

**Small Business Economic Impact
Statement Memo**

**Chapter 296-96 WAC, Safety Regulations and Fees
for All Elevators, Dumbwaiters, Escalators and Other
Conveyances**

Date: March 20, 2023

1. Describe the rule, including: a brief history of the issue; an explanation of why the rule is needed; and a brief description of the amendments that would impose new or additional costs on affected businesses, including small businesses.

1.1 A brief history of the issue; an explanation of why the rule is needed

This rulemaking proposes amendments to the elevator rules under chapter 296-96 WAC, for new safety codes, updates, clarification, housekeeping, and other amendments recommended by stakeholders, a Technical Advisory Committee (TAC), Elevator Safety Advisory Committee (ESAC), and the Department of Labor & Industries (department or L&I) to improve public safety.

The Elevator Program reviewed the existing rules and new safety codes from the 2019 edition of the American Society of Mechanic Engineers (ASME) A17.1/CSA B44 - 2019, Safety Code for Elevators and Escalators, and other related codes. The review process included an opportunity for Washington’s elevator stakeholders to participate in the review of the existing rules, submit proposals for amendments, and provide recommendations to the department on proposals. A TAC, consisting of multiple industry representatives, and the ESAC reviewed the proposals and provided advice to the department on adoption of the rules.

This rulemaking is needed to update the rules with the latest safety code requirements, so Washington State is consistent with the national consensus codes that govern conveyances. ASME A17.1/CSA B44 is the recognized safety standard for the elevator industry and is adopted throughout North America. The ASME standards address both new and existing elevators, escalators, dumbwaiters, moving walks, material lifts, platform lifts and stairway chairlifts and provides requirements applying to the design, construction, installation, operation, testing, inspection, maintenance, alteration, and repair of these conveyances. The purpose of the safety codes and standards are to enhance public health and safety. Additionally, other amendments are needed to bring the rules up-to-date and to adopt amendments requested by stakeholders.

1.2 Amendments that would impose new or additional costs on affected businesses.

WAC 296-96-00500, Scope, purpose, and authority.

Rule overview: This change clarifies that L&I’s interpretation of RCW 70.87.200(1)(b) does not include Construction Personnel Hoists and Material Hoists covered by ANSI/ASSP A10.4 and A10.5. and is an interpretive rule under RCW 34.05.328(5)(c)(ii) which does not subject anyone to a penalty or cost.

WAC 296-96-00700, Chapter definitions.

Rule overview: This change establishes the definition of “Machine room less (MRL elevator)” and is an interpretive rule under RCW 34.05.328(5)(c)(ii) which does not subject anyone to a penalty or cost.

WAC 296-96-02715, Disconnecting means, hoistwayless elevators.

Rule Overview: This change deviates from the national code under ASME A17.1 by requiring hoistwayless elevators to have the same standards as hoistway elevators for an auxiliary disconnect. The change now requires an

additional location for the disconnecting means to allow for safely disconnecting the power without having to get into the elevator.

WAC 296-96-05210, Signage, (2) and (2)(a) through (c)

Rule Overview: Creates a definition of “code data plate” and adds this to the signage requirement for WAC material lifts.

WAC 296-96-23102, Roof access through horizontal hatch-type covers.

Rule Overview: This change adds new requirements to provide for safer access to roof doors leading to elevator machine rooms. Some access to roof areas are currently provided with wooden ladders, which do not comply with ANSI A14.3. The proposed language makes allowances where a stair or collapsible stair is not feasible.

2. Identify which businesses are required to comply with the rule using the North American Industry Classification System (NAICS).

The industries listed in the table below are the ones most likely to be affected by the proposed rule amendments. Businesses in the 238291 and 238292 NAICS categories will be required to install a second disconnect switch when installing hoistwayless elevators, but the added cost will be passed on to the elevator owner. Businesses in the 454110 and 455211 NAICS categories will absorb the cost of the new data plates required on WAC material lifts.

