



ANALYSIS

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House Bills 4162 and 4163 (as passed by the House) Sponsor: Representative Aric Nesbitt (H.B. 4162) Representative Al Pscholka (H.B. 4163)

House Committee: Commerce and Trade Senate Committee: Regulatory Reform

Date Completed: 5-6-15

CONTENT

<u>House Bill 4163</u> would amend Public Act 227 of 1967, which regulates the inspection, construction, installation, alteration, maintenance, repair, and operation of elevators and the licensure of elevator contractors, to do the following:

- -- Add Section 14a to regulate the construction, installation, alteration, maintenance, and repair of residential stairway chairlifts and residential platform lifts.
- -- Exempt the alteration or installation of residential stairway chairlifts or residential platform lifts from a requirement for a permit from the Department of Licensing and Regulatory Affairs (LARA) to install or alter an elevator.
- -- Delete a requirement that the LARA Director grant special permission for the issuance of a permit to install a stair climber incline lift in other than a private residence.

<u>House Bill 4162</u> would amend Public Act 333 of 1976, which provides for the licensure and regulation of elevator journeymen and the regulation of elevators, to specify that the Act would not apply to the installation, construction, repair, alteration, or maintenance of a residential stairway chairlift or residential platform lift that was subject to Section 14a of Public Act 227 of 1967, proposed by House Bill 4163.

The bills are tie-barred and would take effect 90 days after their enactment.

A more detailed description of House Bill 4163 follows.

<u>Installation & Repair Requirements</u>

Under proposed Section 14a, an individual would be prohibited from installing, constructing, repairing, altering, or maintaining a residential stairway chairlift or residential platform lift unless he or she met all of the following:

- -- Was certified by the manufacturer to install, construct, repair, alter, or maintain the chairlift or lift, or was licensed under Public Act 227 of 1967 as an elevator contractor.
- -- Was covered by liability insurance in the principal amount of at least \$1.0 million for each occurrence and at least \$2.0 million in the aggregate.
- -- Obtained all permits required by the municipality in which the premises were located, before commencing the work.

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-- In performing the work, complied with the State Construction Code and the American Society of Mechanical Engineers Standard 18.1-2008 (Safety Standard for Platform Lifts and Stairway Chairlifts) or any revision to that standard approved by LARA.

The bill would define "residential stairway chairlift" or "residential platform lift" as an inclined stairway chairlift or inclined and vertical platform lift in or at a private residence that is intended only for transportation of an individual whose mobility is impaired, meets the requirements of Section 14a, and is manufactured in compliance with the American Society of Mechanical Engineers Standard 18.1-2008 or any revision to that standard approved by LARA. The term would not include an elevator, escalator, moving walkway, material lift, dumbwaiter, personnel hoist, powered platform and equipment for exterior and interior building maintenance, amusement device, or stage or orchestra lift or any portable equipment used to lift or transport individuals or material.

Device Requirements

Section 14a would prohibit an individual from installing, constructing, repairing, altering, or maintaining a residential stairway chairlift or residential platform lift unless the device met all of the following requirements:

- -- It had a limited vertical travel, operating speed, and platform area.
- -- Its operation was under continuous control of the user or passenger.
- -- It did not penetrate more than one floor.
- -- It did not have a full passenger enclosure on the platform or device.
- -- It was not operated by means of hydraulic propulsion.
- -- It was not rated to transport a load greater than 750 pounds.
- -- If the device were a residential platform lift, it did not travel vertically more than six feet on a slope that was 90 degrees.

Permit for Installation or Alteration

Section 15 of the Act prohibits a person from installing or altering an elevator without first obtaining a permit from LARA. Under the bill, this permit requirement would not apply to the alteration or installation of a residential stairway chairlift or residential platform lift.

Section 15 also prohibits the issuance of a permit to install a stair climber type of incline lift in other than a private residence unless the LARA Director grants special permission. The bill would delete that provision.

Legislative Intent

The bill states, "It is the intent of the legislature that the enactment of this amendatory act does not affect the department of licensing and regulatory affairs' examination or examination requirements for licensure as a residential builder under article 24 of the occupational code, 1980 PA 299, MCL 339.2401 to 339.2412."

MCL 338.2152 (H.B. 4162) 408.803 et al. (H.B. 4163)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bills would have a neutral fiscal impact on the Department of Licensing and Regulatory Affairs and no fiscal impact on local units of government. While the bills would reduce revenue for the Elevator Safety Division within LARA as installers of residential lifts would no longer be subject to installation and inspection fees charged by the Division, the Division would save on administrative and field costs associated with processing permits and performing

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inspections. According to LARA, the revenue generated from fees for these types of lifts is roughly equal to their costs, so the fiscal impact on the bills would be neutral.

Fiscal Analyst: Josh Sefton

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.