

2008 Innovations Awards Program APPLICATION

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ID # (assigned by CSG): 08-S-02AL

Please provide the following information, adding space as necessary:

State: Alabama

Assign Program Category: **Government Operations**

1. Program Name: Alabama Elevator and Boiler Safety Inspection Program
2. Administering: Alabama Department of Labor
3. Contact Person: **Jim Bennett, Commissioner**
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9. Please provide a two-sentence description of the program.

To provide regularly scheduled safety inspections for the state's estimated 24,000 elevators, escalators, boilers, and pressure vessels to protect the public safety. Until 2003, Alabama was one of the few remaining states in the nation without an elevator and boiler safety inspection code.

10. How long has this program been operational (month and year)? Note: the program must be between 9 months and 5 years old on March 1, 2008 to be considered.

Just under 4 years. The state began inspecting boilers and pressure vessels February 5th, 2004, and elevators and escalators June 21st, 2004.

11. Why was the program created? What problems or issues was it designed to address?

BOILERS

Alabama became the 49th state to enact legislation mandating boiler safety. From the beginning of the industrial revolution well into the 1930's about 50,000 people in the

U.S. were killed each year by boiler explosions and another 2,000,000 injured. Today catastrophic events related to boilers and pressure vessels still occur but mandated safety inspections greatly reduce the risk. In 2003, only eight people lost their lives across the nation in boiler accidents and only 90 were injured.

Being one of the last states with a boiler safety code, Alabama was being flooded with non-code vessels enhancing the prospect for accidents, especially at laundries and motels frequented by the general public.

ELEVATORS

Alabama became the 44th state to provide safety inspectors for elevators. More people ride elevators and escalators each day than all other forms of transportation put together. Approximately 30 fatalities and 17,000 injuries are attributed to elevator accidents each year across North America.

Serious violations requiring immediate repairs were found from both elevators and boilers safety checks. Public schools and nursing homes were among the first to be inspected.

12. Describe the specific activities and operations of the program in chronological order.

a) Alabama's new elevator and boiler safety inspection programs require inspections on a regular basis. High pressure boilers are inspected once a year, low pressure boilers twice a year and pressure vessels every two or three years depending on the service provided. All elevators and related conveyances are inspected annually.

b) Deputy and special inspectors submit inspection reports to the State Labor Department for review. These reports are entered into the department's database, where certificates of operation are generated and mailed to the owners or operators of the vessels. All violations are tracked and recorded. No certificate is issued for an unsafe object. The certificate is posted and accessible to the public. Objects not approved for use are subject to shut down or other action taken to assure safe operation.

13. Why is the program a new and creative approach or method?

Although both the boiler and elevator safety acts mandate the Department of Labor administer the inspection programs, the Alabama Legislature provided no start-up money. Both programs are entirely self supporting. While no direct legislative funding isn't unusual in the various states, the problem comes in obtaining all the necessary tools to set the programs in motion without at least a beginning appropriation. *This is where a new and creative approach was developed and implemented in Alabama.*

With no start up money available, Commissioner Jim Bennett requested the National Board of Boiler and Pressure Vessel Inspectors in Columbus, OH and the Georgia Department of Labor in Atlanta to loan staff members to Alabama as technical consultants free of charge for a six month period. These services were provided.

During this time, the core programs were established including formation of professional advisory boards for both programs, rules and regulations adopted and numerous other tasks formulated for both safety programs. Computer databases were also developed in-house to input the required data for record keeping and certification purposes.

Both programs, which had been in danger of being sunset by inaction, were put in operation under Commissioner Bennett's direction by June 21, 2004 shortly after he took office. The fees generated through inspection, installation and operating permits now provide the funding for the program. The two projects now generate approximately \$1.6 million a year and are self-sustaining.

14. What were the program's start-up costs? (Provide details about specific purchases for this program, staffing needs, and other financial expenditures, as well as existing materials, technology and staff already in place.)

