# National Elevator Industry, Inc.



Government Affairs Office

5537 SW Urish Road • Topeka Kansas 66610 • Office: 785.286.7599 • Cell: 785.580.5070

# Statement of the National Elevator Industry, Inc. in SUPPORT of HB 2356,

an Act related to Elevators, Escalators and other Building Transportation Equipment Standards February 3, 2016

Mr. Chairman and Members of the Committee:

My name is Amy Blankenbiller, and I am the Director of Government Affairs for the National Elevator Industry, Inc. ( $NEII_{\odot}$ ). In this capacity I manage the national government affairs activities for NEII across the country. And, I wanted to note that I am a Kansan and operating out of my office in Topeka.

For NEII, I represent the interests of the member companies that install, maintain and/or manufacture elevators, escalators, and other building transportation products, including parts or components. NEII<sub>®</sub> is an outgrowth of the Elevator Manufacturers' Association established in 1934. Its membership includes the top elevator companies in the United States, if not the world, reporting more than eighty-five percent of the work hours for the industry nationwide. NEII<sub>®</sub> members operating in the State of Kansas include KONE, Inc., Otis Elevator Company, Schindler Elevator Corporation and ThyssenKrupp Elevator Corporation, among others. And MEI Total Elevator Solutions, another NEII<sub>®</sub> member, has a service, repair and modernization office in Kansas City, Kansas. On behalf of NEII<sub>®</sub> and its member companies, I appreciate the opportunity to provide this statement in support of HB 2356.

The elevator industry is concerned with elevator safety first and foremost. We fully support the efforts of the Kansas Legislature to pass HB 2356, which is based on the Model Elevator Legislation (currently in its third revision) developed by the industry as a whole to promote the utmost in elevator safety for the following reasons:

In Kansas, the responsibility for adoption and enforcement of building codes lies with local jurisdictions. To date, Kansas one of only two states and the only "home rule" state that has not adopted a statewide safety code for elevators and escalators. This has resulted in a hodge-podge of codes and standards across the state, as well as inconsistent licensing requirements and a mixture of inspection protocols - all of which can prove to be very challenging for elevator companies trying to operate in this state. In keeping with the home rule philosophy, many of the other states allow localities to "opt-out" of the state program and implement their own codes and enforcement program, as long as the requirements of the specific localities are at least as stringent as those adopted at the state level – an approach which mirrors the proposal put forth in HB 2356.

#### SAFETY ENSURED ACROSS ALL KANSAS COMMUNITIES

Based on the 2013 (i.e., most recent) summary of Kansas Building Codes published by the Kansas Corporation Commission (KCC), numerous cities and counties have not adopted building codes, with others operating under codes that are over a decade old. The KCC surveyed the fourteen counties representing the greatest population areas in the state. Of these counties, seven have not adopted any codes, and the conveyance safety codes adopted by the others are no more recent than the 2010 edition. Of the 47 cities located within the counties surveyed, thirty-four are following elevator and escalator safety codes from 2003 or earlier; only eight cities have adopted the 2010 codes and none have codes more recent.

NEII<sub>®</sub> believes the most effective way of ensuring the safety of the riding public, as well as elevator personnel, is by the adoption, without modification, of the latest version of the American Society of Mechanical Engineers A17.1 Safety Code for Elevators and Escalators, which was merged with the Canadian Standards Association's safety codes for elevators and escalators and is now accurately referred to as ASME A17.1/CSA B44. This state-of-the-art international standard is widely used throughout North America and represents the optimum in safety for the riding public and industry personnel. It is reviewed, refined and updated every three years through a consensus process of hundreds of experienced experts representing all aspects of the elevator industry. Such expertise is drawn from enforcing authorities, mechanical and electrical engineering and design experts, inspectors, consultants, labor authorities, building and facility owners, and installation and maintenance specialists.

Currently, forty-eight states adopt codes on a statewide basis – Kansas and Delaware are the only two states without such standards. Eighteen states have adopted the 2013 version of the elevator and escalator safety codes. Eleven states and Washington, DC have adopted 2010, with four in the process of updating their codes to the 2013 edition and one looking to switch to an auto-adopt process. Thirteen states have adopted the 2007 edition of the code, with seven in the process of updating to a more recent version. Six states follow an older version of the codes and all six are in the process of updating to the 2013 version.

In short, Kansas is at the bottom of the list when it comes to the adoption of safety codes for building transportation equipment. HB 2356 provides the solution by instituting a review and adoption of the code within six months of the publication of the updated versions every three years. The bill would also trigger local jurisdictions that retain their programs to update their safety codes at the same time to remain "as stringent as" the state standards.

