. Chapter 436, General Laws, Acts of the 45th Legislature, Regular Session, 1937, as amended (Article 5221c, Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 4b. Qualified inspectors of the Boiler Program of the Texas Department of Labor and Standards shall, upon written request of any person or firm intending to manufacture, assemble, or install boilers, pressure vessels, nuclear power plant components or their appurtenances, make a special inspection to determine the qualification of said person or firm to be certified in accordance with the requirement of the American Society of Mechanical Engineers, Boiler and Pressure Vessel Code. This special inspection shall also apply to on site construction and the inspection of existing installations.

"The fee for any special inspection is One Hundred Twenty-five Dollars ($125.00) for an inspection of four (4) hours or less and One Hundred Seventy-five Dollars ($175.00) for a full

1 day, plus travel expenses. All monies collected shall be deposited
2 into the General Revenue Fund and travel expenses collected under
3 the provisions of this Section of the Act shall be re-appropriated
4 to the credit of the Boiler Program."
5 Sec. 2. The importance of this legislation and the crowded
6 calendars of both houses create an emergency and an imperative
7 public necessity that the constitutional rule requiring bills to be
8 read on three separate days in each house be suspended, and this
9 rule is hereby suspended, and that this Act take effect and be in
10 force from and after its passage, and it is so enacted.

-END-

COMMITTEE REPORT

The Honorable Bill Clayton
Speaker of the House of Representatives

February 15, 1977
(date)

Sir:

We, your COMMITTEE ON LABOR, to whom was referred HB437 (measure). have had the same under consideration and beg to report back with the recommendation that it

( ) do pass, without amendment.
( ) do pass, with amendment(s).
(X) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested on 2/15/77 (date) and is attached as part of this report.

~~Author's fiscal statement attached~~.

~~The Committee recommends that this measure be placed on the (Local / Consent) Calendar~~.

This measure (X) proposes new law.
( ) amends existing law.

House Sponsor of Senate Measure _____

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Johnson	X			
Baker	X			
Watson	X			
Allee	X			
Blythe	X			
Bryant	X			
Collazo	X			
Hernandez	X			
Moreno	X			

Total:
9 aye
0 nay
0 present, not voting
0 absent

Eddie Bernice Johnson
CHAIRMAN

Reynolds
COMMITTEE COORDINATOR

Substitute for H.B. 437 Committee on Labor
By Hoestenbach

BILL ANALYSIS

Purpose

This bill authorizes the special inspections conducted by the Boiler and Pressure Vessel Program of the Texas Department of Labor and Standards. It requires the qualified inspectors of the Boiler Program to make special inspections to determine the qualifications of any person or firm intending to manufacture, assemble, or install boilers, presure vessels, nuclear power plant components or their appurtenances for certification under the Boiler and Pressure Vessel Code of the American Society of Mechanical Engineers upon the written request of the firm or person, and applies this special inspection to on-site construction and existing installations. It also sets fees for special inspections.

Section by Section Analysis

Section 1. Citation. Upon written request of any person or firm intending to manufacture, assemble or install boilers, pressure vessels, nuclear power plant components or their appurtenances, qualified inspectors of the Boiler Program of the Texas Department of Labor and Standards shall make a special inspection to determine the qualification of said person or firm to be certified in accordance with the requirements of the Boiler and Pressure Vessel Code of the American Society of Mechanical Engineers. This Special inspection also applies to on-site construction and existing installations.

For a special inspection of four hours or less, the fee is $125 plus travel expenses and for a special inspection of a full day the fee is $175 plus travel expenses. All monies collected shall be despsited into the General Revenue Fund and travel expenses collected under this provision shall be re-appropriated to the Boiler Program.

Section 2. Standard Emergency Clause.

Comparison of Original Bill to Substitute

1. H.B. 437 authorizes the Commissioner of the Department of Labor and Standards to conduct the special inspection; the substitute requires qualified inspectors to conduct the special inspection on written request.

2. H.B. 437 authorizes special inspections of pressure vessel manufacturing plants only; the substitute measure requires inspection of people and firms intending to work with boilers, pressure vessels, nuclear power plant components, and their appurtenances, and of existing installations and construction projects upon written request. The substitute covers a wider range of equipment and personnel than the original bill.