The commissioner requested and received a \$35,000 emergency allocation from the Governor's Office followed by the employment of a chief inspector. A clerical assistant was provided by the State Labor Department. Office space was also provided by the Labor Department. For the six months the program was in operation in fiscal year 2003-04, personnel cost totaled \$23,089, in-state travel, \$394, professional services, \$2,838, supplies, \$7,958 and equipment purchases, \$623. Beginning fee income provided needed additional funding.

Once the program began producing revenue, the \$35,000 was repaid the Governor's Emergency Fund.

15. What are the program's annual operational costs currently?

In the last fiscal year (2006-07) Boiler Safety Division expenses totaled \$222,716 and self-generated revenue \$357,940. Elevator Safety Division expenses totaled \$308,086 and self-generated revenue, \$919,635. Of the receipts, the Legislature makes available a maximum of \$500,000 annually to each division for operational needs. The remaining funds are slated to be returned to the state's General Fund.

16. How is the program funded?

By permit and inspection fees authorized through state legislation and implemented through the advisory boards and the State Labor Department.

17. Did this program require the passage of legislation, executive order, or regulations? If YES, please indicate the citation number.

Boiler and Pressure Vessels Act (No. 2000-315) passed April 20, 2000
Elevator Safety Review Board Act (No. 2003-349) April 22, 2003.

Note: These programs were not made operational until 2004.

18. What equipment, technology and software are used to operate and administer these programs?

Standard desktop PC with Microsoft Word, Excel, and Access were used initially to develop the programs necessary to track the objects inspected and to generate invoices, certificates, and minimal aging reports, receipts etc. Our team became aware of a Louisiana company (Praeses, Inc.) which offered a free internet based software program to handle all our boiler needs based on services it was already providing insurance companies. A contract was signed that provided much needed financial records and tracking of all inspections, violations, and permits, made available free to the state for the first six months.

Although Praeses provided computer services for the boiler division, a program was still needed for the elevator safety division. This was accomplished by the Alabama Labor Department offering to become the prototype that Praeses needed to develop an elevator program to provide these same services to the elevator industry nationally. Alabama used Praeses elevator software for free while the elevator program was being developed, thereby saving the department thousands of dollars, and providing uninterrupted services to the public.

19. To the best of your knowledge, did this program originate in your state? If yes, please indicate the innovator's name, present address, telephone number, and e-mail address.

No. Similar programs are in place in most states. *Alabama's unique approach to finding resources to make up for the lack of start-up appropriations was what made it innovative. Both safety inspection programs were put in place without cost to the taxpayers.*

20. Are you aware of similar programs in other states? If yes, which ones and how does this program differ?

All 50 states and 17 provinces of Canada have boiler safety laws, and 43 other states have elevator laws. Each state's program varies depending on the statutory requirements. Alabama's law exempts equipment located at industrial facilities that are not accessible by the general public.

21. Has the program been fully implemented? If no, what actions remain to be taken?

Both programs are fully implemented. The staff now includes eight full time inspectors and clerical personnel in addition to 100 deputy boiler inspectors and 20 deputy elevator inspectors. Deputy inspectors are employed through private companies.

22. Briefly evaluate (pro and con) the program's effectiveness in addressing the defined problem[s] or issue[s]. Provide tangible examples.

During FY 2006-07 a total of 2,706 boiler violations and 3,648 elevator violations were discovered and ordered corrected, some of which were imminent public dangers. *In one on-site inspection in Foley, Alabama a pressure vessel was discovered just minutes away from exploding at a well-known steakhouse.*

23. How has the program grown and/or changed since its inception?

Through recommendation of our two advisory boards and the staff of the Safety Inspections Division various amendments to both the elevator and boiler inspection statutes have been placed before the 2008 regular session of the Alabama Legislature.

These include the addition of administrative fines for unresolved violations, mandatory reporting of deaths or accidents and the immediate shutdown of unsafe equipment.

24. What limitations or obstacles might other states expect to encounter if they attempt to adopt this program?

Most other states have had their own experiences. Resistance to state oversight by business is offset by public safety considerations. While the tangible effects are not always seen, the potential for both fatalities and injuries has been mitigated by pre-emptive safety inspections. Often these safety inspection mandates do not carry proper enforcement tools requiring laws to later be amended including the use of administrative fines and penalties in lieu of court prosecutions.