



**DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INDUSTRIAL RELATIONS**

**NOTICE OF INTENT TO ACT
ON PROPOSED REGULATIONS
And
HEARING AGENDA**

**Notice of Hearing for the Adoption of Regulations
of the Division of Industrial Relations,
Department of Business and Industry
April 8, 2024 at 9:00 a.m.
LCB File No. R025-23**

You are hereby given notice that the Division of Industrial Relations of the Department of Business and Industry, State of Nevada (Division) will conduct a public hearing on proposed permanent regulations amending Chapter 455C of the Nevada Administrative Code (NAC).

The public hearing on these proposed regulations will be conducted in person, via Webex, and by phone on April 8, 2024 at 9:00 a.m. Webex allows for video and teleconferencing. Members of the public may attend and participate in this meeting in the following ways:

Webex Access

<https://nvbusinessandindustry.webex.com/nvbusinessandindustry/j.php?MTID=m915f58186fdb6dee85ae3f720130783>

Meeting number (access code): 2631 840 7575
Meeting password: v82PEjCNUr7

Tap to join from a mobile device (attendees only)
+1-415-655-0001, 26318407575## US toll

Physical Location

Division of Industrial Relations
3360 W. Sahara Avenue, Suite 250, Las Vegas, NV 89102

Pursuant to NRS 233B.0608 and 233B.0609, the Division is providing the following statements pertaining to the hearing on the proposed additions and amendments to Chapter 455C of the NAC.

The need and purpose of the proposed revisions to regulations: *On January 12, 2023, Nevada Governor Joe Lombardo issued Executive Order 2023-003, requiring every executive branch department, agency, board, and commission to undertake a comprehensive review of the regulations subject to its enforcement and provide details on how the regulation can be streamlined, clarified, reduced, or otherwise improved to ensure those regulations provide for the general welfare of the State without unnecessarily inhibiting economic growth. Executive Order 2023-003 further required every executive branch department, agency, board, and commission to provide a list of regulations recommended for removal. The Division of Industrial Relations, Mechanical Compliance Section (MCS) undertook such review and the proposed regulations, and amendments thereto, are in furtherance of the Division's compliance with Executive Order 2023-003. Specifically, R025-23 eliminates certain charges imposed by the MCS; eliminates certain notification requirements relating to periodic tests on elevators; repeals certain provisions relating to insurance coverage of boilers and pressure vessels and certain testing of elevators; and provides other matters properly relating thereto.*

Further, Executive Order 2023-008, issued June 30, 2023, notes that the executive agencies, boards, and commissions subject to Executive Order 2023-003 shall begin the process of repealing, streamlining, clarifying, reducing, or otherwise improving regulations. This proposed regulation seeks to comply with Executive Order 2023-008.

The estimated economic effect of the proposed regulations on (a) regulated businesses and (b) the public, including, stated separately: (i) adverse and beneficial effects; and (ii) immediate and long-term effects:

(a) Regulated businesses:

(i) Adverse and beneficial effects:

The Division anticipates no adverse effects, either direct or indirect, on regulated businesses as the result of these regulations. The adverse effects, if any, are difficult to determine at this time. There will be no direct or indirect cost to regulated or small businesses.

The Division believes that there will be beneficial effects, direct or indirect, on regulated or small businesses as the result of these regulations. The Division's proposed regulations seek to eliminate the \$20 charge for the filing of a maintenance control program for an elevator and also eliminates the existing requirement that a licensed elevator contractor who performs periodic tests on an elevator to notify the Mechanical Compliance Section in writing at least 3 business days before commencing any such tests.

(ii) Immediate and long-term effects:

The Division does not anticipate any immediate or long-term effects, either adverse or beneficial, on regulated or small businesses as a result of these regulations. There will be no direct or indirect costs to regulated or small businesses.

(b) The public:

(i) Adverse and beneficial effects:

The Division does not anticipate any adverse or beneficial effects, either direct or indirect, on the public as the result of these regulations. There will be no

direct or indirect cost to the public.

(ii) Immediate and long-term effects:

The Division does not anticipate any immediate or long-term effects, either adverse or beneficial, on the public as a result of these regulations. There will be no direct or indirect costs to the public.

