



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 1230

PRINTER'S NO. 1971

PRIME SPONSOR: Baker

COST / (SAVINGS)

FUND	FY 2024/25	FY 2025/26
General Fund	See fiscal impact	See fiscal impact

SUMMARY:

Senate Bill 1230 requires the elevator code for the commonwealth to be the elevator safety code published by the American Society of Mechanical Engineers in 2016.

ANALYSIS:

Senate Bill 1230 amends the Administrative Code of 1929, Section 2214.1 pertaining to the Elevator Safety Board. Beginning on July 1, 2025, the bill requires the applicable elevator code for the commonwealth to be the ASME A17.1-2016. ASME stands for the American Society of Mechanical Engineers, and A17.1-2016 denotes the iteration of elevator safety standards developed by ASME in 2016. The commonwealth currently uses the 2000 version (with 2002 addenda) of these standards as contained in Chapter 405.2 of Title 34.

The Elevator Safety Board may recommend modifications to ASME A17.1-2016 no later than December 31, 2024. The Department of Labor and Industry (department) shall transmit the code along with any modifications approved by the department to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin no later than March 31, 2025.

Senate Bill 1230 would take effect immediately.

FISCAL IMPACT:

Absent any modifications, the updated 2016 elevator code provided by Senate Bill 1230 will require annual Category 1 tests in place of the current standard of a Category 1 test every five years. Department staff estimated that there are 68,000 elevators in Pennsylvania and that the average cost of a Category 1 test and departmental witness is \$575.

With these assumptions, building owners will pay \$39.1 million in elevator test fees annually, with the department and authorized third-party agents realizing the revenue. To handle increased test demand, department staff anticipate needing an additional 10 inspectors, which will cost \$1.016 million (\$922,000 in personnel costs and \$94,450 in operating costs for computers, code books, other equipment, travel, etc.).

Section 2219 of the Administrative Code (Act 175 of 1929) stipulates that the first \$10 million from fees collected by the department shall augment an appropriation made to the Bureau of Occupational and Industrial Safety and any excess shall be deposited in the General Fund. In fiscal year 2023/24, approximately \$5.5 million in fees was deposited in the General Fund, and the increased frequency of required tests could increase the amount of fees received by the Commonwealth in fiscal year 2025/26 and thereafter.

PREPARED BY: Sean Brandon, Assistant Executive Director
House Appropriations Committee (D)

DATE: October 23, 2024

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.