

Michigan Office of Administrative Hearings and Rules

Administrative Rules Division (ARD)

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**REGULATORY IMPACT STATEMENT
and COST-BENEFIT ANALYSIS (RIS)**

Agency Information:

Department name:

Licensing and Regulatory Affairs

Bureau name:

Bureau of Construction Codes

Name of person filling out RIS:

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Rule Set Information:

ARD assigned rule set number:

2024-39 LR

Title of proposed rule set:

Ski Area Safety – General Rules

Comparison of Rule(s) to Federal/State/Association Standard

1. Compare the proposed rules to parallel federal rules or standards set by a state or national licensing agency or accreditation association, if any exist.

The proposed rules do not parallel federal rules or standards set by the state or national licensing agency, but R 408.65 currently adopts the 2017 edition of the American National Standard (ANSI), B77.1. This rule is being revised to adopt the 2022 edition, entitled “American National Standard for Passenger Ropeways – Aerial Tramways, Aerial Lifts, Surface Lifts, Tows and Conveyors – Safety Standard”.

A. Are these rules required by state law or federal mandate?

There are no federal requirements or regulations governing ski area safety. These rules are mandated by state law under the authority of the Michigan Ski Area Safety Act, 1962 PA 199, MCL 408.326. However, as of July 18, 2024, authority under MCL 408.323 was transferred through Executive Reorganization No. 2024-5. The department now holds the authority to promulgate rules related to the safe construction, installation, repair, operation, maintenance, and inspection of all ski areas and ski lifts.

B. If these rules exceed a federal standard, please identify the federal standard or citation, describe why it is necessary that the proposed rules exceed the federal standard or law, and specify the costs and benefits arising out of the deviation.

The proposed rules do not exceed any federal standard or law.

2. Compare the proposed rules to standards in similarly situated states, based on geographic location, topography, natural resources, commonalities, or economic similarities.

There are 21 states with ski area or passenger tramway regulatory programs. The bureau compared the following proposed rules to standards in similarly situated states (Colorado, Vermont, and New York), based on similar industry size, and regulatory scope:

Colorado

– Code of Colorado Regulations, 3 CCR 718-1, section 23.1, “Passenger Tramway Incidents,” and section 1.2.4.1, “Existing installations.”

Vermont – Code of Vermont Rules, CVR 24-060-001, “Tramway Safety Rules,” section 2.03, “Department notification requirements,” and section 3.04, “Acceptance and dynamic testing.”

New York–N.Y. Comp. Codes R. & Regs. Tit. 12 § 54.5 - Responsibilities of ski area operators, Section 19-103.

R 408.75 Inspection and test of system initially and recurring. - The bureau compared Colorado’s 3 CCR 718.-1, Section 23.1 to Vermont’s CVR 24-060-001, Section 2.04. After further discussion, the bureau retained elements of both improved clarity and reporting standards to ensure better safety outcomes.

R 408. 76 Requirements for lifts not operated for 24 months - The bureau is adding rule 76 to explicitly require an inspection of ski lifts not operated 24 months before they are returned to service. This requirement is being added to align with the Michigan ski area safety act of 1962, MCL 408.332, which authorizes the department to inspect and permit devices prior to operation to ensure public safety. Comparable standards exist in Colorado, section 1.2.4.1. In Vermont comparable standards exist in section 3.04(a).

R 408.90 Ski lift accident or breakdown; report; securing scene of accident – Rule 90 reinstates a previously rescinded Michigan rule to address compliance gaps. Comparable standards exist in Colorado, section 2.1.1.1 and 2.1.1.2, and Vermont, section 3.04. While these states have similar rules, Michigan intentionally returned to its former language due to its clarity and applicability, making it more effective for operators in practice.

Regarding accident breakdown reporting in R 408.90, the bureau compared its proposed rule to those in Colorado, Vermont, and New York due to their similar industry scale and terrain. Vermont’s definition of “serious injury” was adopted for its precision and industry support. While New York was referenced, it lacked a clear definition of injury and did not include robust reporting requirements for mechanical failures. Michigan’s longstanding practice – over 60 years – of using incident reporting as an educational tool sets it apart in fostering industry-wide learning and prevention.

R 408.95 Portable rope tow – Rule 95 is unique to Michigan and has no direct parallel in other states. It was created in collaboration with industry stakeholders to better regulate the use of portable rope tows without imposing burdensome permitting and inspection requirements. This rule provides a practical solution that balances innovation and safety.

