



Statement of Basis and Purpose for Amendments to  
The Division of Oil and Public Safety’s  
Boiler and Pressure Vessel Regulations (7 CCR 1101-5)  
May 8, 2017

**BASIS:** The Boiler and Pressure Vessel Statute (Title 9 Article 4 CRS) states that rules shall be formulated for the safe construction, installation, inspection, operation, maintenance and repair of boilers and pressure vessels in the state of Colorado. The amendments to these rules are being promulgated under the Division of Oil and Public Safety (OPS)’s authority pursuant to Title 9 Article 4 Section 103 of the Colorado Revised Statutes.

**PURPOSE:** These amendments will update, revise or clarify the previous Boiler and Pressure Vessel Regulations based on stakeholder input and will also implement inspection and certificate fee adjustments. The proposed effective date of these revisions is July 1, 2017. The notice to revise regulations was posted with the Secretary of State on March 24, 2017, and Colorado Legislators were notified by a letter dated March 30, 2017.

The amendments include grammatical and formatting changes throughout the entire document, such as moving entire sections to more appropriate locations within the document and rewriting entire paragraphs to add clarity. Additional revisions include: adopting new code editions; clarifying definitions; clarifying which types of boilers are regulated and which are exempt; adding a new inspection and certificate fee table; and adding enforcement language that is typical to the regulations for the Division’s other programs per the authority given through Title 8 Article 20 Section 104 CRS.

Fee adjustments include an increase from \$10 to \$15 for the insurance inspection fee and an increase from \$15 to \$25 for the certificate of inspection fee for all inspections (insurance and OPS). The Boiler and Pressure Vessel Statute authorizes OPS to establish and adjust fees as necessary by regulation to fund the implementation of the Boiler Inspection Program within established maximum fee amounts. OPS closely monitors the Boiler Inspection Fund balance and periodically adjusts fees to ensure compliance with the statute. Fee adjustments were previously made in 2008, 2010 and 2013. The adjustments in 2010 and 2013 were both fee reductions, which have now caused the Boiler Inspection Fund balance to drop to a level that requires a fee increase.

Pursuant to Title 24 Article 4 Section 103(4)(b) CRS, the Director finds that: (1) there is a demonstrated need for the rules; (2) the proper statutory authority exists for the rules; (3) to the extent practicable, the rules are clearly stated so that their meaning will be understood by any party required to comply with them; (4) the rules do not conflict with other provisions of law; and (5) the duplicating or overlapping of the rules is explained by the agency adopting the rules.

Mahesh Albuquerque  
Director, Division of Oil and Public Safety

5/8/17  
Date