The estimated cost to the Division for enforcement of the proposed regulations: *The Division does not anticipate incurring any additional cost for these proposed permanent regulations.*

The Division believes that the proposed regulation does not overlap or duplicate any existing regulation. *The proposed regulation is not required by federal law and there is no equivalent federal law.*

The proposed regulation does not establish a new fee or increase an existing fee. *The proposed regulation does not provide for a new fee or increase an existing fee payable to the Division.*

The Division invites representatives of regulated businesses and the public to attend the public hearing and/or prepare written and/or oral comments concerning the proposed regulations. A copy of the proposed language for LCB File No. R025-23, may be downloaded from the Division's website: <http://dir.nv.gov/Meetings/Meetings/>. Before the Public Hearing, persons may submit written comments to Christopher A. Eccles, Esq., Senior Division Counsel, Division of Industrial Relations, 3360 W. Sahara Avenue, Ste. 250, Las Vegas, Nevada 89102 or by email to ceccles@dir.nv.gov. If no person who is directly affected by the proposed regulation appears to make oral comments, the Division may proceed immediately to act upon any written submissions.

Persons with disabilities who require special accommodations or assistance at the public hearing must notify Rosalind Jenkins, at the Division of Industrial Relations, 3360 W. Sahara Ave., Ste. 250, Las Vegas, Nevada 89102, or by calling (702) 486-9014 at least three (3) working days prior to the scheduled hearing date.

A copy of this notice and the proposed regulations are available at the Division's web page (<http://dir.nv.gov/Meetings/Meetings/>). This notice and the text of the proposed regulations are also in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulations will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Notice required by NRS 233B.064: Upon adoption of any regulation, the agency (the Division), if requested to do so by an interested person, either before adoption or thirty days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice has been posted on Nevada's notice website: <http://leg.state.nv.us/App/Notice/A/>; State of Nevada notice website: <https://notice.nv.gov>; and the Division's website: <http://dir.nv.gov/Meetings/Meetings>, as set forth in NRS 241.020(4)(b) and (4)(c). A copy of the Notice and the proposed permanent regulation to be adopted and/or amended is on file and has also been posted at the following locations: Division of Industrial Relations, 3360 West Sahara

Avenue, Suite 250, Las Vegas, Nevada 89102; and 1886 East College Parkway, Suite 110, Carson City, NV 89706.

**HEARING AGENDA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INDUSTRIAL RELATIONS**

Notice: (1) Items on the Agenda may be taken out of order; (2) the Division may combine two or more Agenda items for consideration; and (3) the Division may remove an item on the Agenda at any time.

- I. **Call to Order.**
- II. **Public Comment.** The opportunity for public comment is reserved for any matter listed below on the Agenda as well as any matter within the jurisdiction of the Division. No action on such an item may be taken by the Division unless and until the matter has been noticed as an action item. Comment may not be restricted based on viewpoint.
- III. **Discussion of Proposed Permanent Regulation – LCB File No. R025-23** – amendment of regulations that pertain to Chapter 455C of the Nevada Administrative Code.
- IV. **Public Comment.** The opportunity for public comment is reserved for any matter within the jurisdiction of the Division. No action on such an item may be taken by the Division unless and until the matter has been noticed as an action item. Comment may not be restricted based on viewpoint.
- V. **Adjournment.**

**PROPOSED REGULATION OF THE
DIVISION OF INDUSTRIAL RELATIONS OF THE
DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R025-23

December 8, 2023

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: § 1, NRS 455C.110 and 455C.120; §§ 2 and 3, NRS 455C.110.

A REGULATION relating to the safety of certain mechanical equipment; eliminating certain charges imposed by the Mechanical Compliance Section of the Division of Industrial Relations of the Department of Business and Industry; eliminating certain notification requirements relating to periodic tests on elevators; repealing certain provisions relating to insurance coverage of boilers and pressure vessels and certain testing of elevators; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Division of Industrial Relations of the Department of Business and Industry to prescribe by regulation fees for certain purposes. (NRS 455C.120) Existing regulations set forth a schedule of fees which the Mechanical Compliance Section of the Division is required to charge and collect, including a charge of \$20 for the filing of a maintenance control program for an elevator. (NAC 455C.450) **Section 1** of this regulation eliminates this charge.

Existing regulations require a licensed elevator contractor who performs periodic tests on an elevator to notify the Mechanical Compliance Section in writing at least 3 business days before commencing any such tests. (NAC 455C.512) **Section 2** of this regulation eliminates this requirement.

