

**SUBJECT:** Revising regulation of boilers

**COMMITTEE:** Economic Development — favorable, without amendment

**VOTE:** 8 ayes — Jim Solis, Deshotel, Homer, Keffer, Luna, McClendon, Seaman, Yarbrough  
0 nays  
1 absent — Van de Putte

**WITNESSES:** For — Jack L. Mitchell, Dow Chemical; Homer Schmidt, Electric Utility Industry in Texas and Texas Boiler Advisory Board; Charles E. Vickers, Insurance Group Boiler Advisory Board  
Against — None  
On — George Ferrie, Texas Department of Licensing and Regulation; George Bynog

**BACKGROUND:** The Texas Department of Licensing and Regulation regulates boilers. Electrical utility companies typically use power boilers to produce steam to generate power. Chemical and refining companies typically use steam drums of unfired steam boilers to transform waste heat into steam.  
The American Society of Mechanical Engineers (ASME) sets industrial and manufacturing standards. Texas' current law governing the installation and inspection of boilers does not conform to ASME standards.

**DIGEST:** HB 2296 would amend Health and Safety Code, sec. 755 to bring the state's installation and inspection requirements for boilers into compliance with ASME standards.  
The bill would specify that unfired steam boilers and steam collection or liberation drums of process steam generators, in addition to power boilers, would have to receive an annual certificate inspection and an annual external inspection.

HB 2296 would delete requirements for specific information that the inspection agency now must include in a report on a certificate inspection to the commissioner, including the condition and location of the boiler, the date of the inspection, and the name of the inspector. Instead, the statute would state only that the inspection agency would have to file a report in the manner specified by the department.

After a certificate inspection, the commissioner would have to issue the owner or operator of a boiler a certificate of operation if the boiler was found to be in a safe condition for operation and if the owner or operator had paid the fees for a boiler inspection, certificate of operation, and other fees assessed by the department.

HB 2296 would require the commissioner to ensure that each boiler was inspected internally and externally at the time of initial installation and at subsequent intervals as specified. With approval of the commissioner and the inspection agency, the interval between internal inspections of a steam collection or liberation drum of a process steam generator, as well as of an unfired steam boiler, could be extended to a period not exceeding 84 months.

Current regulations in this section do not apply to certain pieces of boiler equipment. This bill would specify two more types of equipment not subject to the section: process steam generators other than steam collection or liberation drums of process steam generators, and boilers designed for operation only at atmospheric pressure and equipped with two independent means to prevent the buildup of pressure.

HB 2296 would repeal the commissioner's authority to adopt rules establishing inspection procedures for the use of nondestructive examination equipment to comply with the inspection requirements in this section. The bill would modify existing definitions and establish new definitions for the regulation of boilers.

The bill would take effect September 1, 1999.

**SUPPORTERS  
SAY:**

HB 2296 would amend current law regulating boilers to comply with professional association standards that industry already follows. ASME has accredited companies to certify that their products and services comply with

ASME codes and standards. More than 4,000 companies in 57 countries now are accredited.

This bill also would make it easier for insurance companies that inspect boilers to comply with both state law and professional standards.

HB 2296 would remove reporting requirements from statute and give the Department of Licensing and Regulation authority over existing reporting requirements that the department already enforces.

OPPONENTS  
SAY:

No apparent opposition.

NOTES:

HB 1836 by Goolsby, enacted in 1997, increased the allowable period between internal boiler inspections. It increased the interval between power boiler inspections from up to 24 months to up to 48 months and increased the interval between unfired steam boiler inspections from up to 60 months to up to 84 months.