Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE

House Bill 798 (Chairman, Economic Matters Committee)
(By Request – Departmental – Labor, Licensing, and Regulation)

Economic Matters   Education, Health, and Environmental Affairs

Elevator Renovators and Refinishers

This departmental bill creates an elevator renovator contractor and elevator renovator mechanic licensure category for applicants who only perform work: (1) on the interior, nonstructural surface of an elevator's wall, floor, ceiling, rail, or handle; and (2) that does not affect the elevator's moving operation. The Elevator Safety Review Board must establish regulations governing the qualifications and scope of practice of an applicant for an elevator renovator contractor or mechanic license. Any elevator renovator contractor that was incorporated before January 1, 2002 will not be required to comply with this bill until June 1, 2004.

Fiscal Summary

State Effect: General fund revenues would increase by $3,000 in FY 2004 due to fees. Out-year revenues reflect the biennial licensure cycle. Expenditures would not be affected.

(in dollars)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
GF Revenue	$3,000	$600	$3,000	$600	$3,000
Expenditure	$0	$0	$0	$0	$0
Net Effect	$3,000	$600	$3,000	$600	$3,000

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

Local Effect: None.

Small Business Effect: The Department of Labor, Licensing, and Regulation (DLLR) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Bill Summary: A person shall be licensed as an elevator renovator contractor before engaging in the business of elevator renovation. A person who engages in the business of elevator renovating for a business incorporated before January 1, 2002, shall be licensed by the board by June 1, 2004, as an elevator renovator contractor before the person engages in the business of elevator renovation. A person shall be licensed as an elevator renovator mechanic by the board before the person performs elevator renovator work.

An elevator refinisher is defined as a person who engages in the refinishing of existing metal and wood elements in elevator cabs, including the stripping of old lacquer on wood and bronze items, staining wood to match existing finishes, cleaning, polishing, oxidizing, painting, lacquering, and the removal of scratches to maintain existing finishes. Elevator refinishers will not require licensure by the board.

Current Law: The Elevator Safety Review Board licenses elevator contractors and elevator mechanics. Elevator contractors and mechanics are defined as those who are engaged in the business of, or directly in: erecting, constructing, wiring, altering, replacing, maintaining, repairing, dismantling, or servicing elevators, dumbwaiters, escalators, and moving walks.

State Revenues: General fund revenues will increase due to the licensure of elevator renovator contractors and mechanics. License fees are estimated to be $200 annually. DLLR estimates that there will be 15 applicants for licensure in fiscal 2004. Two additional licenses are expected to be awarded in fiscal 2005. Out-year revenues reflect the biennial license cycle.

Background: Chapter 703 of 2001 established the Elevator Safety Review Board and Chapter 365 of 2001 updated the laws relating to elevator safety.

Additional Information

Prior Introductions: In 2002, HB 1420 exempted elevator renovators and refinishers from licensure. It passed the House, passed the Senate with amendments, and was not referred to conference.

Cross File: None.

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

Fiscal Note History: First Reader - February 20, 2003
mdf/jr

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