Section 3 of this regulation repeals certain provisions which: (1) require an insurance company to notify the Mechanical Compliance Section of certain acts relating to the coverage of a boiler or pressure vessel; and (2) set forth requirements for the installation and testing of Phase II Emergency In-Car Operation in certain elevators.

Section 1. NAC 455C.450 is hereby amended to read as follows:

455C.450 1. The Mechanical Compliance Section shall charge and collect the following fees:

Certificates to work as an Elevator Mechanic	Fees
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For the issuance of a certificate.....	\$150
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For the renewal of a certificate.....	75
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Certificates of Accreditation as an Authorized Inspection Agency	Fees
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For the issuance of a certificate of accreditation.....	\$300
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For the renewal of a certificate of accreditation.....	150
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Certificates of Competency for Special Inspectors	Fees
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For the issuance of a certificate of competency	\$150
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For the renewal of a certificate of competency	75
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Work Cards for Elevator Mechanic Apprentices and Helpers	Fees
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For the issuance of a work card.....	\$150
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For the renewal of a work card	75
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Passenger Elevators	Fees
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Passenger Elevators

Fees

For the issuance of an initial operating permit based on an acceptance inspection,

if the passenger elevator has:

At least 1 but not more than 10 landings.....\$500

At least 11 but not more than 30 landings.....750

More than 30 landings1,000

Freight Elevators and Vertical Reciprocating Conveyors

Fees

For the issuance of an initial operating permit based on an acceptance inspection,

if the freight elevator or vertical reciprocating conveyor has a capacity of:

10,000 pounds or less\$500

More than 10,000 pounds750

Dumbwaiters

Fees

For the issuance of an operating permit for a dumbwaiter, based on an acceptance

inspection\$250

Escalators, Shopping Cart Conveyors, Moving Walks and Manlifts

Fees

Escalators, Shopping Cart Conveyors, Moving Walks and Manlifts	Fees
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For the issuance of an operating permit for an escalator, shopping cart conveyor , moving walk or manlift, based on an acceptance inspection	\$750
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Elevators and Personnel Hoists

Used During Construction	Fees
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For the issuance of a limited operating permit for an elevator that is used during construction, based on an acceptance inspection	\$300
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For the issuance of a limited operating permit for a personnel hoist that is used during construction, based on an acceptance inspection	500
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Platform Lifts	Fees
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For the issuance of an operating permit for a platform lift, based on an acceptance inspection	\$250
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Private Residence Elevators	Fees
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For the preliminary and final inspections of a private residence elevator by an inspector that are required to be made at the time of installation pursuant to NAC 455C.516.....	\$400
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Private Residence Elevators

Fees

For each subsequent inspection of a private residence elevator by a special
inspector that is requested by the owner of the private residence elevator100

Renewal of Operating Permits for Elevators Inspected

by *Inspectors or* Special Inspectors

Fees

For the renewal of an operating permit for an elevator if the operating permit is
renewed based on a report of inspection made by an inspector or special
inspector\$200

Special Services

Fees

For any services rendered by the Mechanical Compliance Section to assist a
person in complying with the provisions of this chapter, including, without
limitation, an inspection other than an inspection required by NAC 455C.516
and the review of plans, drawings and specifications before those plans,
drawings and specifications are submitted to the Mechanical Compliance
Section pursuant to NAC 455C.506:
Per hour charge for those services provided during the first 8 hours of a day\$60
Per hour charge for those services provided after the first 8 hours of the day100

2. In addition to paying the fees imposed by this section for services rendered by the Mechanical Compliance Section to assist a person in complying with the provisions of this chapter, a person who requests that the Mechanical Compliance Section perform such services must pay all necessary expenses incurred by the Mechanical Compliance Section in fulfilling the request, including, without limitation:

(a) The payment of a mileage charge before the issuance of any permit at a rate equal to the mileage allowance for state officers and employees who use their personal vehicles for the convenience of this State for all travel to and from an inspection conducted at a location which is more than 50 miles from the closest office of the Mechanical Compliance Section;

~~(b) [A charge of \$20 for the filing of a maintenance control program for an elevator;~~
~~—(e)]~~ A charge of \$250 for any inspection that is cancelled less than one full business day before the scheduled inspection;

~~[(d)]~~ (c) A processing fee not to exceed \$25 for each renewal of an operating permit issued by the Mechanical Compliance Section; and

~~[(e)]~~ (d) Fees for inspections of alterations to elevators, which will be assessed on an hourly basis not to exceed the fee for an initial operating permit for an elevator of the same type.