The bureau’s approach respects regional standards while improving clarity, safety, and operational practicality in line with similarly situated states.

A. If the rules exceed standards in those states, please explain why and specify the costs and benefits arising out of the deviation.

The proposed rules generally do not exceed other states’ standards. Yes, Michigan’s proposed rules exceed those in Colorado, Vermont, and New York in key areas - especially regarding portable rope tows, accident reporting, and mechanical failure definitions. These deviations were intentional to improve safety, clarity, and regulatory consistency.

3. Identify any laws, rules, and other legal requirements that may duplicate, overlap, or conflict with the proposed rules.

The bureau coordinated with the Michigan Department of Natural Resources (DNR) regarding R 408.62 Motorized vehicle use policy. The Michigan DNR regulates under the natural resources and environmental protection act 1994 PA 451, MCL 324.82126; therefore, R 408.62 is being rescinded due to eliminating duplication and lack of authority.

A. Explain how the rules have been coordinated, to the extent practicable, with other federal, state, and local laws applicable to the same activity or subject matter. This section should include a discussion of the efforts undertaken by the agency to avoid or minimize duplication.

The proposed rules have been coordinated to be in compliance with the ANSI standard, B77.1 – 2022 entitled “American National Standard for Passenger Ropeways – Aerial Tramways, Aerial Lifts, Surface Lifts, Tows and Conveyors – Safety Standard,” replacing the previous version published in 2017 to ensure the safety of the skiing public. The Bureau coordinated with the Michigan DNR regarding R 408.62 Motorized vehicle use policy. The Michigan DNR regulates under the natural resources and environmental protection act 1994 PA 451, MCL 324.82126; therefore, R 408.62 is being rescinded due to eliminating duplication and lack of authority.

Purpose and Objectives of the Rule(s)

4. Identify the behavior and frequency of behavior that the proposed rules are designed to alter.

The rules currently adopt the 2017 edition of the ANSI standard, B77.1. The proposed rules are being revised to adopt the 2022 edition of the standard, which is the most current edition of this standard. The proposed rules enhance regulatory oversight over ski area operators by mandating compliance with the industry’s best practices, as promulgated in recent ANSI standard.

R 408.75 intention is to improve clarity and reporting standards to ensure better safety outcomes through inspections and test of systems initially and recurring.

R 408. 76 Requirements for lifts not operated for 24 months explicitly require an inspection of ski lifts not operated 24 months before they are returned to service. This requirement is being added to align with the Michigan ski area safety act of 1962, MCL 408.332, which authorizes the department to inspect and permit devices prior to operation to ensure public safety.

R 408.90 aims to increase the frequency of incident and component failure reporting. The current rule already requires comprehensive reporting, however ambiguity in the old rule has led to minimal reporting on both fronts. The new rule creates clear requirements for operators while also narrowing the scope of inquiry.

R 408.95 intention is to allow operators freedom to use portable rope tows (a new technology) in a safe way. While reducing the number of permits an operator is required to file in any given season. The rule separates the relocation of a device designed to be relocated from modification permit requirements.

A. Estimate the change in the frequency of the targeted behavior expected from the proposed rules.

The proposed changes to R 408.75 are intended to improve clarity and reporting standards, with the goal of increasing the frequency and consistency of initial and recurring inspections and system testing to ensure better safety outcomes.

The proposed change in R 408.76 introduces a requirement that ski lifts not operated for 24 consecutive months must undergo an inspection before being returned to service. This change is intended to increase the frequency of safety inspections for long-idle lifts and aligns with the Michigan Ski Area Safety Act of 1962 (MCL 408.332), which authorizes the department to inspect and permit devices prior to operation to ensure public safety.

While the changes to R 408.90 are intended to increase the targeted behavior, accurate numbers are not available to generate an estimate which speaks to the issue the new rule is intended to address.

In addition, changes to R 408.95 are intended to reduce the frequency of permit filing and inspection. As this is new technology the frequency of relocation in a given season is not known to the department. Devices will continue to be inspected annually, but an operator will be allowed to relocate devices within their property without the requirement of additional permits, which will reduce regulatory burdens for the operators.

B. Describe the difference between current behavior/practice and desired behavior/practice.

The rules currently adopt the 2017 edition of the ANSI standard, B77.1. The proposed rules are being revised to adopt the 2022 edition of the standard, which is the most current edition of this standard. The proposed rules enhance regulatory oversight over ski area operators by mandating compliance with the industry's best practices, as promulgated in recent ANSI standard.

