

**ADMINISTRATIVE RULES
FISCAL ESTIMATE AND
ECONOMIC IMPACT ANALYSIS**

Type of Estimate and Analysis

Original Updated Corrected

Administrative Rule Chapter, Title and Number

Chapter SPS 333

Subject

Passenger Ropeways

Fund Sources Affected

Chapter 20 , Stats. Appropriations Affected

GPR FED PRO PRS SEG SEG-S

Fiscal Effect of Implementing the Rule

No Fiscal Effect
 Indeterminate

Increase Existing Revenues
 Decrease Existing Revenues

Increase Costs
 Could Absorb Within Agency's Budget
 Decrease Costs

The Rule Will Impact the Following (Check All That Apply)

State's Economy

Local Government Units

Specific Businesses/Sectors

Public Utility Rate Payers

Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes No

Policy Problem Addressed by the Rule

Under the authority of s. 101.17, Stats., the Department of Safety and Professional Services has oversight of various mechanical devices and equipment, which includes ski lifts and tows, in order to protect public safety. The current rules of chapter SPS 333 require passenger ropeways to be designed, constructed, installed, maintained and operated in accordance with the 1999 edition of ANSI B77.1 standard Passenger Ropeways – Aerial Tramways, Aerial Lifts, Surface Lifts, Tows and Conveyors – Safety Requirements. The code was last updated in 2001. Since that time the ANSI standard has been revised twice, the 2011 being the current edition. The technical provisions of chapter SPS 333 are out of date and no longer reflect current national standards.

Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

The rules were developed with input from an advisory council that includes representatives of ski hill owners and operators. There are 50 existing ski/tubing facilities in the state operating approximately 200 passenger ropeway systems. Of the 50 existing facilities, a handful are municipally owned and usually involve a single ropeway system. Over the last 5 years, an average of 3 systems has been added or replaced existing systems across the state.

Two-thirds of the ski hill operations, involving about 130 passenger ropeway systems, are insured and inspected annually by third-party inspectors either employed or contracted by national insurance companies covering ski hill operations. It is the understanding of the department that the insurance company inspections are based upon the latest edition of the ANSI B77.1 standard.

The advisory council and the department believe that most of the existing passenger ropeway systems in the state currently comply with the retroactive design provisions of the latest ANSI B77.1 standards. If an existing passenger ropeway system would need to comply with the various retroactive requirements, the cost would depend upon the retroactive provisions involved and other variables including the type of passenger ropeway system, system manufacturer, the length of the system and the capacity of the system. Estimates, as provided by advisory council members, associated with the components of the various retroactive provisions are:

- communications, battery backup phone systems - \$200
- rollback devices and bullwheel brakes:
 - rollback detection device - \$2,800
 - automatic emergency hydraulic release system - \$1,500
 - electronics - \$1,000

Some ski areas may need to replace signage to conform to the latest ANSI standard requirements. The typical cost of a sign is about \$40. Signs are subject to weathering and most ski areas account for replacement in their operating budgets.

The department does not believe that the proposed rules will affect a significant number of existing ski hill operations.

Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The proposed rules referencing and adopting the 2011 edition of the ANSI B77.1 standard would provide a degree of protection for the safety of the people using passenger ropeways equivalent to that established by a national consensus model (standard). The latest ANSI standard is also used by manufacturers to design and construct passenger ropeways. Leaving the code to reference an out-of-date standard would potentially increase the risk to public safety by setting lower design, operational and maintenance thresholds in comparison to published engineering practices.

Long Range Implications of Implementing the Rule

No long range implications of implementing the rule are anticipated..

Compare With Approaches Being Used by Federal Government

There are no existing or proposed federal regulations that address the specific issues of this rule.

Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

An Internet search of the ski lift regulations for the states of Illinois, Iowa, Michigan and Minnesota indicated the following:

- Illinois adopts and references the 2006 edition of the ANSI 77.1 standard.
- Iowa does not have specific state standards for the design, construction, installation, maintenance or operation for passenger ropeways.
- Michigan adopts and references the 2006 edition of the ANSI 77.1 standard.
- Minnesota does not have any specific state standards for the design, construction, installation, maintenance or operation for passenger ropeways.

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