

## **RULE IMPACT STATEMENT**

Pursuant to the Administrative Procedures Act, Section 303(D) of Title 75 of the Oklahoma Statutes, the Oklahoma Department of Labor (“ODOL”) hereby submits the following Rule Impact Statement for **PERMANENT** rule proposals for OAC Title 380, Department of Labor, Chapter 20, Welding Rules.

### **Brief Description of the Purpose of the Proposed Rules:**

The purpose of these proposed rules is to establish administrative rules as required by the newly enacted legislation, Senate Bill 1529, codified at Oklahoma Statutes Title 59, Section 1634. Title 59 O.S. §1634 adopts the American Welding Society D1.1 and D1.3 as the structural steel welding codes for the state and requires the Oklahoma Department of Labor to certify welders performing these types of weldments. These rules address the certification requirements applicable to the qualification and certification of welders performing structural welding; identify national standards applicable to structural welders; and provide definitions. These rules will supersede existing emergency rules.

The notice for this rule change, published on January 15, 2009, stated that the Oklahoma Department of Labor intended to increase the fee for welder certifications from \$25 to \$30. However, this change is no longer proposed because this fee is also set by statute and at present, no legislation has been passed to change the statutory fee.

### **Description of the classes of persons who most likely will be affected by the proposed rule, including classes that will bear the cost of the proposed rule, and any information on cost impacts received by the agency from any private or public entities:**

All individuals who enter a commercial or industrial building which was constructed, fabricated, altered, repaired or enlarged using a welding process will be affected by the proposed rules. Owners and contractors of these types of buildings will likely be affected. However, the impact on owners or contractors is expected to be slight. These rules will allow the ODOL to verify the qualifications of welders who weld on commercial or industrial buildings. Welders who wish to weld on these types of buildings, who do not already have a welder’s card, will incur the \$25.00 certification fee which is charged to all welders, regardless of the type of weldments performed. No information on cost impact has been received by the agency from any private or public entities.

### **Description of the classes of persons who will benefit from the proposed rule:**

All individuals within the state of Oklahoma who may enter a building covered by the proposed rules will benefit from the increased safety provided by the proposed rules. These rules will help ensure the safety of these individuals by allowing the ODOL to verify any welding performed during the fabrication, construction, altering, repairing or enlarging of an industrial or commercial building is done by welders who have been qualified according to the standards contained in the most current edition of the American Welding Society D1.1 and/or D1.3 (AWS).

**Description of the probable economic impact of the proposed rule upon affected classes of persons or political subdivisions, including a listing for all fee changes and, whenever possible, separate justification for each fee change:**

The current cost for any welder to obtain a state welder's card is \$25.00. This fee is not being changed by these proposed rules. However, welders who do not already have a welder's card and intend to perform weldments on commercial or industrial buildings will have to pay the certification fee. There will be no fee charged to the owners/contractors of those buildings covered by the rule.

**The probable costs and benefits to the agency and to any other agency of the implementation and enforcement of the proposed rule, the source of revenue to be used for implementation and enforcement of the proposed rule, and any anticipated effects on state revenues, including a projected net loss or gain in such revenues if it can be projected by the agency:**

Since the effective date of the emergency rules for the certification of structural steel welders, November 1, 2008, the Oklahoma Department of Labor has certified approximately 350 structural steel welders and has collected approximately \$8,750 as a result. By statute, the fees collected are deposited in the General Revenue Fund. The Oklahoma Department of Labor has estimated the cost to the agency of issuing each welder's card at approximately \$24.90. Therefore, the approximate net gain to state revenues is \$8,750 and the approximate loss to the Oklahoma Department of Labor is \$8,715.

**A determination of whether implementation of the proposed rule will have an economic impact on any political subdivision or require their cooperation in implementing or enforcing the rule:**

No economic impact on any political subdivision is anticipated at this time, nor will they be required to cooperate in implementing or enforcing the rule.

**A determination of whether implementation of the proposed rule may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act:**

No adverse economic impact on small business is anticipated.

**An explanation of the measures the agency has taken to minimize compliance costs and a determination of whether there are less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rule:**

Other jurisdictional authorities and organizations in the construction industry were consulted during the development of the rules to ensure the most effective rules were adopted. There will be no change in the fee structure for certifying this new class of welders. There is no less costly non-regulatory method available.

**A determination of the effect of the proposed rule on the public health, safety and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk:**

The Oklahoma Legislature has passed new legislation requiring the certification of structural steel welders. Therefore, the Legislature has already determined the certification of structural steel welders will reduce risks to the public health, safety and/or environment. Although no statistics are currently available regarding the risks to the public health, safety and environment from the current lack of certification requirements, the risk of a building collapse from improper structural welding procedure could be catastrophic. It is apparent that without certification, there is no way to determine whether welders working on commercial or industrial buildings are qualified to perform welding procedures. These rules will help ensure the safety of Oklahomans by requiring individual welders to pass a test and obtain a certification card verifying they have been tested and are qualified. Verifying the training of welders who work on these projects should reduce the risk of injury or death due to the use of improper or inadequate welding procedures.

**A determination of any detrimental effect on the public health, safety and environment if the proposed rules are not implemented:**

If the proposed rules are not implemented, there will be a detrimental effect on public health, safety and environment, as there will be no guidance on how to execute the newly enacted Oklahoma Statute Title 59, Section 1634. These rules will allow the ODOL to verify the qualifications of welders who weld on commercial or industrial buildings. Without these rules, the safety and health of all citizens of Oklahoma who enter a commercial or industrial building that was constructed, fabricated, altered, repaired or enlarged using a welding process will continue to be at risk.

**Date the rule impact statement was prepared and the date modified:**

Prepared: January 29, 2009  
Modified: n/a

**Prepared by:**

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