

DEPARTMENT OF INDUSTRIAL RELATIONS
Division of Occupational Safety and Health
LEGAL UNIT-Southern Area
355 S. Grand Avenue, Suite 1850
Los Angeles, CA 90071
Tel: (213) 576-7700 Fax: (213) 576-7498



October 15, 2026

**NOTICE OF PROPOSED EMERGENCY REGULATORY ACTION OF
THE DIVISION OF OCCUPATIONAL SAFETY AND HEALTH,
DEPARTMENT OF INDUSTRIAL RELATIONS**

**TITLE 8 of the CALIFORNIA CODE OF REGULATIONS
Chapter 3.2. California Occupational Safety and Health Regulations
Subchapter 2. Regulations of the Division of Occupational Safety and Health
Article 5. Boiler and Tank Permit and Inspection Fee Schedule
§344. Shop, Field and Resale Inspection Program Fees.
§344.1. Air Tank, Liquefied Petroleum Gas (L.P.G.) Tank, and Boiler Permit
Inspection Program Fees.
§344.2. Air Tank, Liquefied Petroleum Gas (L.P.G.) Tank, and Boiler Permit to
Operate Program Fees.**

The Division of Occupational Safety and Health ("Division") hereby proposes to amend sections 344, 344.1 and 344.2 of title 8, California Code of Regulations¹. Specifically, under section 344, the Division proposes to increase the hourly inspection rate from \$150.00 to \$180.00. Under section 344.1, the Division proposes to increase the hourly fee amount charged for field permit inspections from \$150.00 to \$180.00. Under section 344.2, the Division proposes to increase the fees related to the issuance of a Permit to Operate from \$45.00 to \$55.00. The Division finds that the adoption of these proposed amendments as an emergency regulation is necessary for the reasons discussed below.

FINDING OF EMERGENCY

First, Labor Code, section 7721, subdivision (e), which governs the adoption of the Division's pressure vessel fee regulation, expressly exempts the proposed amendments from approval by the Office of Administrative Law pursuant to the Administrative Procedure Act:

Any fees required pursuant to this section shall be in amounts sufficient to cover the direct and indirect costs of the division for administering this part and shall be adopted as emergency regulations. These emergency regulations shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340)

¹Unless otherwise specified, all references are to sections of the California Code of Regulations, title 8.

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of Part 1 of Division 3 of Title 2 of the Government Code. These regulations shall become effective immediately upon filing with the Secretary of State.

(Lab. Code, § 7721, subd. (e).) Pursuant thereto, the Legislature has deemed the proposed amendments to constitute an “emergency regulation.”

Second, the Division is responsible for enforcing the provisions of Labor Code sections 7620 through 7804, which comprise Part 6 of Division 5 of the Labor Code and govern the use of tanks, pressure vessels and boilers in California that are not specifically exempted by Labor Code sections 7624 and 7625.² Tanks are defined as any unfired pressure vessel used for storage of air pressure or liquefied petroleum gases and any unfired pressure vessel built according to the rules of any nationally recognized pressure vessel code. (Lab. Code, § 7622.) Boiler is defined as any fired or unfired pressure vessel used to generate steam pressure by the application of heat. (Lab. Code, § 7621.) The Division’s Pressure Vessel Unit (PV Unit) enforces the pressure vessel and boiler safety standards through shop inspections, tank and boiler inspections, and the issuance of permits to operate. Shop inspection is defined as the “inspection and testing of tanks or boilers, manufactured, or in the process of manufacture, repair, or alteration, in the manufacturer’s shops, or at the jobsite, in accordance with the applicable rules of the respective codes under which they are manufactured.” (Lab. Code, § 7725, subd. (c).) Field inspection is defined as “the inspection and testing of installed tanks or boilers or both tanks and boilers, regardless of location.” (Lab. Code, § 7725, subd. (d).) Resale inspection is defined as “the inspection of boilers or tanks in the possession of a dealer or vendor at the request of a user who contemplates the purchase thereof.” (Lab. Code, § 7725, subd. (e).)

Labor Code section 7721 authorizes the Division to charge inspection fees and permit fees for services it provides. At the direction of the Department of Industrial Relations, the Division has evaluated the costs associated with administering its PV Unit, and determined that the Unit is expending significantly more money issuing permits, performing inspections, and providing related services at private, non-governmental businesses than it recoups through current fees and mileage costs for permits, inspections, and consultation at such private businesses.³ The PV fund has been in a deficit for several years now. The proposed amendments are necessary to achieve full cost recovery of the PV program.

² Exempted tanks are those under the jurisdiction or inspection of the federal government, air pressure tanks used in household domestic services, tanks of 1 ½ cubic feet or less not subject to a pressure of more than 150 pounds per square inch, and air pressure tanks supplied with air by the same air compressor which supplies air for the brakes of any motor vehicle or street car under the jurisdiction of the federal Department of Transportation or the California Highway Patrol. (Lab. Code § 7624.) Exempted team boilers are those under the jurisdiction or inspection of the federal government, boilers operated by employers not subject to Division 4 of the Labor Code (§§ 3201 et seq), boilers on which pressure does not exceed 15 pounds per square inch, boilers on automobiles and road motor vehicles. (Lab. Code § 7625.)

