# **Department of Legislative Services**

Maryland General Assembly 2012 Session

### FISCAL AND POLICY NOTE Revised

Senate Bill 814 Finance (Senator Astle)

**Economic Matters** 

#### Public Safety - Elevators - Accessibility Lift Mechanic License

This bill requires the Elevator Safety Review Board to license accessibility lift mechanics and establish fees for the application, issuance, and renewal of lift mechanic licenses. The bill defines the scope of the accessibility lift mechanic profession and license, establishes education and experience requirements for licensure, and prohibits a person from working as an accessibility lift mechanic without a license. The board must also adopt regulations to certify licensed accessibility lift mechanics as "accessibility lift mechanic specialists" to work on private residential elevators. The bill authorizes the board to issue a conditional accessibility lift mechanic license that is effective until January 1, 2017, to a candidate actively completing specified education requirements for licensure.

The bill takes effect January 1, 2013.

### **Fiscal Summary**

**State Effect:** Special fund revenues increase by \$4,000 in FY 2013 and \$6,000 in FY 2014 based on fee revenues for 50 licensees over the biennial licensing cycle. Special fund expenditures increase by \$20,000 on a one-time basis in FY 2013 for costs associated with integrating the new licensure category into the Department of Labor, Licensing, and Regulation's (DLLR) e-licensing system and database and for licensing exam development. Special fund revenues could decrease slightly in FY 2015 and 2016 if some applicants are issued a conditional license that expires January 1, 2017. Special fund revenues could increase minimally in the out-years from certification fees established by the board for accessibility lift mechanic specialists; these fees are not likely to be collected until FY 2017 or 2018.

(in dollars)	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
SF Revenue	\$4,000	\$6,000	\$4,000	\$6,000	\$4,000
SF Expenditure	\$20,000	\$0	\$0	\$0	\$0
Net Effect	(\$16,000)	\$6,000	\$4,000	\$6,000	\$4,000
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Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

### Local Effect: None.

**Small Business Effect:** Potential minimal to the extent any part of the work in the proposed scope of the lift mechanic profession is currently performed by unregulated businesses or individuals, as they will be required to comply with the new licensing requirements to legally continue to operate.

### Analysis

**Bill Summary:** A person must be licensed as an accessibility lift mechanic by the board before the person erects, constructs, wires, alters, replaces, maintains, repairs, dismantles, or services commercial stairway chairlifts, vertical platform lifts, or incline platform lifts. Licensure as an accessibility lift mechanic authorizes the person to perform these actions under the direct supervision of a licensed elevator contractor.

A licensed accessibility lift mechanic must be certified by the board as an accessibility lift mechanic specialist before the person performs work on private residential elevators. The board must adopt regulations to certify accessibility lift mechanic specialists to perform work on private residential elevators; however, a licensed accessibility lift mechanic may perform work on private residential elevators until the regulations are adopted. Further, a certification candidate actively completing the certification requirements established by the board may continue to perform work on private residential elevators without being certified for up to four years after the effective date of the regulations.

There are three pathways to licensure as an accessibility lift mechanic: (1) have at least three verified years of recent and active experience in the accessibility lift industry, in construction, maintenance, and service or repair *and* pass a written examination administered by the board on the safety code; (2) have the same three verified years of recent and active experience *and* have a certificate from an organization providing an education program for the accessibility industry, such as the Certified Accessibility Technician Program (CAT); *or* (3) have a certificate of completion of an apprenticeship program for accessibility mechanics that has standards substantially equivalent to those established by the board and that is registered with the Bureau of Apprenticeship and Training of the U.S. Department of Labor, or a state apprenticeship council. The board may issue a conditional accessibility lift mechanic license that is effective until January 1, 2017, to a candidate actively completing CAT training for licensure. SB 814/ Page 2

Licensure as an accessibility lift mechanic is not required for (1) a crane mechanic performing work on elevators or lifts located on a port facility owned, leased, or operated by the Maryland Port Administration; (2) a person installing a residential stairway chairlift; or (3) a person already licensed as an elevator mechanic.

**Current Law:** "Elevator contractor" means a person who is engaged in the business of erecting, constructing, wiring, altering, replacing, maintaining, repairing, dismantling, or servicing of elevator units. An applicant for an elevator contractor license must have at least five years of work experience in the elevator industry in construction, maintenance, service, or repair.

The board licenses and regulates elevator mechanics, elevator contractors, elevator renovator mechanics, and elevator renovator contractors. The maximum biennial license fees are \$200 for an elevator mechanic or elevator renovator mechanic, and \$300 for an elevator contractor.

**Background:** DLLR advises that there is no approved apprenticeship program currently available in the State for accessibility lift mechanics, and that the only immediate path for licensure appears to be completion of CAT. CAT is composed of five courses for a total of 256 classroom hours, and requires 4,000 field hours. Courses generally require both classroom hours and on-the-job skills verification. Each course, and a cumulative final exam, must be passed with an 85% to complete the program.

**State Fiscal Effect:** The fee for lift mechanics has a statutory cap of \$200 per biennial licensing cycle, and DLLR anticipates charging the maximum allowable fee. DLLR expects between 50 and 75 new licensees, including conditional licenses. Projected special fund revenues of \$4,000 in fiscal 2013 and \$6,000 in fiscal 2014 reflect 50 new licensees over the two-year period, with 20 in fiscal 2013 and 30 in fiscal 2014. Out-year revenues reflect a stable number of licensees, with no conditional licenses issued. To the extent the number of licensees differs, revenues increase or decrease accordingly. Special fund revenues could decrease slightly in fiscal 2015 and 2016 if some licensure applicants are issued a conditional license that expires January 1, 2017, and therefore is not renewed after two years. Special fund revenues could increase minimally in the out-years from certification fees established by the board for accessibility lift mechanic specialists.

Special fund expenditures increase by \$10,000 in fiscal 2013 for programming costs associated with integrating the new licensure category in DLLR's e-licensing system and database. Special fund expenditures increase by an additional \$10,000 in fiscal 2013 to create a viable exam for licensure. Otherwise, DLLR advises that the Elevator Safety Review Board can carry out regulatory responsibilities related to licensing accessibility lift mechanics with existing resources.

## **Additional Information**

Prior Introductions: None.

Cross File: Although not designated as a cross file, HB 89 (Delegate Stifler, *et al.*) is identical.

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

<b>Fiscal Note History:</b>	First Reader - March 14, 2012
ncs/mcr	Revised - Senate Third Reader - April 2, 2012

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