GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2025

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HOUSE BILL 559 Committee Substitute Favorable 4/15/25

Short Title: Make Elevators Great Again.-AB (Public)

Sponsors:

Referred to:

March 31, 2025

A BILL TO BE ENTITLED

AN ACT TO MAKE VARIOUS FEE MODIFICATIONS TO THE STATE LABOR REGULATIONS.

Whereas, the North Carolina Department of Labor's Elevator and Amusement Device Bureau is a fully receipt-supported operation that receives no State appropriations and is currently facing a backlog of over 3,000 overdue inspections and critical staffing shortages, particularly in North Carolina's fast-growing urban regions; and

Whereas, outdated statutory fee caps have constrained the Department's ability to modernize operations, attract qualified inspectors, and deliver timely inspections; and

Whereas, authorizing modest, common-sense fee adjustments will empower the Department to eliminate the inspection backlog, raise inspector pay to market rates, and launch an in-house apprenticeship program to train the next generation of safety professionals; and

Whereas, this Act ensures that all fee increases remain capped, transparent, and tied to inflation, while keeping the Elevator and Amusement Device Bureau fully receipt-supported, free from new taxpayer burdens, and operated with the accountability and efficiency of a small business; and

Whereas, it is in North Carolina's best interest to modernize the Department in a way that is accountable, fiscally responsible, and tailored to the needs of our fast-growing State; Now, therefore,

The General Assembly of North Carolina enacts:

PART I. FEE MODIFICATIONS

SECTION 1.(a) G.S. 95-107 reads as rewritten:

"§ 95-107. Assessment and collection of fees; certificates of safe operation.

The assessment of the fees adopted by the Commissioner pursuant to G.S. 95-69.11, 95-110.5, 95-111.495-110.5A, 95-111.4A, and 95-120-95-120A shall be made against the owner or operator of the equipment and may be collected at the time of inspection. If the fees are not collected at the time of inspection, the Department must bill the owner or operator of the equipment for the amount of the fee assessed for the inspection of the equipment and the amount assessed is payable by the owner or operator of the equipment upon receipt of the bill. Certificates of safe operation may be withheld by the Department of Labor until such time as the assessed fees are collected."

SECTION 1.(b) G.S. 95-108 reads as rewritten:

"§ 95-108. Disposition of fees.

All fees collected by the Department of Labor pursuant to G.S. 95-69.11, 95-110.5, 95-111.49 95-110.5A, 95-111.4A, and 95-120-95-120A shall be deposited with the State Treasurer and shall



be used <u>exclusively</u> for <u>inspection inspection</u>, <u>permitting</u>, and certification purposes. <u>Fees</u> <u>deposited pursuant to this section that have not been expended or encumbered at the end of the fiscal year shall not revert but shall remain available for uses consistent with this section."</u>

SECTION 1.(c) G.S. 95-110.5(20) is repealed.

SECTION 1.(d) Article 14A of Chapter 95 of the General Statutes is amended by adding a new section to read:

"§ 95-110.5A. Fees.

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- 8 Beginning July 1, 2025, the Department shall charge fees not to exceed the following: (a) 9 Special Inspection Fee – Expedited \$1,000 10 Temporary Limited Certificate for Construction Use Only; Less than 10 Floors \$200.00 11 Temporary Limited Certificate for Construction Use Only; 10 or More Floors \$300.00 12 Reinspection Fee of Failed New and Repair/Alteration Inspections \$1,000 13 Routine/Annual Elevator Inspections: Less than 10 Floors \$200.00 14 Routine/Annual Elevator Inspections: 10 or More Floors \$300.00 Routine/Annual Wheelchair Lift and Dumbwaiter Inspections \$100.00 15 16 Routine/Annual Escalator and Moving Walk Inspections \$500.00
 - (b) Upon application to the Department for a new or alteration construction permit for a device subject to this section, an applicant shall submit a permit application fee. The amount of the permit application fee shall be the greater of (i) two hundred dollars (\$200.00) or (ii) one percent (1%) of the contract price for the alteration or installation of the device being permitted.
 - (c) Notwithstanding any provision of law to the contrary, for fiscal years beginning on or after July 1, 2026, the Department shall adjust the fee amounts listed in subsection (a) of this section in accordance with the percent change in the annual Consumer Price Index computed by the Bureau of Labor Statistics using the most recent 12-month period for which data is available. The adjustment for fees under this subsection shall be rounded to the nearest dollar (\$1.00), and the Commissioner shall publish any increase in fees under this subsection in the North Carolina Register and on the Department's website at least 60 days prior to any increase."

