

**SUBSTITUTE FOR
HOUSE BILL NO. 5164**

A bill to amend 2016 PA 407, entitled
"Skilled trades regulation act,"
by amending sections 907, 943, 945, and 947 (MCL 339.5907,
339.5943, 339.5945, and 339.5947) and by adding section 946.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 907. (1) The department, in consultation with the board,
2 shall promulgate rules for the safe construction, installation,
3 inspection, alteration, servicing, operation, and repair of boilers
4 in this state. For purposes of this subsection, the department by
5 rule may adopt **or amend all or any part of** an existing published
6 codification or national standards and any amendments and
7 interpretations of the codification or standards.

8 (2) A departure from the requirements of this section is



1 permitted in an unusual situation involving a boiler of special
 2 design or construction if the board is satisfied that a proposed
 3 facility will provide a degree of safety commensurate with the
 4 intent of this article.

5 (3) If the department receives an application and the
 6 appropriate fee, the board may without examination register an
 7 applicant for the use of a title described in section 931 if the
 8 applicant is a boiler operator or stationary engineer who is
 9 licensed or registered as a boiler operator or stationary engineer
 10 in another state or country or in a municipality whose requirements
 11 for licensure or registration are, at a minimum, substantially
 12 equivalent to the requirements of this state for registration, as
 13 determined by the board, and that other state or country or that
 14 municipality extends the same privileges through reciprocity to a
 15 boiler operator or stationary engineer who is registered in this
 16 state.

17 Sec. 943. A boiler used or proposed for use in this state
 18 shall be thoroughly inspected as to the boiler's construction,
 19 installation, and condition. All of the following apply for
 20 purposes of this inspection requirement:

21 (a) A power boiler, process boiler, or high pressure high
 22 temperature water boiler shall receive a certificate inspection
 23 annually and shall be externally inspected annually, while under
 24 pressure, within 6 months from the date of the certificate
 25 inspection.

26 (b) A low pressure steam or vapor heating boiler ~~, hot water~~
 27 ~~heating boiler, or hot water supply boiler~~ shall receive a
 28 certificate inspection ~~biennially.~~ **every 2 years. A hot water**
 29 **heating boiler or hot water supply boiler shall receive a**



1 **certificate inspection every 3 years.**

2 (c) A grace period of 2 months beyond the periods described in
3 subdivisions (a) and (b) may elapse between certificate
4 inspections. ~~and the board may permit longer periods between~~
5 ~~certificate inspections.~~

6 (d) **On a case-by-case basis, as provided in rules promulgated**
7 **by the department, the board may permit longer periods of up to 36**
8 **months between certificate inspections described in subdivisions**
9 **(a) and (b).**

10 (e) ~~(d)~~—The chief inspector, a deputy inspector, or a special
11 inspector shall perform the inspection of a boiler.

12 (f) ~~(e)~~—If a hydrostatic test is considered necessary by the
13 inspector, the owner or user of the boiler shall perform that test.

14 (g) ~~(f)~~—A boiler, other than a cast iron sectional boiler,
15 that is to be installed in this state shall be inspected during
16 construction, as required by the applicable rules of the board, by
17 an inspector who is licensed to inspect boilers in this state. If
18 the boiler was constructed outside of the state, the boiler shall
19 have been inspected by an inspector who holds a license as an
20 inspector of boilers for a state that has a standard of examination
21 substantially equal to that of this state or a license issued by
22 the National Board of Boiler and Pressure Vessel Inspectors.

23 Sec. 945. (1) Within 30 days following a boiler certificate
24 inspection required under this article, the chief inspector, a
25 deputy inspector, or the person that employs a special inspector
26 who performed the inspection shall file a report of the inspection
27 with the chief inspector, on a form approved by the board. A form
28 may be 1 of the forms recommended by the National Board of Boiler
29 and Pressure Vessel Inspectors. A report of an external inspection



1 is not required unless the external inspection discloses that a
2 boiler is in a dangerous condition.

