

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 618
Finance

(Senator Klausmeier)

Economic Matters

Public Safety - Hydraulic Elevator Inspections - Privately Owned Buildings

This bill delays the requirement that certain annual tests on an elevator in a privately owned building be performed in the physical presence of a licensed third-party qualified elevator inspector. The requirement is delayed from October 1, 2020, to October 1, 2021, for all elevators in privately owned buildings, except for direct-acting hydraulic elevators, which is delayed until October 1, 2022. The Secretary of Labor must report to the Senate Finance Committee and the House Economic Matters Committee by January 1, 2021, and January 1, 2022, on the status of how elevator inspections are being conducted in accordance with the bill.

Fiscal Summary

State Effect: None. The requirement applies to private businesses and non-State inspectors.

Local Effect: None.

Small Business Effect: Meaningful.

Analysis

Current Law/Background: 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 is as follows:

- *Beginning October 1, 2018:* five-year inspections of privately owned elevators (previously a State inspection that was physically witnessed);
- *Beginning October 1, 2019:* annual and five-year inspections of elevators owned by the State or local governments (previously both were State inspections; annual inspections were not physically witnessed); and
- *Beginning October 1, 2020:* annual inspections of privately owned elevators (currently a third-party inspection but not required to be physically witnessed).

Elevator Regulation – Generally

Elevators in the State must be inspected, tested, and maintained in a safe operating condition in accordance with the State Safety Code and regulations adopted by the Commissioner of Labor and Industry. Unless otherwise specified by statute, an elevator may not operate in a building, structure, or place of employment in the State unless it has been certified by the commissioner. 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.

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 the Maryland Department of Labor (MDL).

Physically Witnessing Tests Causing Strain on Industry

MDL advises that the bill relieves the strain on the elevator industry caused in part by Chapter 337, as the number of third-party qualified inspectors has not kept pace with the growing demand for their services. There are many tests performed by a licensed elevator mechanic during an annual inspection. Currently, if not otherwise required, an inspector does not have to be on-site at the same time nor remain on-site to personally witness each test. The test results are left on-site by the licensed mechanic for the inspector to collect

and review. The bill delays the change to this requirement by one year, allowing more time for more third-party qualified inspectors to be registered in the State.

Small Business Effect: Small businesses that own elevators benefit from either a one- or two-year delay in the requirement that elevator tests occur while a third-party inspector is physically present. This eases scheduling issues between building owners, elevator contractors, and elevator inspectors and helps to ensure that annual elevator tests/inspections are actually completed on time.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 1507 (Delegate Wilson) - Economic Matters.

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

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