The proposed changes to R 408.75 aim to improve clarity and strengthen reporting standards by requiring more consistent initial and recurring inspections and testing of systems. The shift from current practices to the desired behavior is intended to enhance safety outcomes by ensuring that inspections are clearly defined, regularly conducted, and properly documented.

The proposed change to R 408.76 establishes a requirement that ski lifts not operated for 24 consecutive months must undergo an inspection before being returned to service. This represents a shift from current practice, where such inspections may not have been explicitly required. The change aligns with the Michigan Ski Area Safety Act of 1962 (MCL 408.332), which authorizes the department to inspect and permit devices prior to operation to ensure public safety.

Currently most operators report incidents and component failures only when prompted at a rate of less than 10 reports annually. The proposed changes in R 408.90 aim to increase this behavior to include all reportable injuries and component failures. The intent being to use reports as educational tools to prevent one operator's close call from becoming another operator's tragedy.

Currently operators are required to file a modification permit any time a rope tow is modified which includes a device's relocation. The desired outcome in R 408.95 is intended to reduce the frequency of modification permit filing and inspection in the case of rope tows that are designed to be relocated (portable rope tows).

C. What is the desired outcome?

The desired outcome of adopting the rules is for Michigan ski area owners to protect the health, safety, and welfare of the public by remaining current with industry's best practices, as codified by the ANSI B77.1-2022 standard. Another desired outcome is enhanced regulation practices through inspection and testing practices and incident reporting by rule amendments and additions.

5. Identify the harm resulting from the behavior that the proposed rules are designed to alter and the likelihood that the harm will occur in the absence of the rule.

The proposed rules are intended to protect persons enjoying ski areas by mandating compliance with industry best practices concerning the operation of passenger ropeways, including chair lifts, tow ropes, and similar devices. The absence of these rules and the adopted standard would significantly increase the possibility of injuries to the skiing public.

A. What is the rationale for changing the rules instead of leaving them as currently written?

The rationale for changing the proposed rules and not leaving them as written is to update the rules and bring Michigan in line with the industry's best practices as codified in the most recent ANSI standard, as well as to prevent future incidents involving people enjoying ski area facilities.

6. Describe how the proposed rules protect the health, safety, and welfare of Michigan citizens while promoting a regulatory environment in Michigan that is the least burdensome alternative for those required to comply.

In the proposed rules, R 480.65 currently adopts the 2017 edition of the ANSI standard, B77.1 and this rule is being revised to adopt the 2022 edition of the standard, which is the most current edition of this standard. The proposed rules enhance regulatory oversight over ski area operators by mandating compliance with the industry's best practices, as promulgated in recent ANSI standard. These practices ensure customer safety, which is important to maintain a welcoming and safe environment for patrons, which is important to tourism as an industry.

7. Describe any rules in the affected rule set that are obsolete or unnecessary and can be rescinded.

The bureau coordinated with the Michigan DNR regarding R 408.62 Motorized vehicle use policy. The Michigan DNR regulates under the natural resources and environmental protection act 1994 PA 451, MCL 324. 82126; therefore, R 408.62 is being rescinded due to eliminating duplication and lack of authority.

Fiscal Impact on the Agency

Fiscal impact is an increase or decrease in expenditures from the current level of expenditures, i.e. hiring additional staff, higher contract costs, programming costs, changes in reimbursements rates, etc. over and above what is currently expended for that function. It does not include more intangible costs for benefits, such as opportunity costs, the value of time saved or lost, etc., unless those issues result in a measurable impact on expenditures.

8. Please provide the fiscal impact on the agency (an estimate of the cost of rule imposition or potential savings for the agency promulgating the rule).

The proposed rules will not have a fiscal impact on the bureau. Inspectors are already required to travel to areas and inspect devices at a minimum of twice per year. The proposed rules simply define a portion of the scope of those inspections. Witnessing a 7-year load test will constitute a preliminary inspection for that device that year. Something the bureau already must do. Verifying the function of braking and rollback prevention systems will be a portion of the annual preliminary inspection that the bureau already does as a matter of policy. Adding it to the rule set is meant to increase public awareness of the procedure and decrease the push back inspectors receive from a small number of operators.

9. Describe whether or not an agency appropriation has been made or a funding source provided for any expenditures associated with the proposed rules.

