

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 907
Economic Matters

(Delegate Watson)

Finance

Public Safety - Out-of-Service Elevators - Repair Contract

This bill authorizes a landlord, property owner, or an agent thereof, to enter into a contract with a licensed elevator contractor, other than the one with whom the landlord or property owner currently has a contract, without penalty in limited circumstances to effectuate a repair. The authorization only applies if (1) the elevator is out of service; (2) the elevator is located in a residential occupancy in which a disabled occupant or an occupant who is at least 60 years old resides; and (3) the new contractor is able to repair the elevator before the current contractor.

Fiscal Summary

State Effect: The bill does not materially affect State finances or operations.

Local Effect: Local governments that own multifamily dwellings gain the additional flexibility to speed elevator repairs in limited circumstances, but overall, the bill does not materially affect local government finances or operations.

Small Business Effect: Minimal; the bill is assumed to affect a limited number of service contracts over time.

Analysis

Current Law: 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 by third-party qualified elevator inspectors.

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).

Additional Comments: MDL advises that normally, a landlord or property owner has a service contract with an elevator contractor and that elevator contractor is the exclusive elevator contractor for the elevator unit in the contract. If an elevator is out-of-service and the elevator contractor is unable to repair the elevator in a timely manner, the landlord or owner is not able to engage the services of an alternate elevator contractor without breaking the service contract.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division); Judiciary (Administrative Office of the Courts); Maryland Department of Labor; Department of Legislative Services

Fiscal Note History:
rh/mcr

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