

May, 1989

**DEPARTMENT OF LABOR AND INDUSTRY
CODE ENFORCEMENT
High Pressure Piping Division**

In the matter of the Proposed
Adoption of Rules governing Registration
of Pipefitter Trainees.

STATEMENT OF
NEED AND REASONABLENESS

M.S. 326.46 through 326.521 provide for the regulation of high pressure piping. M.S. 326.48 provides that the Department of Labor and Industry may prescribe rules for the examination and licensing of pipefitters. Minnesota Rules 5230.0040, 5230.0050, 5230.0080, 5230.0110 and 5230.0130 provide for the registration of persons learning the trade of pipefitting and allow such persons to work as pipefitters. The proposed rules clarify the requirements for the registration of pipefitter trainees, set minimum requirements for proper supervision of the trainees, and require that the trainees seek proper licensure upon completion of the training program. The amendments to the rules are proposed under the stated authority.

A revisor's instruction is included to substitute the word "pipefitter" for the word "steamfitter" wherever found in chapter 5230. This change is being made to reflect the accurate term of art.

SMALL BUSINESS IMPACT

The Department has considered the impact on small business, as required by M.S. 14.115 (1988), and has determined that the rules should have minimal impact on small businesses. The proposed rules change the registration process for pipefitter trainees from once at the beginning of the employment with the registering employer to annually, set requirements for the ratio of trainees to licensed, qualified pipefitters, and require the trainee to take the qualifying examination upon completion of the training program.

Smaller businesses will be affected by the proposed change limiting the number of trainees that can be registered based on a ratio to the number of licensed, qualified pipefitters. The ratio of trainees to licensed, qualified pipefitters may require small businesses to limit the number of trainees or to hire more licensed, qualified pipefitters at a higher wage rate than that of a trainee.

Changes to these rules affecting small businesses reflect minor changes in existing requirements and would have little additional impact over current requirements. The Department has, nonetheless, considered each of the following methods for reducing the impact on small business:

1. LESS STRINGENT REPORTING REQUIREMENTS.

The reporting requirements are expanded from once at the time of initial registration to annual registration. The additional reporting will be minimal and will provide more timely information to Department inspectors, thereby reducing the need to question the status of trainees during inspection of high pressure installations.

2. LESS STRINGENT SCHEDULES AND DEADLINES.

As stated above, there will be a requirement for an annual registration. This will be more stringent than current requirements, but as stated above, the information will provide valuable information for Department inspectors and reduce documentation by the employer at the time of an inspection. Therefore, there will be minimal impact on reporting by small businesses.

3. CONSOLIDATION OR SIMPLIFICATION OF REPORTING REQUIREMENTS.

Reporting requirements are not changes by the proposed rules. The change is limited to frequency of reporting. Therefore, no consolidation or simplification is necessary or required.

4. ESTABLISHMENT OF PERFORMANCE STANDARDS FOR SMALL BUSINESSES TO REPLACE DESIGN OR OPERATIONAL STANDARDS REQUIRED BY THESE RULES.

For safety reasons, performance standards cannot be substituted for the proposed licensed pipefitter to trainee ratio as close supervision of trainees is required to assure acceptable work.

5. EXEMPTION FOR SMALL BUSINESS.

The purpose of the proposed changes is to assure that persons employed as trainees receive adequate supervision and training. Adequate supervision and training is necessary to ensure the safety of the trainees, as well as to protect the safety of employees and other occupants of the buildings containing the high pressure piping work. The ratio of trainees to licensed, qualified pipefitters is based upon standards used in registered apprenticeship programs established pursuant to M.S. Chapter 178 which in turn has been developed over a long period of time and is used as the standard for registered apprenticeship programs. Therefore, an exemption for small businesses would not be advisable.

