

Cherie K. Berry Commissioner Erin T. Gould Paralegal

October 17, 2005

To: Joint Legislative Commission on Government Operations

Re: Consultation for Establishment of Fees – N.C. Department of Labor/Boiler and Pressure Vessel Bureau

Pursuant to N.C. Gen. Stat. §12-3.1, please find the enclosed written request for consultation as it relates to establishing fees for the inspection and issuance of certificates and inspections for boiler and pressure vessels.

As you will see, the North Carolina Department of Labor/Boiler and Pressure Vessel Bureau is a fully receipt supported Bureau that has not had a fee increase since March, 1997. Increasing expenses for maintenance of the Bureau coupled with a decrease in revenue due to the closing of large industries within the state has led to the Bureau needing a fee increase in order to maintain it's ability to provide quality and effective inspections. Specifically, thus far, between the fiscal years of 2003 and 2005, the Bureau has incurred a decrease in it's inspections by two-thousand one hundred and six (2,106) devices as a result of industry closings. Therefore, the ability to sustain an effective Bureau and minimize a potential Budget shortfall relies upon the establishment and collection of increased fees for issurance of certificates and inspections.

Your consideration in helping us establish these fees is greatly appreciated and I welcome any questions you may have with regards to this matter.

Sincerely,

A. John Hoomani

Enclosure