³ Government Code § 6103 prohibits the Division from charging fees for inspections or permits of pressure vessels and boilers owned or operated by public entities including the state or any city, county, district or other political subdivision. The costs associated with such inspections by the Division and permits issued to public entities have been funded through revenues received pursuant to Labor Code § 62.5 (d).

AUTHORITY AND REFERENCE

Section 344

Authority cited: Sections 60.5, 6308, 7721, 7722 and 7728, Labor Code. Reference: Sections 7650, 7721, 7725 and 7728, Labor Code.

Section 344.1

Authority cited: Sections 60.5, 6308, 7721, 7722 and 7728, Labor Code. Reference: Sections 7650, 7680, 7681, 7682, 7683, 7721 and 7728, Labor Code.

Section 344.2

Authority cited: Sections 60.5, 6308, 7721 and 7728, Labor Code. Reference: Sections 7650, 7654, 7680, 7683, 7721 and 7728, Labor Code.

INFORMATIVE DIGEST

Labor Code sections 60.5 and 6308 provide that the Division is charged with the administration and enforcement of the provisions of the California Occupational Safety and Health Act, commencing with Labor Code section 6300, as well as other provisions of law affecting the health and safety of employees in the State of California. The laws governing the use of pressure vessels, other pressurized tanks and boilers commence at section 7620, Part 6 of Division 5 of the Labor Code.

No tank or boiler shall be operated unless a permit for its operation has been issued by, or on behalf of, the Division. (Lab. Code, § 7680.) The Division's PV Unit conducts regular inspections of such equipment prior to issuing a permit to operate air tanks, liquefied petroleum gas (L.P.G.) tanks and boilers. (Lab. Code, §§ 7681 - 7683.) Inspectors who are certified by the Division and employed by a county, city, insurer or an employer to inspect the employer's tanks and boilers may also perform inspections. (Lab. Code, § 7650.) The Division is responsible for issuing permits to operate tanks and boilers based on inspection reports received from qualified safety engineers and certified inspectors showing compliance with all applicable statutes and regulations. (Lab. Code, §§ 7680-7683.)

Generally, permits for unfired L.P.G. tanks are valid for 3 years and other unfired air tanks are valid for 5 years. (Cal. Code Regs., tit. 8, § 462, subd. (a).) Permits for fired boilers are valid generally for 12 months, except for specified petroleum, chemical and power generating facilities that may obtain permits for longer periods after meeting specified conditions. (Cal. Code Regs., tit. 8, §§ 770-771.)

The owner/operator of a tank or boiler may request the Division to inspect and issue a permit to operate the equipment, or may have the inspection performed by one of the certified inspectors listed in Labor Code section 7650. The Division is authorized to charge fees for conducting inspections, providing consultations, conducting surveys, audits and other activities required or related to meeting national standards for safe design and

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construction of tanks and boilers, and for processing permit applications, and for field consultations (Lab. Code, § 7721). Whenever the inspection to operate a pressurized air tank, L.P.G. or boiler is performed by a certified inspector at a private, non-governmental business, the Division may charge a fee to review the inspection report and issue a permit to operate. (Lab. Code § 7721(b).)

All fees promulgated under sections 7720 through 7728 must cover the Division's costs in performing its statutory duties, including administrative costs. As discussed above, Labor Code section 7721, subdivision (e) expressly exempts regulations governing tank and boiler inspection and permitting fees from approval by the Office of Administrative Law.

The purpose of the proposed amendments is to correct the PV Unit's deficit by increasing most pressure vessel-related inspection and permitting fees to a level that will cover the Division's costs for the program.

PROPOSED AMENDMENTS TO EXISTING REGULATIONS

Section 344. Shop, Field and Resale Inspection Program Fees.

The purpose of the proposed emergency amendment is to increase the hourly fee under subsection (a) from \$150.00 to \$180.00 to cover the Division's costs of administering the program.

Subsection (a). The proposed emergency regulation would increase the hourly rate for services rendered by the Division under subsection (a) from \$150.00 to \$180.00 per hour.

Section 344.1. Air Tank, Liquefied Petroleum Gas (L.P.G.) Tank, and Boiler Permit Inspection Program Fees.

The purpose of the proposed emergency amendments is to increase the hourly fee under subsections (a) and (b) from \$150.00 to \$180.00 to cover the Division's costs of administering the program.

Subsection (a). The proposed emergency regulation would increase the hourly rate for services rendered by the Division under subsection (a) from \$150.00 to \$180.00 per hour.

Subsection (b). The proposed emergency regulation would increase the hourly rate for services rendered by the Division under subsection (b) from \$150.00 to \$180.00 per hour.

