

# RULE REPORT

## Department of Commerce

Clearinghouse Rule No.: 07-086

Rule No.: Chapter Comm 34

Relating to: Amusement Rides

*Contact person for substantive questions:*

*Contact person for internal processing:*

Name James Quast

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Title Program Manager

Title Program Manager

Telephone Number (608) 266-9292

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1. Basis and purpose of the proposed rule.

The proposed rules will require an amusement ride owner to acquire and maintain liability insurance in order to operate rides in Wisconsin. The proposed rules also create safety field attachment or connection redundancy provisions for amusement rides where passengers donning harnesses are elevated. The department believes that the rules will promote public safety.

2. How the proposed rule advances relevant statutory goals or purposes.

Under the authority of s. 101.17, Stats., the Department of Commerce has oversight of various mechanical devices and equipment, which includes amusement rides, in order to protect public safety.

3. Changes to the rule analysis or fiscal estimate that was prepared for public hearing.

No substantive changes have occurred for the rule analysis or the fiscal estimate.

# FINAL REGULATORY FLEXIBILITY ANALYSIS

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Final regulatory flexibility analysis not required. (Statement of determination required.)

1. Reason for including or failing to include the following methods for reducing impact of the rule on small businesses: Less stringent compliance or reporting requirements; less stringent schedules or deadlines for compliance or reporting requirements; simplification of compliance or reporting requirements; establishment of performance standards to replace design or operational standards; exemption from any or all requirements.

The proposed rules under the Amusement Ride Code, chapter Comm 34, are intended to facilitate and promote safety for the patrons of amusement rides. The proposed liability insurance requirements were established to reflect the risks associated with the different types of rides. To create lesser safety standards or to waive safety standards on the basis whether the operation was a small business would be contrary to the statutory objective to protect public health and safety.

2. Issues raised by small businesses during hearings, changes in proposed rules as a result of comments by small businesses and reasons for rejecting any alternatives suggested by small businesses.

The department did not receive any comments on any of the issues in the proposed rules.

3. Nature and estimated cost of preparation of any reports by small businesses.

The proposed rules do not require the preparation of any new or additional reports.

4. Nature and estimated cost of other measures and investments required of small businesses.

All amusement ride owners would be required to obtain liability insurance under the proposed rules. The cost of the amusement ride insurance is dependent upon several variables including the size of the operation and the type of rides. An insurance source indicated that the cost for a million dollar policy could range between \$30,000 and \$100,000 annually. However, it is unknown how many of these owners and operators already are covered by insurance either voluntarily or to satisfy contractual obligations or other state regulations.

5. Additional cost to agency of administering or enforcing a rule which includes any of the methods in 1. for reducing impact on small businesses.

The administration and enforcement of the standards under the Amusement Ride Code, chapter Comm 34, are not varied based upon whether the operation is a small business.

6. Impact on public health, safety and welfare caused by including any of the methods in 1. for reducing impact on small businesses.

The administration and enforcement of the standards under the Amusement Ride Code, chapter Comm 34, are not varied based upon whether the operation is a small business.

# RESPONSE TO LEGISLATIVE COUNCIL CLEARINGHOUSE REPORT

## Department of Commerce

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Name: James Quast

Title: Program Manager

Telephone No. (608) 266-9292

Legislative Council report recommendations accepted in whole.

Yes

No

1. Review of statutory authority [s. 227.15(2)(a)]

a.  Accepted

b.  Accepted in part

c.  Rejected

d.  Comments attached

2. Review of rules for form, style and placement in administrative code [s. 227.15(2)(c)]

a.  Accepted

b.  Accepted in part

c.  Rejected

d.  Comments attached

*(Continued on reverse side)*

3. Review rules for conflict with or duplication of existing rules [s. 227.15(2)(d)]
- a.  Accepted
  - b.  Accepted in part
  - c.  Rejected
  - d.  Comments attached
4. Review rules for adequate references to related statutes, rules and forms [s. 227.15(2)(e)]
- a.  Accepted
  - b.  Accepted in part
  - c.  Rejected
  - d.  Comments attached
5. Review language of rules for clarity, grammar, punctuation and plainness [s. 227.15(2)(f)]
- a.  Accepted
  - b.  Accepted in part
  - c.  Rejected
  - d.  Comments attached
6. Review rules for potential conflicts with, and comparability to, related federal regulations [s. 227.15(2)(g)]
- a.  Accepted
  - b.  Accepted in part
  - c.  Rejected
  - d.  Comments attached
7. Review rules for permit action deadline [s. 227.15(2)(h)]
- a.  Accepted
  - b.  Accepted in part
  - c.  Rejected
  - d.  Comments attached

**COMMENTS ON LEGISLATIVE COUNCIL  
CLEARINGHOUSE REPORT**

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**3. Conflict With or Duplication of Existing Rules**

a. The proposed insurance coverage amounts to address risks would not correlate well with the present ride classification system. The department believes application of the rule can be accomplished using the common dictionary meanings.

b. According to the Revisor's office when Comm 34.04(2) (intro.) is renumbered, the subsequent paragraphs associated with the introduction are automatically renumbered to the appropriate subdivisions.

**4. Adequacy of References to Related Statutes, Rules and Forms**

b. The department does not believe that the suggested reference under s. Comm 34.04 (5) is necessary. The department will consider an application for registration incomplete if evidence of insurance is not provided. In such an instance the registration will not be processed until the information is provided such as the case if an application is accompanied by insufficient fees.