3 (2) If a report filed under subsection (1) indicates that a
4 boiler complies with the rules of the board, the owner or user of
5 the boiler shall pay a fee, in an amount established by the
6 department under article 4, directly to the department and the
7 department shall issue to that owner or user an inspection
8 certificate that states the date of inspection and specifies the
9 maximum pressure under which the owner or user may operate the
10 boiler. **All of the following apply to an inspection certificate**
11 **issued under this section:**

12 (a) An inspection certificate is valid for not more than 12
13 months for a power boiler, except that the certificate is valid
14 during a **2-month** grace period under section ~~943.~~**943(c) or during an**
15 **extension approved by the board under section 943(d).** The grace
16 **period provided under section 943(c) only applies to a 12-month**
17 **certificate and does not apply to extensions approved by the board**
18 **under section 943(d) beyond the 12-month certificate.**

19 (b) An inspection certificate is valid for not more than 24
20 months for a low pressure steam or vapor heating boiler ~~—and~~ **36**
21 **months for a** hot water heating boiler ~~—or~~ hot water supply boiler,
22 except that the certificate is valid during a grace period under
23 section 943.

24 (c) An owner or user of a boiler shall post an inspection
25 certificate under glass in the room in which the boiler is located.
26 If the boiler is not located within the building, the owner or user
27 shall post the certificate in a location that is convenient to the
28 boiler that was inspected or in a place that is accessible to
29 interested parties.



1 (3) An inspection certificate issued for an insured boiler by
 2 a special inspector is not valid after the boiler for which the
 3 certificate was issued ceases to be insured by a company authorized
 4 by this state to carry the insurance, if the insurance was
 5 terminated because of an unsafe condition or a violation of a rule
 6 of the board.

7 (4) The chief inspector may suspend an inspection certificate
 8 if, in his or her opinion, the boiler for which the certificate was
 9 issued cannot be operated without harm to the public safety, or if
 10 the boiler is found not to comply with the rules promulgated under
 11 this article. A suspension of an inspection certificate shall
 12 continue in effect until the boiler conforms to the rules of the
 13 board and the inspection certificate is reinstated.

14 **Sec. 946. (1) A person shall not operate under pressure a**
 15 **boiler that is subject to the inspection requirements provided in**
 16 **this article without a valid inspection certificate.**

17 (2) A person shall not cause a boiler that is subject to the
 18 inspection requirements provided in this article to be operated at
 19 a pressure that exceeds the maximum operating pressure specified on
 20 the boiler's inspection certificate.

21 (3) In addition to any penalties or remedies under article 6,
 22 a person that violates this section is guilty of a misdemeanor
 23 punishable by a fine of not more than \$500.00, or imprisonment for
 24 not more than 60 days, or both. Each day a boiler is operated in
 25 violation of this section is a separate offense.

26 Sec. 947. (1) This article does not apply to or in any city
 27 that has a population of 600,000 or more according to the most
 28 recent decennial census.

29 (2) ~~This article shall not be construed to require~~ **Subject to**



1 subsection (3), the requirement to obtain a license or permit under
2 this article to repair a boiler ~~located in or~~ replace a boiler with
3 a similar unit does not apply to a public utility or industrial
4 plant that repairs and maintains its own boilers in accordance with
5 ~~accepted procedures and practices; or to require a license to~~
6 ~~replace a boiler located in a public utility or industrial plant~~
7 ~~described in this subsection with a similar unit.~~ all of the
8 following:

9 (a) The boiler, the boiler's external piping, and any
10 nonboiler external piping is owned and operated by the utility or
11 plant.

12 (b) The utility or plant has in effect a quality program that
13 includes and is governed by a quality manual.

14 (c) The quality program described in subdivision (b), at a
15 minimum, addresses the necessary subjects relative to the scope of
16 work to be performed, including, but not limited to, repair or
17 replacement of boilers, boiler external piping, and nonboiler
18 external piping.

19 (d) The content of the quality manual required under
20 subdivision (b) includes all of the following:

21 (i) A title page that lists the name and complete address of
22 the utility or plant.

23 (ii) A table of contents page listing the contents of the
24 manual by subject.

25 (iii) A scope of work statement that clearly indicates the scope
26 of work governed by the quality program.

