

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 82

(Chair, Finance Committee)(By Request - Departmental -
Labor, Licensing and Regulation)

Finance

Economic Matters

Elevator Safety - Third-Party Inspectors - Certification

This departmental bill changes the definition of “third-party qualified elevator inspector” to mean a person who, in addition to meeting specified qualifications established by the Commissioner of Labor and Industry, is certified by a nationally recognized safety organization accredited by the National Commission for Certifying Agencies (NCCA) or by the American National Standards Institute (ANSI). The organization must ensure that (1) the certification requires testing and grading consistent with industry-recognized criteria and (2) any certification renewal requires continuing education.

Fiscal Summary

State Effect: None. Certification of third-party qualified elevator inspectors is performed by an outside entity and does not involve State funds. The Department of Labor, Licensing, and Regulation (DLLR) can handle any administrative changes with existing budgeted resources.

Local Effect: None.

Small Business Effect: DLLR has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Current Law: A “third-party qualified elevator inspector” means a person who, in addition to meeting specified qualifications established by the Commissioner of Labor and Industry, is certified by an organization accredited by the American Society of Mechanical Engineers (ASME) in accordance with the ANSI A17.1–1971 safety code, all subsequent amendments, and any related consensus standards.

DLLR regulations (Code of Maryland Regulations 9.12.81.04-1) require a third-party qualified elevator inspector to be (1) an independent elevator consultant; (2) employed by an independent inspection agency; or (3) employed by the insurer of the elevator unit. An inspector must also maintain liability insurance and register with the commissioner. Registration must be renewed annually.

Elevators in the State must be inspected, tested, and maintained in a safe operating condition in accordance with the State safety code and regulations adopted by the commissioner. Unless otherwise specified by statute (*e.g.*, an elevator in a private residence), an elevator may not operate in a building, structure, or place of employment in the State unless it has been certified by the commissioner. Inspections are required for new elevators, after any modifications to existing elevators, and on an annual basis.

Chapter 145 of 2009 (HB 613) requires that elevator owners hire third-party inspectors for annual inspections; prior to Chapter 145, annual inspections were conducted by State inspectors. Annual inspections must ensure that the elevator unit complies with the State safety code and other regulations adopted by the commissioner.

Background: DLLR advises that the current definition of “third-party qualified elevator inspector” requires a person to be certified by an organization accredited by ASME; however, ASME is no longer accrediting organizations. The ASME reference in statute must be changed to a more general “nationally recognized safety organization” because at this time it is unclear exactly which organization will be performing the certification.

NCCA was created in 1987 to help ensure the health, welfare, and safety of the public through the accreditation of a variety of certification programs and organizations. NCCA’s accreditation standards for certification programs were the first standards for professional certification programs developed by industry. NCCA has accredited approximately 300 programs from more than 120 organizations across a wide range of professions and occupations.

There are approximately 75 third-party qualified elevator inspectors in the State.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - January 14, 2013

mlm/mcr

Revised - Senate Third Reader - January 28, 2013

Revised - Enrolled Bill - April 25, 2013

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Elevator Safety

BILL NUMBER: SB 82

PREPARED BY: Department of Labor, Licensing and Regulation

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.