

February 27, 2020

The Honorable Delores G. Kelley, Chair Senate Finance Committee 3 East Miller Senate Office Building Annapolis, MD 21401

Information - SB 618 - Annual Elevator Inspections - Delay of Method Changes

Dear Senator, Kelley and Committee Members:

The NAIOP Maryland Chapters represent more than 700 companies that develop and own commercial, industrial and mixed-use real estate.

Lead times for elevator inspections are increasing and more elevators each month are becoming overdue for inspection, according to the <u>legislative briefing from the Department of Labor</u> presented to the committee in October.

The backlogs are due to legislation passed in the 2018 General Assembly Session that is phasing-in new testing protocols that require an elevator inspector be physically present while mechanical crews perform the annual maintenance and test. This procedure known as "witnessing" requires about 4-6 hours to complete. Prior to passage of the 2018 bill, inspectors "verified" test results by operating the equipment during a site visit that required about 2 hours and could be independently scheduled.

The change in procedure has reduced the productivity of elevator inspectors. Between February of 2018 and February of 2020, the backlog of publicly and privately owned elevators that have received no annual inspection increased by 943. Over the same period, the lead time for scheduling a 5-year load bearing test increased from 30 days to 6 months.

In October of 2020 the "witnessing" law is scheduled to phase-in to 17,000 privately owned elevators. The Department of Labor estimates the added workload will require up to 34 new full-time inspectors or 68 part-time inspectors. Because it takes 5-years or more to become a third-party elevator inspector, there is no realistic expectation the numbers will increase in time to meet the deadline. Any new inspectors would necessarily come from the ranks of elevator mechanics who are also in short supply.

SB 618 would delay the phase-in of "witnessing" to private elevators in an attempt avoid overwhelming the inspection and maintenance infrastructure.

Sincerely,

Tom Ballentine, Vice President for Policy

NAIOP Maryland Chapters -The Association for Commercial Real Estate

cc: Senate Finance Committee Members Nick Manis, Manis Canning & Assoc.

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