

**NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**

# An Act

HOUSE BILL 12-1217

BY REPRESENTATIVE(S) Tyler, Fischer, Swalm, Wilson;  
also SENATOR(S) Aguilar, Tochtrop.

CONCERNING THE AUTHORITY OF AN ORGANIZATION THAT MAINTAINS A  
REGULARLY ESTABLISHED INSPECTION DEPARTMENT TO CONDUCT  
INSPECTIONS OF ITS OWN PRESSURE-RETAINING ITEMS.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, 9-4-101, **add** (14.3)  
and (14.5) as follows:

**9-4-101. Definitions.** (14.3) "OWNER-USER INSPECTION ORGANIZATION" MEANS AN OWNER OR USER OF PRESSURE-RETAINING ITEMS WHO MAINTAINS A REGULARLY ESTABLISHED INSPECTION DEPARTMENT, AND WHOSE ORGANIZATION AND INSPECTION PROCEDURES MEET THE REQUIREMENTS OF THE NATIONAL BOARD OF BOILER AND PRESSURE VESSEL INSPECTORS RULES OR THE AMERICAN PETROLEUM INSTITUTE'S API 510 PROGRAM AND ARE ACCEPTABLE TO THE DIRECTOR.

(14.5) "OWNER-USER INSPECTOR" MEANS AN INSPECTOR WHO HOLDS A VALID NATIONAL BOARD OF BOILER AND PRESSURE VESSEL INSPECTORS OWNER-USER INSPECTOR COMMISSION AND WHO HAS PASSED THE

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

EXAMINATION PRESCRIBED BY THE NATIONAL BOARD OR IS AN AMERICAN PETROLEUM INSTITUTE CERTIFIED INSPECTOR UNDER A JURISDICTIONALLY APPROVED OWNER-USER INSPECTION ORGANIZATION.

**SECTION 2.** In Colorado Revised Statutes, **add** 9-4-110.5 as follows:

**9-4-110.5. Owner-user inspection organizations - registration.**

(1) A PERSON, FIRM, PARTNERSHIP, OR CORPORATION OPERATING BOILERS OR PRESSURE VESSELS MAY SEEK APPROVAL AND REGISTRATION AS AN OWNER-USER INSPECTION ORGANIZATION BY FILING AN APPLICATION WITH THE DIRECTOR ON PRESCRIBED FORMS.

(2) THE APPLICANT SHALL SHOW THE NAME OF THE ORGANIZATION AND ITS PRINCIPAL ADDRESS AND THE NAME AND ADDRESS OF THE PERSON OR PERSONS HAVING SUPERVISION OVER INSPECTIONS MADE BY THE ORGANIZATION ON THE APPLICATION AND REGISTRATION. THE APPLICANT SHALL REPORT CHANGES IN SUPERVISORY PERSONNEL TO THE DIRECTOR WITHIN THIRTY DAYS AFTER THE CHANGE.

(3) EACH OWNER-USER INSPECTION ORGANIZATION SHALL:

(a) CONDUCT INSPECTION OF ITS NONEXEMPT BOILERS AND PRESSURE VESSELS, UTILIZING ONLY QUALIFIED INSPECTION PERSONNEL;

(b) RETAIN ON FILE AT THE LOCATION WHERE EQUIPMENT IS INSPECTED A TRUE RECORD OR COPY OF THE REPORT OF EACH INSPECTION SIGNED BY THE OWNER-USER INSPECTOR WHO MADE THE INSPECTION;

(c) PROMPTLY NOTIFY THE DIRECTOR OF ANY BOILER OR PRESSURE VESSEL THAT DOES NOT MEET REQUIREMENTS FOR SAFE OPERATION;

(d) MAINTAIN INSPECTION RECORDS THAT INCLUDE A LIST OF NONEXEMPT BOILERS AND PRESSURE VESSELS, SHOWING THE SERIAL NUMBER AND THE ABBREVIATED DESCRIPTION AS MAY BE NECESSARY FOR IDENTIFICATION, THE DATE OF THE LAST INSPECTION OF EACH UNIT, THE APPROXIMATE DATE OF THE NEXT INSPECTION, AND DOCUMENTATION OF ALL REPAIRS. SUCH INSPECTION RECORDS SHALL BE READILY AVAILABLE FOR EXAMINATION BY THE DIRECTOR, THE CHIEF BOILER INSPECTOR, OR THEIR DESIGNEE DURING BUSINESS HOURS.

(e) TRANSMIT A STATEMENT ANNUALLY TO THE DIRECTOR, ON A DATE MUTUALLY AGREED UPON. THE INDIVIDUAL HAVING SUPERVISION OVER THE INSPECTIONS MADE DURING THE PERIOD COVERED SHALL SIGN THE STATEMENT AND SHALL INCLUDE THE NUMBER OF VESSELS INSPECTED DURING THE YEAR AND SHALL CERTIFY THAT EACH INSPECTION WAS CONDUCTED IN ACCORDANCE WITH THE INSPECTION REQUIREMENTS IN THE COLORADO BOILER AND PRESSURE VESSEL RULES.

(4) A STATE-ISSUED CERTIFICATE OF INSPECTION IS REQUIRED FOR BOILERS AND PRESSURE VESSELS INSPECTED BY AN OWNER-USER INSPECTION ORGANIZATION WHEN ALL OF THE REQUIREMENTS IN THIS SECTION ARE MET.

(5) AN INDIVIDUAL OR ORGANIZATION PERFORMING AN INSPECTION PURSUANT TO THIS SECTION SHALL HAVE LIABILITY INSURANCE APPROPRIATE FOR THE SIZE AND SCOPE OF THE RELEVANT INSPECTION.

**SECTION 3. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 8, 2012, if adjournment sine die is on May 9, 2012); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2012

and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

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Frank McNulty  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Brandon C. Shaffer  
PRESIDENT OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

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Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_

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John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO