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LEGISLATIVE OFFICE 45 CALVERT STREET ANNAPOLIS, MD 21401 (410) 260-6076

Senate Bill 618

Date:

February 27, 2020

Committee:

Finance

Bill Title:

Public Safety - Hydraulic Elevator Inspections - Privately Owned Buildings

Re:

Letter of Support with Amendment

Senate Bill 618 modifies the elevator safety laws to delay in person witnessing of annual tests of elevators in privately owned buildings by one year. Moreover, the bill defines direct acting hydraulic elevator and delays the same in person witnessing of annual tests an additional year.

Current law provides that as of October 1, 2020 §12-806(d)(4)(iii) an annual test on an elevator of a *privately* owned building requires testing be performed by a licensed elevator mechanic in the *physical* presence of a third-party qualified elevator inspector (TPQEI). This bill would extend this in-person witnessing requirement from October 1, 2020 to October 1, 2021 and further extend this same requirement for direct acting hydraulic elevators until October 1, 2022.

Currently, there are not enough TPQEI's in Maryland to perform the required inspections with the in person witnessing requirements in a timely manner. Just since the second phase of the 2018 bill was implemented on October 1, 2019, which shifted most inspections of *publicly* owned buildings to TPQEI and required in person witnessing of tests, the number of elevators overdue for inspection has grown while the TPQEI is still catching up.

There are approximately 4,600 public units currently in operation. The Department estimates that, on average, 1,150 elevators need to be inspected and witnessed each quarter. During the first quarter after the second phase change took effect (October, November and December of 2019), inspection reports submitted by TPQEI's totaled 651 witnessed elevator tests, falling 43% short of the estimated quarterly inspection load of 1,150 units.

Currently, there are approximately 75 active TPQEI's performing inspections in Maryland, and only approximately 10 of them work full time. Without the changes in this bill, the Department estimates that an additional 17 to 34 full time TPQEI will be needed to handle the increased inspection duration estimated for changes that will go into effect on October 1, 2020.

The Department recommends the bill be amended to delay implementation of the third phase for all elevators to October 1, 2022 to avoid confusion and to allow sufficient time for new inspectors to come into the marketplace. With that amendment, the Department respectfully requests a favorable report from the committee.

AMENDMENT TO SENATE BILL 618 (FIRST READING FILE BILL)

On page 4, in line 25, strike "2021" and insert "2022".

NAIOP_INFO_SB618 Uploaded by: Ballentine, Tom

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February 27, 2020

The Honorable Delores G. Kelley, Chair Senate Finance Committee 3 East Miller Senate Office Building Annapolis, MD 21401

<u>Information - SB 618 - Annual Elevator Inspections - Delay of Method</u> Changes

Dear Senator, Kelley and Committee Members:

The NAIOP Maryland Chapters represent more than 700 companies that develop and own commercial, industrial and mixed-use real estate.

Lead times for elevator inspections are increasing and more elevators each month are becoming overdue for inspection, according to the <u>legislative briefing from the Department of Labor</u> presented to the committee in October.

The backlogs are due to legislation passed in the 2018 General Assembly Session that is phasing-in new testing protocols that require an elevator inspector be physically present while mechanical crews perform the annual maintenance and test. This procedure known as "witnessing" requires about 4-6 hours to complete. Prior to passage of the 2018 bill, inspectors "verified" test results by operating the equipment during a site visit that required about 2 hours and could be independently scheduled.

The change in procedure has reduced the productivity of elevator inspectors. Between February of 2018 and February of 2020, the backlog of publicly and privately owned elevators that have received no annual inspection increased by 943. Over the same period, the lead time for scheduling a 5-year load bearing test increased from 30 days to 6 months.

In October of 2020 the "witnessing" law is scheduled to phase-in to 17,000 privately owned elevators. The Department of Labor estimates the added workload will require up to 34 new full-time inspectors or 68 part-time inspectors. Because it takes 5-years or more to become a third-party elevator inspector, there is no realistic expectation the numbers will increase in time to meet the deadline. Any new inspectors would necessarily come from the ranks of elevator mechanics who are also in short supply.

SB 618 would delay the phase-in of "witnessing" to private elevators in an attempt avoid overwhelming the inspection and maintenance infrastructure.

Sincerely,

Tom Ballentine, Vice President for Policy

NAIOP Maryland Chapters -The Association for Commercial Real Estate

cc: Senate Finance Committee Members Nick Manis, Manis Canning & Assoc.

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February 27, 2020

The Honorable Senator Kelley, Chairman 3 East, Miller Senate Office Building Annapolis, Maryland 21401

RE: Senate Bill 618 - Public Safety - Hydraulic Elevator Inspections - Privately Owned Buildings Letter of Information

Dear Chairman Kelley and Members of the Senate Finance Committee,

On behalf of the Building Owners and Managers of Greater Baltimore (BOMA), I wish to express our concern and provide some information that we hope will be helpful to you and your fellow Finance Committee members as you consider this legislation.

BOMA, through its nearly 300 members, represents owners and managers of all types of commercial property, comprising 143 million square feet of office space in Baltimore and Central Maryland. Our members' facilities support over 19,000 jobs and contribute \$2.5 billion to the Maryland economy each year.

The Committee should understand that elevators, and especially the safety of their operation, are essential components of our business model. Because BOMA members own and manage the substantial majority of commercial buildings in Central Maryland, and because our premises are used every day by tenants, their business invitees, and other visitors, we simply cannot afford to have elevators that are unsafe in any way. For that reason, there have been no fatalities or serious accidents involving bodily injury to people in elevators within BOMA member-managed buildings. We do everything possible to ensure that stellar safety record.

Approximately twenty years ago, the General Assembly took action to address a growing backlog of annual elevator inspections. At that time, it was decided to permit inspections to be done by third party inspectors, who would conduct a physical review of the maintenance work on each elevator. This inspection, it was decided at the time, did not require the inspector to be present during the maintenance work performed by a licensed elevator mechanic. Instead, the inspector could visit the site to operate the equipment and verify the work previously done by the mechanic. Maryland has existed under that compliance regime for the past twenty plus years, all the while maintaining its perfect safety record.

BOMA and other commercial property owners and managers opposed the legislation enacted two years ago requiring inspections to be performed at the same time that the annual maintenance work is performed. We objected for a number of reasons, not least of which was an insufficient number of qualified third party inspectors to perform the work. Our concern about an insufficient number of inspectors has now been realized, thus leading to the proposed delay of implementing this new law that is the substance of SB 618.

While we do not take a position on SB 618, we believe the relief it may afford by a modest delay in implementing the new law will be temporary at best. We also believe that the backlog of elevator inspections will continue to grow, and the General Assembly will have to confront this issue again, and soon.

Therefore, we respectfully recommend a thoroughgoing examination of the issue by the General Assembly, together with the Department of Labor. BOMA would be happy to participate in any such examination.

Very truly yours,

Bryson F. Popham, Esq.

cc: Kevin Bauer