

**HB**

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<TARGET><BILL>HB 114</BILL><SUBJECT>HB  
114</SUBJECT><COMM>HL&C30</COMM></TARGET>



# Representative Sam Kito

## Alaska State Legislature

### House District 33

Downtown Juneau  
Douglas  
Haines  
Klukwan  
Skagway  
Gustavus  
Excursion Inlet

Chair  
House Labor & Commerce

Chair  
Legislative Council

Member  
House Health &  
Social Services

Member  
House Rules

### Contact

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Alaska State Capitol 403  
120 4<sup>th</sup> St  
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### Sponsor Statement

#### House Bill 114

*An Act relating to boiler and unfired pressure vessel inspection reports and fees.*

House Bill 114 establishes a \$10 fee for each boiler and pressure vessel inspection report that is filed without using the available online system, and reduce the time allowed to submit such reports from the current 30 days following an inspection, to 15 days.

Boilers and pressure vessels in Alaska are required to undergo periodic inspections to prevent catastrophic failure and ensure public safety. These inspections may be performed by state inspectors or by private insurance company inspectors. When the current statute was enacted, inspectors filled out handwritten reports with carbon copies and submitted them by mail. Currently, the Department of Labor and Workforce Development uses an online system allowing direct data entry, and most inspectors now use this system. The inspectors that don't use this system submit Portable Document Format (PDF) documents that require the department to perform manual data entry on behalf of those insurance companies at no cost to those companies. The department dedicates hundreds of hours yearly to this data entry.

House Bill 114 proposes a fee to cover time spent on inspection companies' data entry. It also reduces the allowed submission time to reflect newer means of report submission that no longer involve carbon copies sent in by mail. This will help device owners receive their inspection certificates sooner, and stay in compliance with Alaska laws in a timely manner.

Please join me in supporting House Bill 114 to increase efficiency and support sustainable government.



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### Sectional Analysis House Bill 114

*An Act relating to boiler and unfired pressure vessel inspection reports and fees.*

**Section 1** Reduces the time allowed to submit boiler and pressure vessel inspection reports from the current 30 days following an inspection to 15 days.

**Section 2** Adds a new subsection directing reports to be filed online via the department's electronic inspection report system or pay a \$10 fee for filing reports on non-electronic forms. Also specifies that filing fees shall be deposited in the building safety account.

**Section 3** Clarifies that the filing fee charged in Section 2 of this bill is separate from any inspection fee that may be charged under AS 18.60.360 Inspection fees.

**Section 4** Amends the Definition of program receipts and non-general fund program receipts AS 37.05.146(c)(53) to specify that boiler/pressure vessel inspection report filing fees shall be deposited in the building safety account.

**Section 5** Establishes that this Act applies to inspections begun on or after the effective date of this Act.

# Fiscal Note

State of Alaska  
2017 Legislative Session

Bill Version: HB 114  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB114-DOLWD-MI-02-24-17  
Title: BOILER/PRESSURE VESSEL INSPECTION  
REPORTS  
Sponsor: LABOR & COMMERCE  
Requester: House Labor & Commerce

Department: Department of Labor and Workforce Development  
Appropriation: Labor Standards and Safety  
Allocation: Mechanical Inspection  
OMB Component Number: 346

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2018 Request	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<b>OPERATING EXPENDITURES</b>	<b>FY 2018</b>	<b>FY 2018</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time								
Part-time								
Temporary								

**Change in Revenues**

1172 Bldg Safe (DGF)	32.0		32.0	32.0	32.0	32.0	32.0	32.0
<b>Total</b>	<b>32.0</b>	<b>0.0</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>

**Estimated SUPPLEMENTAL (FY2017) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2018) cost:** 0.0 *(separate capital appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version:**

Not applicable, initial version.

Prepared By: Deborah Kelly, Director Phone: (907)269-4961  
Division: Labor Standards and Safety Date: 02/24/2017 12:00 PM  
Approved By: Heidi Drygas, Commissioner Date: 02/24/17  
Agency: Department of Labor and Workforce Development

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2017 LEGISLATIVE SESSION

BILL NO. HB 114

**Analysis**

This legislation amends AS 18.60.270 to reduce the time allowed to file a boiler/pressure vessel inspection report from 30 days following an inspection to 15 days and establish a \$10 fee for insurers that do not file their inspection reports using the department's online system. The revenue generated from this fee will compensate the department for the data entry costs associated with reports that are not filed online.

Most companies already file online, however there are still some that file hard copies. Based on the average number of hard copy reports received annually, the department estimates that this fee will generate an additional \$32,000 per year to the building safety account. However, the fee may result in more reports filed using the online system.

Calculations:

3,200 reports filed per year that would be subject to the fee  
x \$10 per report  
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\$32,000 per year