3. In H.B. 437 a special inspection is made to fulfill a requirement for certification by the ASME, while in the substitute a special inspection is made to determine the qualification of a person, firm, construction project, or existing installation for certification in accordance with the Boiler and Pressure Vessel Code of the ASME.

4. H.B. 437 does not set fees or allow travel expenses for inspections; the substitute does.

Summary of Committee Action

Public notice having been posted in compliance with Rule V, Section 14, the committee considered H.B. No. 437 in public hearing on February 15, 1977.

In a public hearing on February 15, 1977 the committee reported the bill back favorably to the Floor of the house by a vote of 9 ayes and no nays, as substituted

Background Information

An act adding Section 4b to Chapter 436, Acts of the 45th Legislature, Regular Session, 1937, as amended (Article 5221c, Vernon's Texas Civil Statutes).

In Opinion No. H-897, the Attorney General ruled that "The Department of Labor and Standards is not authorized under article 5221c, V.T.C.S., to conduct 'shop surveys' of boiler manufacturers and to charge a fee therefor." Boiler manufacturers must be recertified to manufacture equipment under the American Society of Mechanical Engineers' Boiler and Pressure Vessel Code every three years. If the National Board of the American Society of Mechanical Engineers were to conduct a general survey of the plant and machinery of a boiler manufacturer, according to Mr. A. H. Halbrook of Sivalls Tanks, Inc., it would cost the manufacturer between $1,500 and $2,500, when an inspection by a state boiler inspector costs Sivalls approximately $300. This creates a hardship for the manufacturers. The Department of Labor and Standards adopted an emergency rule (Texas Register, January 11, 1977, p. 81) which provides for inspections of the construction and construction process of boilers and certain pressure vessels or their appurtenances without charge, to protect the public health, safety and welfare.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

February 15, 1977

Honorable Eddie Bernice Johnson, Chair
Committee on Labor
House of Representatives
Austin, Texas

In Re: House Bill No. 437
By: Hoestenbach

Madam:

In response to your request pursuant to House Rule V, Section 28, this office finds the fiscal implications of House Bill No. 437 (relating to special inspections of boiler and pressure vessel manufacturers by the commissioner of labor and standards) to be as follows:

The bill would make no appropriation but would constitute prior legislative authorization for an appropriative request.

The probable cost and revenue gains of implementing the provisions of the bill during each of the first five years following passage are estimated as follows:

Fiscal Year	Out of the General Revenue Fund	Additional State Employees (not cumulative)	Revenue to the General Revenue Fund
1978	$ 47,379	3	$ 65,000
1979	46,842	3	65,000
1980	46,842	3	65,000
1981	46,842	3	65,000
1982	46,842	3	65,000

Similar annual costs and revenue gains would continue as long as the provisions of the bill are in effect.

No fiscal implications or additional cost to the local governments attributable to the bill, should it be enacted, are anticipated.

Thomas M. Keel
Director

Source: Department of Labor and Standards; LBB Staff

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

February 22, 1977

Honorable Eddie Bernice Johnson, Chairperson
Committee on Labor
House of Representatives
Austin, Texas

In Re: House Bill No. 437
(Committee Substitute)
By: Hoestenbach

Madam:

In response to your request pursuant to House Rule V, Section 28, this office finds the fiscal implications of the committee substitute for House Bill No. 437 (relating to special imspections of boiler and pressure vessel manufacturers by the Commissioner of Labor and Standards) to be as follows:

The Bill would make no appropriation but would constitute prior legislative authorization for an appropriative request.

The probable cost of revenue gains from implementing the provisions of the bill during each of the first five years following passage are estimated as follows:

Fiscal Year	Out of the General Revenue Fund	Additional State Employees (Not Cumulative)	Revenue to the General Revenue Fund
1978	$ 47,379	3	$ 54,200
1979	46,842	3	54,200
1980	46,842	3	54,200
1981	46,842	3	54,200
1982	46,842	3	54,200

Similar annual costs and revenue gains would continue as long as the provisions of the bill are in effect.