FISCAL IMPACT ON LOCAL GOVERNMENTAL BODIES

It has been determined that no fiscal note is needed for these rules. No significant expenditures will be required by governmental bodies and the estimated cost to local public bodies will not exceed the \$100,000 limit in either of the two years as set forth in M.S. 14.11. Additionally, a fiscal note need not be prepared under M.S. 3.983, Subd. 2 because these rules do not establish any new programs or require any increases in level of service.

IMPACT ON AGRICULTURAL LAND

It has been determined that no impact statement regarding agricultural land is needed for these rules. No significant impact on agricultural land is created by these rules.

5230.0040 Subpart 4.

Changes the term "Steamfitter's apprentice" to "pipefitter trainee".

These changes substitute the name "trainee" instead of "apprentice" so that these workers will not be confused with apprentices registered under M.S. Chapter 178 and Minnesota Rules, parts 5200.0290 through 5200.0420. "Pipefitter" is substituted for "steamfitter" throughout the rules to update the rules with the current industry terminology.

5230.0050.

Changes the term "Steamfitter's apprentice" to "pipefitter trainee".

These changes are needed and reasonable to substitute the proper terminology.

5230.0080.

Changes the term "Steamfitter's apprentice" to "pipefitter trainee".

These changes are needed and reasonable to substitute the proper terminology.

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5230.0110

Subpart 1. Repealed.

The repealer is needed and reasonable as the requirements of the repealed subpart are expanded and clarified in subpart 2a.

Subpart 2. Repealed.

The repealer is needed and reasonable as the requirements of the repealed subpart are expanded and clarified in subpart 2a.

Subpart 2a.

This subpart sets registration time limit, sets registration data requirements, requires annual registration, requires supervision of pipefitter trainees and limits work on high pressure piping to permitted work pursuant to statute, sets a ratio of trainees to licensed, qualified pipefitters, requires that one qualified pipefitter be present on the jobsite whenever a pipefitter trainee is working on high pressure piping, and sets time limits for when the trainee shall make application for licensure.

The registration time limit and registration data requirements are a restatement of the current rule language in subparts 1 and 2.

The annual registration requirement is needed and reasonable as current language does not provide for notification as to the status to the trainee unless there is a change of employer. Unauthorized persons may not work on high pressure piping installation. Annual registration assures that the Department inspectors are notified that the trainees are properly authorized.

The ratio of trainees to licensed, qualified pipefitters is needed and reasonable as currently there are no limits to the number of trainees that an employer may use in pipefitting work. This part assures that the trainees are provided training and proper supervision.

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The language limiting work to permitted projects is to assure consistency with current requirements that all high pressure piping work must be done under a permit.

The time limit for application for examination as a journeyman is the same requirement currently contained in subpart 1.

Subpart 3.

This subpart changes the term "steamfitter's apprentice" to "pipefitter trainee" and provides for notification of change of employment or address to the Department.

These changes are needed and reasonable to substitute the proper terminology. "Department" is substituted for "Division of Steamfitting Standards" to make the rule internally consistent with subpart 2a requiring notice to the Department and to omit reference to a renamed division.

5230.0130.

Changes the term "steamfitter's apprentice" to "pipefitter trainee".

These changes are needed and reasonable to substitute the proper terminology.

Revisor's Instruction.

See paragraph two of this statement.

Repealer.

See part 5230.0110 of this statement.

August, 1989

DEPARTMENT OF LABOR AND INDUSTRY
CODE ENFORCEMENT
High Pressure Piping Division



Minnesota
Department of Labor and Industry

In the matter of the Proposed
Adoption of Rules governing Registration
of Pipefitter Trainees.