3. Each fee owed to the Mechanical Compliance Section must be paid in advance. The Mechanical Compliance Section will not process and will return to the sender any documents submitted to the Mechanical Compliance Section which do not include the correct fee, are incomplete or are not sent to the Mechanical Compliance Section office which maintains the record for that object. An amended submission for any submission returned pursuant to this subsection may be resubmitted to the Mechanical Compliance Section within 10 business days

after the original submission was returned to the sender and must be accompanied by an additional fee of \$50.

4. A fee for the annual renewal of an operating permit may be, at the discretion of the Administrator, collected by an authorized inspection agency on behalf of the Division.

Sec. 2. NAC 455C.512 is hereby amended to read as follows:

455C.512 1. ~~[A licensed elevator contractor who performs periodic tests on an elevator shall notify the Mechanical Compliance Section, in writing, at least 3 business days before commencing any periodic tests on the elevator.~~

~~—2. Except as otherwise provided in subsection 3, any]~~ Any periodic tests performed on an elevator must comply with the requirements of NAC 455C.400 to 455C.530, inclusive.

~~[3.]~~ 2. An inspector or special inspector must witness any periodic tests performed on an elevator.

Sec. 3. NAC 455C.120 and 455C.503 are hereby repealed.

TEXT OF REPEALED SECTIONS

455C.120 Notification by insurance companies. (NRS 455C.110) An insurance company shall notify the Mechanical Compliance Section within 30 days after the insurance company:

1. Commences the coverage of a boiler or pressure vessel; or

2. Cancels, refuses to renew or suspends the coverage of a boiler or pressure vessel.

455C.503 Elevator with 55 feet or less of travel not required to have Phase II

Emergency In-Car Operation installed; exception. (NRS 455C.110)

1. An elevator with 55 feet or less of travel is not required to have Phase II Emergency In-Car Operation installed unless installation is required by local ordinance. If Phase II Emergency In-Car Operation is installed, it must be maintained and tested monthly.

2. As used in this section, “Phase II Emergency In-Car Operation” has the meaning ascribed to it in section 1.3 of the Safety Code for Elevators and Escalators, A17.1, as adopted by reference in NAC 455C.500.



**DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INDUSTRIAL RELATIONS**

SMALL BUSINESS IMPACT STATEMENT
AS REQUIRED BY NRS 233B.0608 AND 233B.0609
LCB FILE NO. R025-23
January 3, 2024

Note: Small Business is defined as “a business conducted for profit which employs fewer than 150 full-time or part-time employees.” (NRS 233B.0382).

1. Describe the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

ANSWER: To determine whether the proposed regulations are likely to have an impact on small businesses, the Division considered the purpose and scope of the proposed regulations. The proposed regulations revise provisions of NAC 455C by eliminating certain charges imposed by the Mechanical Compliance Section of the Division of Industrial Relations of the Department of Business and Industry; eliminating certain notification requirements relating to periodic tests on elevators; repealing certain provisions relating to insurance coverage of boilers and pressure vessels and certain testing of elevators; and providing other matters properly relating thereto.

In addition, on December 13, 2023, the Division sent out a Small Business Impact Statement Questionnaire to interested parties on the Division’s Listserv, which includes 243 recipients. Moreover, the Questionnaire was posted on the Division’s website. The Questionnaire inquired from small businesses whether they believed there would be any economic effects, adverse or beneficial, direct or indirect, on their respective businesses from the proposed regulation. The deadline to return the questionnaire was December 22, 2023. As of this date, the Division received three (3) responses as follows:

1. Grant Mills, Mills Farm and Industrial – Mr. Mills did not believe that the proposed regulation would have any economic effects, adverse or beneficial, on his business. Mr. Mills also indicated that he did not believe that the proposed regulation would have any indirect effects, adverse or beneficial, on his business.
2. M. Howard, Las Vegas Office Center – M. Howard believed that the regulation would have an adverse economic effect on the business, stating, “Provide traditional ‘grandfathering’ of older incident-free elevators in good working condition as toward

newer ‘safety’ ‘upgrades’ like door restrictors and door lock monitors. ‘If it ain’t broke, don’t order costly unneeded ‘fixes’”.” M. Howard further indicated that the regulation would not have a beneficial economic effect on business, that there would be an indirect adverse effect with not indirect beneficial effect on business.

