

Department of Legislative Services
 Maryland General Assembly
 2003 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 686 (Senator Stoltzfus)
 Finance

Lodging Establishments - Persons With a Mobility Impairment - Accessible Rooms and Platform Lifts

This bill requires hotels and other places of public lodging to provide specified accommodations for individuals with disabilities, and to train personnel in specified procedures relating to assisting individuals with disabilities.

Fiscal Summary

State Effect: General fund expenditures would increase by \$106,700 in FY 2004 to handle increased workload of approximately 2,000 additional inspections. Out-year estimates reflect annualization and inflation.

(in dollars)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	106,700	146,400	155,200	164,800	175,200
Net Effect	(\$106,700)	(\$146,400)	(\$155,200)	(\$164,800)	(\$175,200)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: Meaningful due to required installation of platform lifts.

Analysis

Bill Summary: The bill requires hotels and other places of public lodging to provide to an individual with a disability an accessible room, on the sixth floor or lower, consistent with the Americans with Disabilities Act (ADA) accessibility guidelines for buildings

and facilities. Every other floor must have a platform lift, and personnel must be trained in the operation of a platform lift and how best to assist an individual with a disability in the event of an evacuation.

Front desk staff must:

- before offering any other room, first offer an unoccupied, accessible first floor room to an individual with a disability; and
- note the use of a room on any floor by an individual with a disability in order to assist emergency personnel in the case of an evacuation.

Current Law: Under statutory authority governing statewide building and housing codes (Article 83B, § 6-102), the Department of Housing and Community Development (DHCD) has adopted the Maryland Accessibility Code to establish minimum requirements that provide for the accessibility and usability of buildings and facilities by individuals with disabilities. DHCD has no authority to waive requirements imposed by federal law, and only where the code is more restrictive than federal ADA law can DHCD exercise its waiver or exemption authority.

Background: Title III of the 1990 ADA states that no individual shall be discriminated against on the basis of disability in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, or accommodations of any place of public accommodation.

State Revenues: Initial inspections of lifts are not assessed a fee. If the lift does not pass the initial inspection, the Department of Labor, Licensing, and Regulation (DLLR) has the authority to charge a \$250 reinspection fee for any elevator, escalator, moving walk, or platform lift. DLLR estimates that 30% of the new units would require reinspections, generating \$75,000 in general fund revenues in fiscal 2004. A 2002 Department of Legislative Services (DLS) audit report found that DLLR had not implemented any provisions of its authority to charge reinspection fees and had performed approximately 5,400 reinspections without collecting fees. DLS thus cannot concur with any estimated revenues from reinspections.

State Expenditures: DLLR reports that there are approximately 17,600 certified elevators, escalators, moving walks, and platform lifts throughout the State. This bill could increase that figure by 2,000.

General fund expenditures could increase by an estimated \$106,687 in fiscal 2004, which accounts for the bill's October 1, 2003 effective date. This estimate reflects the cost of hiring three elevator inspectors to perform certification inspections and reinspections on

approximately 2,000 additional platform lifts in lodging establishments. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$98,294
Operating Expenses (Travel and Supplies)	<u>8,393</u>
Total FY 2004 State Expenditures	\$106,687

Future year expenditures reflect: (1) full salaries with 4.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Small Business Effect: DLLR estimates that 1,000 establishments would be required to install an average of two platform lifts to meet the requirements of this bill. The bill will have an impact to the extent that small businesses will be required to install platform lifts, or more platform lifts, to comply with the law. DLLR estimates that the cost of installation for each platform lift will approach \$7,500 for a small business impact of approximately \$15,000 per establishment plus the costs of certification, inspections, and any maintenance.

Additional Information

Prior Introductions: In 2002, SB 711, a similar bill, received an unfavorable report in the Finance Committee.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Office of the Attorney General's Office (Consumer Protection Division); Department of Legislative Services

Fiscal Note History: First Reader - March 18, 2003
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