27 (iv) A statement of authority reflecting a corporate resolution
28 or policy that recognizes the obligation of the utility or plant to
29 comply with this act at all times and includes the name of the



1 individual who is responsible for and has authority over the scope
2 of work governed by the quality program.

3 (v) Provisions for making, and issuing revisions to, the
4 quality manual to ensure that the quality program is current with
5 accepted practices and procedures as they are practiced within the
6 utility or plant.

7 (vi) The method used by the utility or plant to ensure that
8 only acceptable materials, including, but not limited to,
9 acceptable welding materials, are ordered, verified, and identified
10 in storage.

11 (vii) The method used by the utility or plant for documenting
12 repairs in sufficient detail, including, but not limited to,
13 documentation of both of the following:

14 (A) The prior acceptance by an inspector who is licensed to
15 inspect boilers in this state of the method to be used for a repair
16 of a boiler or a boiler's external piping.

17 (B) The individual responsible for notifying the inspector
18 described in this subparagraph of the repair work to be performed
19 on a boiler or a boiler's external piping and for keeping the
20 inspector apprised of the progress of that work.

21 (viii) A description of the controls used by the utility or
22 plant to ensure that only qualified welding procedures, and only
23 welders qualified to use those procedures, are used for repairs.

24 (ix) A description of the controls used by the utility or plant
25 for nondestructive examination and heat treatment procedures.

26 (x) Identification of the methods of examination and testing
27 required by the utility or plant upon the completion of a repair.

28 (xi) The name of the individual responsible for acceptance of a
29 completed repair.



1 (xii) Provisions allowing for inspector access to areas where
2 repair work is being performed.

3 (xiii) The name of the individual responsible for preparing,
4 signing, and presenting forms commonly known as record of welded
5 forms to inspectors and sending those forms to the boiler division
6 of the department.

7 (xiv) A system for the correction of nonconformities.

8 (xv) A sample form for each form referenced in the quality
9 manual.

10 (e) The utility or plant keeps a maintenance record, subject
11 to audit by state inspectors, for each boiler. The maintenance
12 record must contain an adequate description of each abnormal event
13 concerning the boiler, and any modification, repair, hydro test,
14 internal or external inspection, or off-normal operation of the
15 boiler.

16 (f) The utility or plant contracts with an approved third-
17 party inspection and insurance company for repair work performed on
18 a boiler or a boiler's external piping.

19 (g) All welders working on boilers or piping under the quality
20 program are employees of the utility or plant.

21 (h) All welding, heat treatment, nondestructive examination,
22 and testing procedures are qualified in accordance with the
23 applicable code of the American Society of Mechanical Engineers, as
24 determined by the department.

25 (i) The utility or plant consistently maintains documentation
26 between audits of nonboiler external piping repairs or
27 replacements.

28 (j) Third-party employees or contractors do not work under the
29 quality program established by the utility or plant as it relates



1 to the installation or repair of boilers.

2 (k) The utility or plant notifies the boiler division of the
3 department before the utility or plant replaces a boiler.

4 (l) The utility or plant prepares and files with the boiler
5 division of the department an appropriate record of a welded repair
6 form, signed by an inspector who is licensed to inspect boilers in
7 this state, not more than 180 days after the completion of a welded
8 repair.

9 (3) A public utility or industrial plant is not exempt under
10 subsection (2) unless the board approves that exemption. Upon board
11 approval of the exemption, the department shall grant the utility
12 or plant an exemption from the licensing and permit requirements of
13 this article for repairs to boilers and boiler piping or the
14 installation of a boiler replacement.

15 (4) Failure of a public utility or industrial plant to comply
16 with any of the provisions of this section as applicable to that
17 utility or plant is just cause for revocation of the exemption
18 status granted under subsection (3).

19 (5) To ensure continued compliance with this article and the
20 board's requirements, the chief of the boiler division of the
21 department shall cause an audit of the exemption status granted
22 under subsection (3) to be conducted not less than once every 3
23 years.

24 Enacting section 1. This amendatory act takes effect 90 days
25 after the date it is enacted into law.