No fiscal implication or additional cost to the local governments attributable to the bill, should it be enacted, is anticipated.

Thomas M. Keel
Director

Source: Department of Labor and Standards;
LBB staff

BY Hoestenbach H.B. No. 437

Substitute the following for H.B. No. 437

By Watson C.S.H.B. No. 437

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travel expenses. All monies collected shall be deposited into the General Revenue Fund and travel expenses collected under the provisions of this Section of the Act shall be re-appropriated to the credit of the Boiler Program."

Section 2. The importance of this legislation and the crowded calendars of both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three separate days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

H. B. No. 437 By Houston back

A BILL TO BE ENTITLED

AN ACT

relating to special inspections of boiler and pressure vessel manufacturers by the commissioner of labor and standards; adding Section 4b to Chapter 436, Acts of the 45th Legislature, Regular Session, 1937, as amended (Article 5221c, Vernon's Texas Civil Statutes).

JAN 12 1977 1. Filed with the Chief Clerk.

JAN 19 1977 2. Read first time and Referred to Committee on Labor

FEB 15 1977 3. Reported favorably ~~unfavorably~~ (as ~~amended~~ substituted) and sent to Printer at 4:40 P.M. (time) FEB 22 1977

FEB 22 1977 4. Printed, distributed ~~and referred to the Committee on Calendars~~ at 9:26 P.M. (time)

FEB 23 1977 Sent To Committee On Calendars 8:43 A.M.

_____ 5. Read second time (amended); passed to third reading (failed) by (Non-Record Vote) (Record Vote of _____ yeas, _____ nays, _____ present, not voting).

_____ 6. Motion to reconsider and table the vote by which H.B. _____ was ordered engrossed prevailed (failed) by a (Non-record vote) (Record Vote of _____ yeas, _____ nays, and _____ present, not voting).

_____ 7. Constitutional Rule requiring bills to be read on three several days suspended (failed to suspend) by a four-fifths vote of _____ yeas, _____ nays, and _____ present, not voting.

_____ 8. Read third time (amended); finally passed (failed) by (Non-Record Vote) (Record Vote of _____ yeas, _____ nays, _____ present, not voting.

_____ 9. Caption ordered amended to conform to body of bill.

_____ 10. Motion to reconsider and table the vote by which H.B. _____ was finally passed prevailed (failed) by a (Non-record) (Record Vote of _____ yeas, _____ nays, and _____ present, not voting).

_____ 11. Ordered Engrossed at _____ : _____ M. (time)

_____ 12. Engrossed.

_____ 13. Returned to Chief Clerk at _____ : _____ M. (time)

_____ 14. Sent to Senate.

_____
Chief Clerk of the House

_____ 15. Received from the House _____

_____ 16. Read, referred to Committee on _____

_____ 17. Reported favorably _____

_____ 18. Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

_____ 19. Ordered not printed.

_____ 20. Regular order of business suspended by _____ (a viva voce vote.) (_____ yeas, _____ nays.)

_____ 21. To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of _____ yeas, _____ nays.

_____ 22. Read second time _____ passed to third reading by:
(a viva voce vote.)
(_____ yeas, _____ nays.)

_____ 23. Caption ordered amended to conform to body of bill.

_____ 24. Senate and Constitutional 3-Day Rules suspended by vote of _____ yeas, _____ nays to place bill on third reading and final passage.

_____ 25. Read third time and passed by
(a viva voce vote.)
(_____ yeas, _____ nays.)

OTHER ACTION: OTHER ACTION:

_____
Secretary of the Senate

_____ 26. Returned to the House.

_____ 27. Received from the Senate (with amendments).

_____ 28. House (Concurred) (Refused to Concur) in Senate Amendments by a (Non-record Vote) (Record Vote of _____ yeas, _____ nays, _____ present, not voting).

_____ 29. Conference Committee Ordered.

_____ 30. Conference Committee Report Adopted (Rejected) by a (Non-record Vote) (Record Vote of _____ yeas, _____ nays, and _____ present, not voting).

_____ 31. Ordered Enrolled at _____ : _____ M.
(time)

1977 FEB 22 PM 9:26
HOUSE OF REPRESENTATIVES