Industries Affected by the Proposed Rule

6-Digit NAICS	Industry Group
238291	Other Residential Equipment Contractors
238292	Other Nonresidential Equipment Contractors
454110	Electronic Shopping and Mail-Order Houses
455211	Warehouse Clubs and Supercenters
531110	Lessors of Residential Buildings and Dwellings
531120	Lessors of Nonresidential Buildings (except Miniwarehouses)
531190	Lessors of Other Real Estate Property

3. Identify and analyze the probable costs to comply with the adopted rule.

WAC 296-96-02715, Disconnecting means, hoistwayless elevators.

Costs: The new language creates a cost for installing an additional disconnect switch. The estimated average cost for this installation is \$25 per unit and less than one hour of labor at \$75 per hour.¹ Less than 20 hoistwayless elevators are installed each year.² Therefore, the total cost of this requirement to the industry is estimated to be \$2,000 or less per year. Hoistwayless elevators are exclusively used in residential homes. Therefore, this cost becomes a consumer expenditure and none of the cost remains with the industry.

WAC 296-96-05210, Signage, (2) and (2)(a) through (c)

Costs: This is a new requirement that applies to new WAC material lifts only, and there will be a cost for procurement of the data plates for these conveyances. It is estimated that on average, less than 20 such lifts would be installed each year in the state and the data plates are estimated to cost \$10 each.³ Since no attachment method is specified, the labor cost for installation will be minimal. Therefore, the total cost of this requirement to the industry is estimated to be \$200 or less per year.

WAC 296-96-23102, Roof access through horizontal hatch-type covers.

Costs: This new language creates a cost for the replacement of fixed wooden ladders. The minimum requirement is that the wooden ladder be replaced with a noncombustible ladder. The estimated cost for replacement of the wooden ladders is \$300 to \$500 each.

4. Determine whether or not an SBEIS is required, and based on this determination, whether the information provided above is sufficient or additional information is needed to fulfill the requirements in the Regulatory Fairness Act (Chapter 19.85 RCW).

As analyzed above, the cost of additional disconnect switches would ultimately be passed on to the owners of residential elevators. Therefore, the changes in WAC 296-96-02715 present no cost to any businesses. WAC material lifts are installed in large warehouse facilities. It is reasonable to assume that on average any one business would install one such lift per year⁴. Given the cost of \$10 for each data plate required with such a lift under WAC 296-96-05210(2), the annual per-business cost is \$10. In addition, WAC 296-96-23102 creates a cost for the purchase of noncombustible ladders. The cost of these ladders is \$300 to \$500 each. The replacement will be required as current ladders become unfit. Therefore, it is reasonable to assume that building owners will, on average, replace one per year at a cost of \$500 or less.

¹ [Elevator Repair Cost | Elevator Repair Service \(fixr.com\)](#),
[2023 Cost of Elevator Maintenance, Modernization & Repair - HomeAdvisor](#)

² Based on the information from the technical staff of L&I's Elevator Program.

³ Based on the information from the technical staff of L&I's Elevator Program.

⁴ Based on the information from the technical staff of L&I's Elevator Program.

Per-business Cost V.S. Minor Cost Threshold

Affected Industries	Per-business annual average cost	Minor cost threshold (1% of annual payroll) ⁵
454110 - Electronic Shopping and Mail-Order Houses	\$10	\$21,220 ⁶
452311 - Warehouse Clubs and Supercenters	\$10	\$3,206,263
531110 - Lessors of Residential Buildings and Dwellings	\$500	\$3,680
531120 - Lessors of Nonresidential Buildings (except Miniwarehouses)	\$500	\$4,672
531190 - Lessors of Other Real Estate Property	\$500	\$1,506

When compared to the minor-cost threshold (1% of annual payroll), the average per-business cost of these proposed rule amendments is far below the threshold for affected businesses discussed above. Therefore, an SBEIS is not required for this rulemaking pursuant to RCW 19.85.030(1), and the information provided in Section 1 through Section 3 is sufficient to fulfill the requirements in the Regulatory Fairness Act (Chapter 19.85 RCW). It is also worth noting that the information provided above serves the purpose of making this determination only, and should not be treated as the content of an official SBEIS report specified in RCW 19.85.040.

⁵ Data source: 2021 Annual Average Report from QCEW, ESD, WA.

⁶ Annual payroll data for this industry is not available, so the average from the whole retail trade section is used instead.