# MINIMUM PROFESSIONAL STANDARDS PROVIDE FOR INCREASED SAFETY

Licensing requirements for elevator mechanics will establish basic standards for qualifications, education and training that can be relied on by both the public and the industry. The installation, maintenance and repair of elevators, escalators, moving sidewalks, etc. are very complex and technical undertakings, and, as a result, the applicable building codes are continually being revised. It is imperative that elevator

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technicians (i.e., mechanics) be required demonstrate a fundamental competency and annually update their knowledge to the most current rules and procedures. NEII's member companies support these basic requirements because they are already undertaking steps to ensure their workers are adequately prepared. A safety risk exists for both workers and the public, however, when other companies do not invest in such comparable training and there is no enforcement mechanism to check credentials and/or the work being completed.

In Kansas, most areas have no minimum standards for personnel working on building transportation equipment. In fact,  $NEII_{\circledcirc}$  is aware of Topeka and Wichita as the only two jurisdictions within the state that currently require elevator mechanics to meet a minimum level of knowledge, skills and abilities and be licensed to work on conveyances.

Looking across the country, all but fourteen states have adopted elevator mechanic licensing requirements, with four of the states in the process of adopting such standards. Missouri is the most recent state to put licensing requirements into effect. By comparison overall, Kansas will soon be one of only ten states that have not embraced the role of state government to adopt a minimum level of qualification for workers in regards to elevator and escalator safety.

#### ELEVATOR BOARD IS A TOOL TO ASSIST IN THE ADMINISTRATION OF THE ACT

As indicated previously, building transportation equipment is very complex and technical. An elevator board is a valuable tool to assist in the oversight, regulation and enforcement of this very specialized industry. Currently, there are only twelve states that do not have an elevator board or advisory committee. Of the thirty-eight boards and/or advisory committees, all of them are facilitated under the jurisdiction of a state agency and provide invaluable technical support to those states. The power and roles for these boards can vary depending on the needs of the state. For Kansas, a board of industry stakeholders could help the state create this new program, drawing from expertise and experience gained through involvement in elevator programs for other jurisdictions.

# REVENUE NEUTRAL PROGRAM

The new elevator program should be revenue-neutral for the state of Kansas. HB 2356 includes specific language that requires the elevator board to set fees on industry contractors and mechanics in amounts sufficient to cover the costs of the program. Fees would be set not only for licenses, but for permits and inspections. The industry, including both labor and management, has agreed to these fees and considers them to be a reasonable investment to help ensure the development of a program that, ultimately, increases elevator safety for the riding public and industry personnel. In addition, revenue will be generated from the enforcement side of the program where a mechanic has failed to get his/her license or a penalty is assessed for noncompliance.

NEII is not aware of any program that operates in a deficit. In fact, many elevator programs across the country result in excess revenue that is applied to other programs either within the agency that houses the elevator program or to the general state revenues.

#### KANSAS CURRENTLY AT A DISADVANTAGE

Nearly 20 states across the country have adopted some form of the industry's model legislation or regulations similar to the minimum requirements outlined in HB 2356, including the state states that surround Kansas. Many elevator companies bid on work across state lines so that they can keep their workforces employed and move them to where projects are located. Currently, Kansas contractors and mechanics must obtain licenses to do work in any of the bordering states. Once HB 2356 is passed, however, industry personnel licensed in Kansas would have reciprocity and be able to obtain licenses in other states more efficiently. Kansas contractors would be able to reposition personnel as needed and work on out-of-state projects without any unnecessary licensing delays.

# CREDIBILITY TO DO BUSINESS IN KANSAS IS CRITICAL

All reputable firms within the building transportation industry, as well as most other industry sectors, obtain and operate with appropriate insurance coverage as part of the normal course of doing business. Any company wishing to work in this arena in the State of Kansas should be required to do the same. The requirements for elevator contractors to carry minimum general liability coverage and minimum property damage coverage outlined in HB 2356 will readily identify legitimate businesses.

 $NEII_{\scriptsize @}$  is committed to working with the Kansas Legislature and is available to answer any questions and/or provide any assistance on the development of the minimum requirements outlined in HB 2356. This bill is necessary to create minimum safety standards to protect both the riding public and elevator industry workers in the State of Kansas.

Please feel free to contact me if you have any questions or need additional information. I operate the NEII<sub>®</sub> Government Affairs Office and can be reached by phone (785-286-7599) or via e-mail at <u>ajblankenbiller@neii.org</u>. Thank you for your time and attention to this important industry issue.