Jim Berg / Director
Code Enforcement Division

STATEMENT OF
NEED AND REASONABLENESS

Labor and Industry Building
443 Lafayette Road
St. Paul, Minnesota 55101

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Minnesota Statutes, Section 326.46 through 326.521 provide for the regulation of high pressure piping. Section 326.48 provides that the Department of Labor and Industry may prescribe rules for the examination and licensing of pipefitters. Minnesota Rules, parts 5230.0040, 5230.0050, 5230.0080, 5230.0110 and 5230.0130 provide for the registration of persons learning the trade of pipefitting and allow such persons to work as pipefitters. The proposed rules clarify the requirements for the registration of pipefitter trainees, set minimum requirements for proper supervision of the trainees, and allow trainees to seek proper licensure upon completion of the training program. The amendments to the rules are proposed under the stated authority.

A revisor's instruction is included to substitute the word "pipefitter" for the word "steamfitter" wherever found in chapter 5230.

SMALL BUSINESS IMPACT

The Department has considered the impact on small business, as required by M.S. 14.115 (1988), and has determined that the rules may impact some small businesses. The proposed rules change the registration process for pipefitter trainees from once at the beginning of the employment with the registering employer to annually, set requirements for the ratio of trainees to licensed, qualified pipefitters, and allow the trainee to take the qualifying examination upon completion of the training program.

Smaller businesses will be affected by the proposed change limiting the number of trainees that can be registered based on a ratio to the number of licensed, qualified pipefitters. The ratio of trainees to licensed, qualified pipefitters may require small businesses to limit the number of trainees or to hire more licensed, qualified pipefitters at a higher wage rate than that of a trainee. Because there are no current required ratios, data is unavailable from which to determine the precise number of contractors which will be affected by the proposed rule. Based on informal information obtained by department inspectors, the department expects the number of contractors actually affected by the proposed rule to be very small. At the present time there are less than 10 firms who use the trainees.

The Legislative Commission to
Review Administrative Rules

Changes to these rules affecting small businesses reflect minor changes in existing requirements and would have little additional impact over current requirements. The Department has, nonetheless, considered each of the following methods for reducing the impact on small business:

1. LESS STRINGENT REPORTING REQUIREMENTS.

The reporting requirements are expanded from once at the time of initial registration to annual registration. The additional reporting will be minimal and will provide more timely information to Department inspectors, thereby reducing the need to question the status of trainees during inspection of high pressure installations.

2. LESS STRINGENT SCHEDULES AND DEADLINES.

As stated above, there will be a requirement for an annual registration. This will be more stringent than current requirements, but as stated above, the information will provide valuable information for Department inspectors and reduce documentation by the employer at the time of an inspection. Therefore, there will be minimal impact on reporting by small businesses.

3. CONSOLIDATION OR SIMPLIFICATION OF REPORTING REQUIREMENTS.

Reporting requirements are not changes by the proposed rules. The change is limited to frequency of reporting. Therefore, no consolidation or simplification is necessary or required. No reporting will be required on the ratio of journeyman pipefitters to trainees, but the number will be ascertained as part of the inspection process.

4. ESTABLISHMENT OF PERFORMANCE STANDARDS FOR SMALL BUSINESSES TO REPLACE DESIGN OR OPERATIONAL STANDARDS REQUIRED BY THESE RULES.

For safety reasons, performance standards cannot be substituted for the proposed licensed pipefitter to trainee ratio as close supervision of trainees is required to assure acceptable work.

5. EXEMPTION FOR SMALL BUSINESS.

The purpose of the proposed changes is to ensure that persons employed as trainees receive adequate supervision and training. Adequate supervision and training is necessary to ensure the safety of the trainees, as well as to protect the safety of employees and other occupants of the buildings containing the high pressure piping work. The ratio of trainees to licensed, qualified pipefitters is based upon standards used in registered apprenticeship programs established pursuant to M.S. Chapter 178 which in turn has been developed over a long period of time and is used as the standard for registered apprenticeship programs. Therefore, an exemption for small businesses would not be advisable.

FISCAL IMPACT ON LOCAL GOVERNMENTAL BODIES

It has been determined that no fiscal note is needed for these rules. No significant expenditures will be required by governmental bodies and the estimated cost to local public bodies will not exceed the \$100,000 limit in either of the two years as set forth in M.S. 14.11. Additionally, a fiscal note need not be prepared under M.S. 3.983, Subd. 2 because these rules do not establish any new programs or require any increases in level of service.