SECTION 1.(e) G.S. 95-111.4(19) is repealed.

SECTION 1.(f) Article 14B of Chapter 95 of the General Statutes is amended by adding a new section to read:

"§ 95-111.4A. Fees.

32	(a) Beginning July 1, 2025, the Department shall charge fees not to exceed	the following:
33	Advance Location Notice (ALN) Application Fee	\$25.00
34	<u>Special Inspection Fee – Expedited</u>	\$1,000
35	Amusement Major Ride Inspections	\$250.00
36	Amusement Return Trip Inspections	\$500.00
37	Holiday/Weekend Inspections	\$500.00
38	Kiddie Ride Inspections	\$100.00
39	Go Kart Inspections (per cart)	<u>\$50.00</u>
40	Go Kart Track Inspections	\$200.00
41	Amusement Rock Wall Inspections	\$100.00
42	Roller Coaster (permanent and portable) Inspections	\$500.00
43	Simulators	\$100.00
44	Bungee Trampoline Inspections	\$100.00
45	Water Slide Inspections	\$300.00
46	<u>Train Inspections</u>	<u>\$250.00</u>

(b) Notwithstanding any provision of law to the contrary, for fiscal years beginning on or after July 1, 2026, the Department shall adjust the fee amounts listed in subsection (a) of this section in accordance with the percent change in the annual Consumer Price Index computed by the Bureau of Labor Statistics using the most recent 12-month period for which data is available. The adjustment for fees under this subsection shall be rounded to the nearest dollar (\$1.00), and

the Commissioner shall publish any increase in fees under this subsection in the North Carolina
Register and on the Department's website at least 60 days prior to any increase."

SECTION 1.(g) G.S. 95-120(9) is repealed.

SECTION 1.(h) Article 15 of Chapter 95 of the General Statutes is amended by adding a new section to read:

"§ 95-120A. Fees.

(a)Beginning July 1, 2025, the Department shall charge fees not to exceed the following:Gondolas, Chairlifts, Inclined Railroad Inspections\$500.00J or T Bars and Conveyors Inspections\$300.00Rope Tow Inspections\$200.00

(b) Notwithstanding any provision of law to the contrary, for fiscal years beginning on or after July 1, 2026, the Department shall adjust the fee amounts listed in subsection (a) of this section in accordance with the percent change in the annual Consumer Price Index computed by the Bureau of Labor Statistics using the most recent 12-month period for which data is available. The adjustment for fees under this subsection shall be rounded to the nearest dollar (\$1.00), and the Commissioner shall publish any increase in fees under this subsection in the North Carolina Register and on the Department's website at least 60 days prior to any increase."

SECTION 1.(i) The Commissioner shall publish notice of the changes in fees created by this section in the North Carolina Register and on the Department's website no later than 30 days after the effective date of this act.

PART II. REGULATORY FLEXIBILITY MODIFICATIONS

SECTION 2.(a) G.S. 95-110.5(13) reads as rewritten:

"(13) To adopt, modify or revoke rules and regulations governing the qualifications of inspectors; inspectors. The Commissioner may waive or amend the American National Safety Standards from the American National Standards Institute as those standards relate to the qualifications of inspectors in this State if the Commissioner sets alternative standards that are reasonably equivalent, as determined by the Commissioner;"

SECTION 2.(b) G.S. 95-111.4(13) reads as rewritten:

"(13) To adopt, modify or revoke rules and regulations governing the qualifications of inspectors. The Commissioner may waive or amend the American National Safety Standards from the American National Standards Institute as those standards relate to the qualifications of inspectors in this State if the Commissioner sets alternative standards that are reasonably equivalent, as determined by the Commissioner."

PART III. MISCELLANEOUS

SECTION 3. The Department of Labor (Department) shall consult with the North Carolina Community College System to develop an in-house training and apprenticeship program (Program) for elevator inspectors. The Department shall utilize the Program to fill vacancies in receipt-supported inspector positions within the Elevator and Amusement Device Division of the Department.

PART IV. EFFECTIVE DATE

SECTION 4. This act is effective when it becomes law.