3. Brandy Vallette, PI BPG Fourth Street Partners, LLC – Ms. Vallette noted that the regulation would have an adverse economic effect on her business, stating: “Schindler elevator proposed a disc brake option, that has not been fully approved yet, for \$400k-500k total. If a rope gripper has to be installed instead of a disc brake, it will likely be more than the original estimate for disc brakes. A full modernization would be roughly \$400k-\$600k per elevator and was also suggested by Schindler since the code requirement upgrades would be so costly. All options presented would result in having elevators down for at least several weeks to do the installation and perform inspections.” Further, Ms. Vallette noted, “The office market is currently depressed during this unprecedented time and we are doing what we can to keep it afloat. Capital projects, such as these code requirement upgrades that come with such large unanticipated costs, are not funded from cash flow. It requires ownership to cut checks, putting building owners in an unfavorable position. Projects with costs of this magnitude can crumble a business on any given day, let alone in the market we are currently experiencing.”

Upon receipt of the responses, the Division reviewed the proposed regulations and found that the concerns listed in M. Howard’s and Brandy Vallette’s responses to the Questionnaire were not contemplated in the proposed regulations, as the proposed regulations do not discuss “newer safety upgrades” such as door restrictors and door lock monitors and “rope grippers”.

2. The manner in which the analysis was conducted.

ANSWER: As noted in Answer 1, on December 13, 2023, the Division sent out a Small Business Impact Statement Questionnaire to interested parties on the Division’s Listserv. The Questionnaire inquired from small businesses whether they believed there would be any economic effects, adverse or beneficial, direct or indirect, on their respective businesses from the proposed regulation. The deadline to return the questionnaire was December 22, 2023. As of this date, the Division received three (3) responses as follows:

1. Grant Mills, Mills Farm and Industrial – Mr. Mills did not believe that the proposed regulation would have any economic effects, adverse or beneficial, on his business. Mr. Mills also indicated that he did not believe that the proposed regulation would have any indirect effects, adverse or beneficial, on his business.
2. M. Howard, Las Vegas Office Center – M. Howard believed that the regulation would have an adverse economic effect on the business, stating, “Provide traditional ‘grandfathering’ of older incident-free elevators in good working condition as toward newer ‘safety’ ‘upgrades’ like door restrictors and door lock monitors. ‘If it ain’t broke, don’t order costly unneeded ‘fixes’”.” M. Howard further indicated that the regulation would not have a beneficial economic effect on business, that there would be an indirect adverse effect with not indirect beneficial effect on business.

3. Brandy Vallette, PI BPG Fourth Street Partners, LLC – Ms. Valette noted that the regulation would have an adverse economic effect on her business, stating: “Schindler elevator proposed a disc brake option, that has not been fully approved yet, for \$400k-500k total. If a rope gripper has to be installed instead of a disc brake, it will likely be more than the original estimate for disc brakes. A full modernization would be roughly \$400k-\$600k per elevator and was also suggested by Schindler since the code requirement upgrades would be so costly. All options presented would result in having elevators down for at least several weeks to do the installation and perform inspections.” Further, Ms. Vallette noted, “The office market is currently depressed during this unprecedented time and we are doing what we can to keep it afloat. Capital projects, such as these code requirement upgrades that come with such large unanticipated costs, are not funded from cash flow. It requires ownership to cut checks, putting building owners in an unfavorable position. Projects with costs of this magnitude can crumble a business on any given day, let alone in the market we are currently experiencing.”

Upon receipt of the responses, the Division reviewed the proposed regulations and found that the concerns listed in M. Howard’s and Brandy Vallette’s responses to the Questionnaire were not contemplated in the proposed regulations, as the proposed regulations do not discuss “newer safety upgrades” such as door restrictors and door lock monitors and “rope grippers”.

3. **The estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:**
 - (a) Both adverse and beneficial effects; and
 - (b) Both direct and indirect effects.

ANSWER: The Division anticipates no adverse effects, either direct or indirect, on regulated businesses as the result of these regulations. The adverse effects, if any, are difficult to determine at this time. There will be no direct or indirect cost to regulated or small businesses.

The Division believes that there will be beneficial effects, direct or indirect, on regulated or small businesses as the result of these regulations. The Division’s proposed regulations seek to eliminate the \$20 charge for the filing of a maintenance control program for an elevator and also eliminates the existing requirement that a licensed elevator contractor who performs periodic tests on an elevator to notify the Mechanical Compliance Section in writing at least 3 business days before commencing any such tests.

