

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1237
Economic Matters

(Delegates J. Lewis and Korman)

Public Safety - Elevator Inspections - Transit Compact Authority

This bill exempts elevators installed in a building or structure owned, operated, or controlled by the Washington Metropolitan Area Transit Authority (WMATA) from State registration, reporting, and inspection requirements and from related enforcement provisions.

Fiscal Summary

State Effect: The bill does not materially affect State finances or operations; however, under the bill, the Maryland Department of Labor (MDL) is no longer required to conduct a limited number of elevator inspections, does not receive accident reporting from WMATA, and no longer has authority to issue penalties for elevator safety violations, as discussed further below.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Bill Summary: Specified State registration, reporting, inspection, and enforcement requirements do not apply to an elevator unit installed in a building or structure owned, operated, or controlled by a transit compact authority with oversight provided by a State Safety Oversight (SSO) agency that is certified by the Federal Transit Administration (FTA). The only applicable entity is WMATA.

Current Law/Background:

Elevator Inspections

Generally, each elevator owned or to be operated in the State must be registered with the Commissioner of Labor and Industry and is subject to initial and periodic inspections. An elevator unit installed in a privately owned single-family residential dwelling or installed in a building or structure under federal control is exempt from the State's registration and inspection requirements for commercial elevators.

Inspections are required for new elevators and after any modifications to existing elevators. State inspectors must make a final acceptance inspection of all new elevators prior to issuance of a first certificate. Generally, operational elevators must undergo periodic annual inspections and more comprehensive five-year inspections.

Pursuant to Chapter 337 of 2018, the State is in the process of phasing in a requirement that annual and five-year tests performed on elevators in both privately and publicly owned buildings be conducted in the physical presence of a third-party qualified elevator inspector. The process will be fully phased in beginning October 1, 2020. Final acceptance inspections following the installation, modification, or alteration of an elevator unit will still be made by State inspectors at that time.

A "third-party qualified elevator inspector" is an individual who meets the qualifications, insurance requirements, and procedures established by the Commissioner of Labor and Industry and also has a related specified national certification; third-party inspectors must register with the commissioner. An "elevator mechanic" is a person who is engaged in erecting, constructing, wiring, altering, replacing, maintaining, repairing, dismantling, or servicing elevator or accessibility lift units. An "elevator contractor" is a person who is in the business of doing so. Licensed mechanics must perform their work, including maintaining and servicing, under the direct supervision of a licensed elevator contractor. Both are licensed by the Elevator Safety Review Board within MDL.

Washington Metropolitan Area Transit Authority

WMATA was established in 1967 through an interstate compact among Maryland, Virginia, and the District of Columbia. Maryland's overall participation in the Washington metropolitan transit system consists of the provision of annual funding to WMATA for capital and operating costs of the Metrorail, Metrobus, and MetroAccess systems. WMATA's operations are funded through operating revenues and subsidies provided by the compact signatories: Maryland; Virginia; and the District of Columbia.

After the fatal Metrorail crash on the Red Line between Takoma and Fort Totten, the July 6, 2012 enactment of the Moving Ahead for Progress in the 21st Century Act included provisions granting FTA new regulatory and enforcement responsibilities governing the federal SSO Program. The purpose of the SSO Program is to oversee safety for rail transit systems. With the enactment of Chapter 3 of 2017, Maryland joined Virginia and the District of Columbia in approving the formation of the Washington Metrorail Safety Commission (MSC) as WMATA's safety oversight entity. In July 2019, MSC completed the requirements to obtain initial SSO certification by FTA. Among other requirements for SSO certification, each applicable state or transit authority was required to ensure that its SSO agency adopted and enforced relevant federal and state safety laws. SSO agency personnel responsible for performing safety oversight activities also had to be appropriately trained. The Department of Legislative Services notes that WMATA elevator units located in Maryland were subject to the State elevator safety law at the time of MSC's certification.

State Fiscal Effect: Until recently, WMATA conducted most of its own Maryland elevator inspections under a memorandum of understanding (MOU) with MDL, but WMATA was still required to register its elevator units with the State and report on accidents. Effective October 1, 2019, MOU expired and inspections were required to be made in accordance with State law, largely by third-party qualified inspectors. MDL is only required to conduct final acceptance inspections and alteration inspections, which happen infrequently due to the small number of WMATA elevator units. While State inspectors do charge for their time, the amount of foregone revenue from removing these inspections under the bill is minimal and does not materially affect State finances.

WMATA is also exempt from incident reporting requirements under the bill. Data from MDL indicates that, in the first 4.5 months since the MOU ended, the department received 5 accidents/complaints from the WMATA system out of 212 active units. During that same time, the department received 12 other accidents/complaints across all of the other 24,000 registered elevator units in the State.

Finally, under the bill, MDL no longer has authority to issue penalties to WMATA for elevator safety violations; the effect on State finances is assumed to be minimal.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland Department of Labor; Federal Transit Administration; Department of Legislative Services

Fiscal Note History: First Reader - March 9, 2020
mr/mcr

Analysis by: Stephen M. Ross

Direct Inquiries to:
(410) 946-5510
(301) 970-5510