

# House Bill 3399

Sponsored by COMMITTEE ON BUSINESS AND LABOR

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires insurer to conduct all applicable inspections on boilers and pressure vessels insured or to be insured by insurer. Allows person to become certified as special inspector if person owns or is employed by company providing third-party boiler or pressure vessel inspection services to insurers. Allows insurers to charge for inspections, subject to fee schedule established by Board of Boiler Rules.

## A BILL FOR AN ACT

1  
2 Relating to the inspection of systems subject to Board of Boiler Rules regulation; amending ORS  
3 480.565 and 480.570.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 480.565 is amended to read:

6 480.565. The Director of Department of Consumer and Business Services shall:

7 (1) Appoint a chief inspector who has had practical experience in the construction, maintenance,  
8 repair or operation of high pressure boilers and pressure vessels as a mechanical engineer, practical  
9 steam operating engineer, boilermaker or boiler inspector and who:

10 (a) Has passed a written examination which shall be confined to questions the answers to which  
11 will aid in determining the fitness and competency of the applicant to inspect boilers and pressure  
12 vessels; or

13 (b) Holds a certificate of competency as an inspector of boilers and pressure vessels which is  
14 issued by a state which has standards of examination equal to those of the State of Oregon and  
15 which recognizes certificates of competency issued by the State of Oregon and has passed an ex-  
16 amination that assesses the applicant's knowledge of ORS 480.510 to 480.670 and the rules adopted  
17 thereunder.

18 (2) Appoint deputy inspectors who shall be responsible to the chief inspector and who shall have  
19 qualified as provided in subsection (1) of this section, except that less practical experience shall be  
20 required.

21 (3) Issue a certificate of competency as a special inspector to any individual who shall have  
22 qualified as provided in subsection (1) of this section, except that no more practical experience shall  
23 be required than is required of a deputy inspector, and who [*is continuously employed by*]:

24 (a) **Is continuously employed by** an insurer who may and does write policies of boiler and  
25 pressure vessel insurance in Oregon; [*or*]

26 (b) **Is continuously employed by** any person operating pressure vessels in this state whose  
27 service, personnel, equipment and supervision meet the requirements prescribed by the Board of  
28 Boiler Rules[.]; **or**

29 (c) **Owns or is employed by a company that provides inspection services to an insurer**  
30 **who may and does write policies of boiler and pressure vessel insurance in Oregon.**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1       **SECTION 2.** ORS 480.570 is amended to read:

2       480.570. (1) A special inspector receiving a certificate of competency under ORS 480.565 (3)(b)  
 3       [*shall*] **may** not inspect under ORS 480.510 to 480.670 any boiler[; *nor shall the special inspector in-*  
 4       *spect under ORS 480.510 to 480.634 any*] **or** pressure vessel not used or not to be used by the em-  
 5       ployer of the special inspector.

6       (2) [*When the individual*] **If a special inspector** holds a certificate of competency issued [*pur-*  
 7       *suant to*] **under** ORS 480.565 (3)(a), a special inspector [*is authorized to*]:

8       (a) **May** conduct shop inspections of boilers and pressure vessels manufactured or to be installed  
 9       in this state **that are not** [*whether or not such boilers or pressure vessels are*] insured or [*will*] **to**  
 10       be insured by the employer of the special inspector; and

11       (b) [*Inspect all*] **Except as provided in subsection (3) of this section, shall conduct all ap-**  
 12       **licable inspections required under ORS 480.510 to 480.670 on** boilers and pressure vessels in-  
 13       sured or to be insured by the special inspector’s employer or all pressure vessels operated by the  
 14       special inspector’s employer.

15       **(3) If a special inspector holds a certificate of competency issued under ORS 480.565**  
 16       **(3)(c), the special inspector shall conduct all applicable inspections required under ORS**  
 17       **480.510 to 480.670 on boilers and pressure vessels that are insured, or to be insured, by any**  
 18       **insurance company that arranges for services of the special inspector.**

19       [(3)] (4) A special inspector’s certificate of competency remains in force only while the special  
 20       inspector [*is continuously employed by one of the persons mentioned in*] **continues to qualify under**  
 21       ORS 480.565 (3).

22       [(4)] (5) [*When a*] **If a boiler or pressure** vessel is inspected by a special inspector as provided  
 23       in this section, the owner or user of such boiler or pressure vessel is exempt from payment of the  
 24       permit fee during the inspection period, except as provided in ORS 480.600 (2).

25       [(5)] (6) The Department of Consumer and Business Services may cause a deputy inspector to  
 26       inspect or reinspect all boilers and pressure vessels which could be inspected by a special inspector.  
 27       However, there shall be no internal inspection or reinspection unless there is a question as to  
 28       whether or not the boiler or pressure vessel meets the minimum safety standards and the special  
 29       inspector who made the original inspection, or the employer of the special inspector, is given rea-  
 30       sonable notice of the intention to make such inspection or reinspection so the special inspector or  
 31       the employer of the special inspector can be present.

32       **(7) An insurance company may charge fees for inspections described in subsections (2)**  
 33       **or (3) of this section. The Board of Boiler Rules shall adopt rules establishing maximum**  
 34       **amounts that an insurer may charge for inspection services.**

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