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Section 344.2. Air Tank, Liquefied Petroleum Gas (L.P.G.) Tank, and Boiler Permit to Operate Program Fees.

The purpose of the proposed emergency amendment is to increase the permit fee under subsection (b) from \$45.00 to \$55.00 to cover the Division's costs of administering the program.

Subsection (b). The proposed emergency regulation would increase the permit fee under subsection (b) from \$45.00 to \$55.00.

Consistency and Compatibility with Existing State Regulations: The proposed amendments are not inconsistent or incompatible with existing state regulations. .

Comparable Federal Statutes and Regulations: None

Anticipated Benefits of the Proposed Regulation: The broad objective of the proposed regulations is to eliminate the PV Unit's deficit by increasing most PV-related inspection and permitting fees. The proposed regulations will allow the Division to cover the actual costs in having its qualified safety engineers provide on-site inspection services for the private sector owners/operators using pressure vessels and boilers in California. These vessels must be inspected prior to the issuance of a permit to operate. In addition, the inspection of pressure vessels, tanks and boilers is necessary to (1) protect the lives, health and safety of the public and of employees working in the vicinity of such equipment; (2) avoid business disruption from any equipment-related explosions; and (3) protect the environment from contamination that could result from uncontrolled emissions or spills of the materials, gases and substances stored in such tanks and boilers.

Technical or Theoretical, or Empirical Studies, Reports, or Documents Relied on: The Division relies on no technical studies or reports other than the cost and expense calculations provided in support of the proposed rulemaking, attached as Appendix A.

Mandate on Local Agencies or School Districts: The Division has determined that the proposed amendments would not impose a mandate on local agencies or school districts or a mandate requiring reimbursement by the State pursuant to Part 7 (commencing with section 17500) of Division 4 of the Government Code because the proposed amendments will not require local agencies or school districts to incur additional costs in complying with the proposal. The Division cannot charge local agencies and school districts fees for inspections and permits of pressure vessels and boilers because there is no express statutory authority allowing the Division to do so. (Gov. Code § 6103.)

Furthermore, these regulations do not constitute a "new program or higher level of service of an existing program within the meaning of section 6 of Article XIII B of the California constitution." The California Supreme Court has determined that a "program" within the meaning of section 6 of Article XIII B of the California Constitution is one which carries out a governmental function of providing services to the public, or which, to implement

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state policy, imposes unique requirements on local governments and does not apply generally to all residents and entities in the state. (*County of Los Angeles v. State of California* (1987) 43 Cal. 3d 46.)

FISCAL IMPACT STATEMENT

Cost or savings to any state agency: The proposed emergency regulations will result in the estimated added revenues to the Division of approximately \$1,000,000 annually through fees collected from private businesses for the inspection of boilers and pressure vessels. (See attached, Appendix A.) The proposed emergency regulations will not result in costs to state agencies that require inspections and permits for pressurized tanks and boilers under the Labor Code, because there is no express statutory authority to charge state agencies such permit fees, and therefore state agencies are statutorily exempt from such fees. (Gov. Code § 6103.)

Cost to any local agencies or school districts required to be reimbursed under Part 7 (commencing with section 17500) of Division 4: None. The proposed emergency regulations will not result in costs to local agencies and school districts that require inspections and permits for pressurized tanks and boilers under the Labor Code, because there is no express statutory authority to charge public agencies such permit fees, and therefore local agencies and school districts are statutorily exempt from such fees. (Gov. Code § 6103.)

Other non-discretionary costs or savings imposed on local agencies or school districts: The proposed emergency regulations do not impose non-discretionary costs on local agencies.

Cost or savings in federal funding to the state: The proposed emergency regulations will not result in costs or savings in federal funding to the State.

Results of the economic impact assessment/analysis: The Division has made an initial determination that the proposed emergency regulations will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. However, the proposed amendment will affect businesses with boilers and tanks subject to the Pressure Vessel Safety Orders by (1) increasing the hourly rate for all services under section 344 by 20% (\$30/\$150); (2) increasing the hourly rate for all services under section 344.1 by 20% (\$30/\$150); and (3) increasing the permit fee under 344.2 by about 22% (\$10/\$45).

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STATEMENT CONFIRMING COMPLIANCE WITH GOVERNMENT CODE § 11346.1(a)(2)

(Title 1 CCR section 50(a)(5)(A))

The Division sent notice of the proposed emergency action to every person who has filed a request for notice of regulatory action at least five working days before submitting the emergency regulation to the Office of Administrative Law in accordance with the requirements of Government Code section 11346.1, subdivision (a)(2). Such notice was sent electronically on October 15, 2026.

EFFECTIVE DATE / ADOPTION STATUS

The emergency regulations will become effective upon filing with the Secretary of State. Pursuant to Labor Code section 7721, subdivision (e), these regulations are deemed to be an emergency and necessary for the immediate preservation of the public peace, health, and safety, and are exempt from review and approval by the Office of Administrative Law.