IMPACT ON AGRICULTURAL LAND

It has been determined that no impact statement regarding agricultural land is needed for these rules. No significant impact on agricultural land is created by these rules.

5230.0040 Subpart 4.

Changes the term "Steamfitter's apprentice" to "pipefitter trainee".

These changes substitute the name "trainee" instead of "apprentice" so that these workers will not be confused with apprentices registered under Minnesota Statutes, Chapter 178 and Minnesota Rules, parts 5200.0290 through 5200.0420. "Pipefitter" is substituted for "steamfitter" throughout the rules to update the rules with the current industry terminology. This change is being made to reflect the accurate term of art. "Pipefitter" is the more inclusive term which refers not only to high pressure piping for steam, but also high pressure hot water, other liquids not more materially hazardous than water under high pressure, and ammonia systems.

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5230.0050.

Changes the term "steamfitter's apprentice" to "pipefitter trainee".

These changes are needed and reasonable to substitute the proper terminology.

5230.0080.

Changes the term "steamfitter's apprentice" to "pipefitter trainee".

These changes are needed and reasonable to substitute the proper terminology.

5230.0110

Subpart 1. Repealed.

The repealer is needed and reasonable as the requirements of the repealed subpart are expanded and clarified in subpart 2a.

Subpart 2. Repealed.

The repealer is needed and reasonable as the requirements of the repealed subpart are expanded and clarified in subpart 2a.

Subpart 2a.

This subpart sets a registration time limit, sets registration data requirements, requires annual registration, requires supervision of pipefitter trainees and limits work on high pressure piping to permitted work pursuant to statute, sets a ratio of trainees to licensed, qualified pipefitters, requires that one qualified pipefitter be present on the jobsite whenever a pipefitter trainee is working on high pressure piping, and sets time limits for when the trainee may make application for licensure as a journeyman.

The registration time limit and registration data requirements are a restatement of the current rule language in subparts 1 and 2.

The annual registration requirement is needed and reasonable as current language does not provide for notification as to the status to the trainee unless there is a change of employer. Unauthorized persons may not work on high pressure piping installation. Annual registration assures that the Department inspectors are notified that the trainees are properly authorized.

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The ratio of trainees to licensed, qualified pipefitters is needed and reasonable as currently there are no limits to the number of trainees that an employer may use in pipefitting work. This part assures that the trainees are provided training and proper supervision. The ratio is based on the usual standards for apprenticeship agreements. These ratios are written into the standard agreement. The concept of a ratio of journeymen to trainees has been in effect almost since the beginning of the apprenticeship program 50 years ago.

The proposed rule is to be effective for all programs, new and existing as of January 1, 1990. For consistency of administration, the same ratio is set for all such programs under the proposed rule. Given the safety concerns addressed by the proposed rule, it is reasonable and necessary to implement the rule as soon as practically possible and to have it apply to new and existing programs.

The language limiting work to permitted projects is to assure consistency with current requirements that all high pressure piping work must be done under a permit.

The time limit for application for examination as a journeyman is the same requirement currently contained in subpart 1.

Subpart 3.

This subpart changes the term "steamfitter's apprentice" to "pipefitter trainee" and provides for notification of change of employment or address to the Department.

These changes are needed and reasonable to substitute the proper terminology. "Department" is substituted for "Division of Steamfitting Standards" to make the rule internally consistent with subpart 2a requiring notice to the Department and to omit reference to a renamed division.

5230.0130.

Changes the term "steamfitter's apprentice" to "pipefitter trainee".

These changes are needed and reasonable to substitute the proper terminology.

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Revisor's Instruction.

See paragraph two of this statement.

Repealer.

See part 5230.0110 of this statement.