

Legislative Analysis



INSTALLATION OF RESIDENTIAL LIFTS

Mary Ann Cleary, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4970

Sponsor: Rep. Al Pscholka

House Bill 4971

Sponsor: Rep. Aric Nesbitt

Committee: Regulatory Reform

Complete to 9-24-13

A REVISED SUMMARY OF HOUSE BILLS 4970 & 4971 AS INTRODUCED 9-12-13

House Bill 4970 would amend Public Act 227, which regulates the construction, installation, and inspections of elevators, to do the following:

- Create a new license for residential lift contractors to install, construct, repair, alter, and maintain only residential lifts.
- Allow both licensed elevator contractors and the newly licensed residential lift contractors to install, construct, repair, alter, and maintain residential lifts.

Under the bill, the Department of Licensing and Regulatory Affairs (LARA) would have to issue a residential lift contractor license, which would allow the licensee to install, construct, repair, alter, and maintain only residential lifts, to an individual that (1) has submitted a completed application and payment for the license, (2) is licensed as a residential maintenance and alteration contractor under Article 24 of the Occupational Code, (3) and holds a certification from the residential lifts manufacturer or is found to otherwise be qualified.

[Article 24 of the Occupational Code provides for the licensure of residential maintenance and alteration contractors, which includes the following crafts and trades: carpentry, concrete, swimming pool installation, waterproofing a basement, excavation, insulation work, masonry work, painting and decorating, roofing, siding and gutters, screen or storm sash installation, tile and marble work, and house wrecking.]

The bill would also exempt residential lift contractors from having to obtain a permit from LARA to alter or install a residential lift if the contractor is licensed as a residential lift contractor and has all of the required local permits. Currently, a person is prohibited from installing or altering an elevator unless first issued a permit by LARA.

House Bill 4971 would exempt residential lift contractors from having to meet the elevator journeyman licensing requirements of Public Act 333 of 1976. Under that act, the installation, alteration, maintenance, repair, servicing, inspecting, adjusting, or testing

of an elevator regulated under 1967 PA 227 must be performed by a licensed elevator journeyman.

"*Residential lift*" would mean a platform, chair, or stairway lift that is designed and operated to transport individuals from one level to another and is installed in a residential dwelling.

"*Residential lift contractor*" would mean a person that is engaged in constructing, installing, maintaining, repairing, or altering residential lifts, including the installation or maintenance of devices, electric wiring, fixtures, apparatus, and appliances in connection with the operation or control of residential lifts.

The bills are tie-barred to each other meaning that neither bill can take effect unless both are signed into law.

FISCAL IMPACT:

The bill would have positive and negative impacts on the license and permit fees received by the Department of Licensing and Regulatory Affairs (Bureau of Construction Codes).

Current law provides that individuals who install, construct, repair, alter, or maintain elevators – including stairway chairlifts and platform lifts in private residences – must be licensed as elevator contractors, with departmental rules establishing a \$100 annual license fee for elevator contractors. The bill, instead, provides that individuals that install residential lifts would be issued a separate license that authorizes the installation, construction, repair, alteration, or maintenance of residential lifts only, as long as that individual holds a residential maintenance and alteration contractor license, holds a certification from the manufacturer, and pays the appropriate license fee.

Individuals holding an elevator contractor could also work on (install, etc.) residential lifts within the scope of their license, and would not need to maintain a separate residential lift contractor license. The fee for a residential lift contractor license is not specified in the bill and, like other elevator license and permit fees, would be determined administratively by the department. Depending on how much the fee is, license revenue could increase or decrease.

It isn't immediately known how many individuals would be licensed separately as residential lift contractors, rather than elevator contractors, although the department indicates that only one elevator contractor licensee works on residential lifts exclusively. (That licensee holds a Class A license, which authorizes work on all types of elevators.) The separate licensure requirements for residential lift contractors would, presumably, expand the available pool of individuals authorized to work on (install, etc.) residential lifts to include residential maintenance and alteration contractors, thus potentially increasing the workload of the Bureau of Construction Codes in reviewing applications for licensure and increasing the amount of license fee revenue collected by the bureau.

The act currently requires licensed elevator contractors to obtain a permit to install or alter an elevator, with the licensee required to submit copies of the plans and specifications to the department, a portion of which is considered an inspection fee.

For each type of elevator, the basic installation application fee is \$60. There is an additional permit fee, based on the type of elevator. For private residence stairway chairlifts and platform lifts the permit fee is \$40. (Thus, the total installation fee for private residence lifts is \$100.) The bill provides that residential lift contractors would not be required to obtain a permit to install or alter a residential lift, as long as the contractor has obtain any permit required by the local municipality. (It appears that elevator contractors would still be required to obtain an installation permit and pay the required \$100 in fees for installing/altering private residence stairway chairlifts and platform lifts.) This would potentially reduce the workload of the Bureau of Construction Codes in issuing permits and inspecting the work, and reduce permit fee accordingly. The department indicates that it has issued 1,288 private residence stairway chairlifts. (Data on the number of private residence platform lifts wasn't immediately available.) At the very least, then, the bill would relieve the department of the need to process installation/alteration permits for roughly 1,300 private residence stairway chairlifts annually – assuming that number remains constant – and reducing fee revenue by at least \$13,000.

Legislative Analyst: Jeff Stoutenburg
Fiscal Analyst: Mark Wolf

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.