4. **Describe the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.**

ANSWER: Because there will be no adverse impacts on small businesses in general, there are no methods available to reduce the impact the Division could have considered.

5. **The estimated cost to the agency for enforcement of the proposed regulation.**

ANSWER: There is no additional cost to the agency for enforcement of this regulation.

6. **If the proposed regulation provides a new fee or increases an existing fee, the total**

annual amount the agency expects to collect and the manner in which the money will be used.

ANSWER: The proposed regulation does not provide for a new fee or increase an existing fee payable to the Division.

7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.

ANSWER: The proposed regulation does not include any provisions which duplicate or are more stringent than existing federal, state, or local standards.

8. The reasons for the conclusions of the agency regarding the impact of a regulation on small businesses.

ANSWER: The Division complied with NRS 233B.0608 by considering the purpose and scope of the proposed amendments. The proposed regulations revise provisions of NAC 455C by eliminating certain charges imposed by the Mechanical Compliance Section of the Division of Industrial Relations of the Department of Business and Industry; eliminating certain notification requirements relating to periodic tests on elevators; repealing certain provisions relating to insurance coverage of boilers and pressure vessels and certain testing of elevators; and providing other matters properly relating thereto.

In addition, on December 13, 2023, the Division sent out a Small Business Impact Statement Questionnaire to interested parties on the Division's Listserv, which includes 243 recipients. Moreover, the Questionnaire was posted on the Division's website. The Questionnaire inquired from small businesses whether they believed there would be any economic effects, adverse or beneficial, direct or indirect, on their respective businesses from the proposed regulation. The deadline to return the questionnaire was December 22, 2023. As of this date, the Division received three (3) responses as follows:

1. Grant Mills, Mills Farm and Industrial – Mr. Mills did not believe that the proposed regulation would have any economic effects, adverse or beneficial, on his business. Mr. Mills also indicated that he did not believe that the proposed regulation would have any indirect effects, adverse or beneficial, on his business.
2. M. Howard, Las Vegas Office Center – M. Howard believed that the regulation would have an adverse economic effect on the business, stating, "Provide traditional 'grandfathering' of older incident-free elevators in good working condition as toward newer 'safety' 'upgrades' like door restrictors and door lock monitors. 'If it ain't broke, don't order costly unneeded 'fixes'.'" M. Howard further indicated that the regulation would not have a beneficial economic effect on business, that there would be an indirect adverse effect with not indirect beneficial effect on business.
3. Brandy Vallette, PI BPG Fourth Street Partners, LLC – Ms. Vallette noted that the regulation would have an adverse economic effect on her business, stating: "Schindler elevator proposed a disc brake option, that has not been fully approved yet, for \$400k-500k total. If a rope gripper has to be installed instead of a disc brake, it will likely be more than the original estimate for disc brakes. A full modernization would be roughly \$400k-\$600k per elevator and was also suggested by Schindler since the code

requirement upgrades would be so costly. All options presented would result in having elevators down for at least several weeks to do the installation and perform inspections.” Further, Ms. Vallette noted, “The office market is currently depressed during this unprecedented time and we are doing what we can to keep it afloat. Capital projects, such as these code requirement upgrades that come with such large unanticipated costs, are not funded from cash flow. It requires ownership to cut checks, putting building owners in an unfavorable position. Projects with costs of this magnitude can crumble a business on any given day, let alone in the market we are currently experiencing.”

Upon receipt of the responses, the Division reviewed the proposed regulations and found that the concerns listed in M. Howard’s and Brandy Vallette’s responses to the Questionnaire were not contemplated in the proposed regulations, as the proposed regulations do not discuss “newer safety upgrades” such as door restrictors and door lock monitors and “rope grippers”.

Based on this review, the Division determined that this regulation will have no direct effect on small businesses, either adverse or beneficial, and will also have no indirect adverse effect on small businesses. By eliminating charges and certain notification requirements, the Division believes the proposed regulations may have beneficial effects on small businesses.

I, VICTORIA CARREÓN, Administrator of the Division of Industrial Relations, certify that, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that the information contained in the statement was prepared properly and is accurate.

DATED this 3rd day of January, 2024.


VICTORIA CARREÓN, Administrator