There has been no agency appropriation made for any expenditures associated with the proposed rules; however, public act 2024 PA 121 is an agency appropriation, which funds the continuous operation of the ski safety program.

10. Describe how the proposed rules are necessary and suitable to accomplish their purpose, in relationship to the burden(s) the rules place on individuals. Burdens may include fiscal or administrative burdens, or duplicative acts.

The proposed rules are necessary and suitable to accomplish their purpose to mandate ski area operators' compliance with industry best practices, as promulgated in the 2022 ANSI B77.1 standard that is being adopted by reference in the proposed rules. The proposed rules will not result in additional fiscal burden for any of the involved parties. The purpose of adopting the most current version of ANSI B77.1 is to alleviate a current burden created by an error in the 2017 version, which has led to constant modification requests.

A. Despite the identified burden(s), identify how the requirements in the rules are still needed and reasonable compared to the burdens.

The proposed rules will not result in additional fiscal burden for any of the involved parties. The purpose of adopting the most current version of ANSI B77.1 is to alleviate a current burden created by an error in the 2017 version, which has led to constant modification requests.

Impact on Other State or Local Governmental Units

11. Estimate any increase or decrease in revenues to other state or local governmental units (i.e. cities, counties, school districts) as a result of the rule. Estimate the cost increases or reductions for other state or local governmental units (i.e. cities, counties, school districts) as a result of the rule. Include the cost of equipment, supplies, labor, and increased administrative costs in both the initial imposition of the rule and any ongoing monitoring.

The proposed rules do not affect state or local government revenues or costs.

12. Discuss any program, service, duty, or responsibility imposed upon any city, county, town, village, or school district by the rules.

The proposed rules do not impose any duty or responsibility on any city, town, village, or school district beyond what is already required by law and industry standards.

The act already mandates that devices be inspected and permitted prior to initial operation. The proposed rules clarify the scope of those inspections but do not create new obligations.

Additionally, ANSI B77.1, which is already followed by operators, including municipal entities, requires them to employ or retain qualified personnel for maintenance and testing. The proposed rules align with those standards and do not add new responsibilities at the local government level.

A. Describe any actions that governmental units must take to be in compliance with the rules. This section should include items such as record keeping and reporting requirements or changing operational practices.

The proposed rules do not require any additional or new responsibilities on behalf of government units to be in continued compliance with the rule beyond what is already required by law and industry standards.

The act already mandates that devices be inspected and permitted prior to initial operation. The proposed rules clarify the scope of those inspections but do not create new obligations.

Additionally, ANSI B77.1, which is already followed by operators, including municipal entities, requires them to employ or retain qualified personnel for maintenance and testing. The proposed rules align with those standards and do not add new responsibilities at the local government level.

13. Describe whether or not an appropriation to state or local governmental units has been made or a funding source provided for any additional expenditures associated with the proposed rules.

No, the proposed rules do not require any additional funds for state or local governmental units.

No new staff or inspectors will be required, and there are no added salary or benefit costs. The rules changes are expected to increase public awareness and reduce resistance from operators, while streamlining enforcement without raising operational expenses.

The proposed rules will not result in additional fiscal burden for any of the involved parties. The purpose of adopting the most current version of ANSI B77.1 is to alleviate a current burden created by an error in the 2017 version, which has led to constant modification requests.

Rural Impact

14. In general, what impact will the rules have on rural areas?

The proposed rules apply throughout Michigan. Ski areas are located in relatively rural areas, the proposed rules will have no direct impact on rural areas. The proposed rules are necessary to protect the health and safety of patrons visiting rural ski areas.

A. Describe the types of public or private interests in rural areas that will be affected by the rules.

The proposed rules do not have any impact on public or private interests in rural areas. These proposed changes are designed to clarify and simplify existing requirements, not introduce new ones.

For example, R 408.75 requires operators to coordinate with bureau inspectors to witness a 7-year load test. However, these tests are already mandated under ANSI B77.1. This rule change simply ensures the bureau can verify that the required testing is actually being completed, without placing new burdens on rural operators.

Environmental Impact

15. Do the proposed rules have any impact on the environment? If yes, please explain.

The proposed rules focus on safe administration of ski areas and will have little, if any, impact on the environment.

Small Business Impact Statement

16. Describe whether and how the agency considered exempting small businesses from the proposed rules.

While ski areas in Michigan – other than those owned and operated by a municipality – may be considered small businesses they can't be exempt from the rules because the ski area safety act requires the promulgation of rules for the safe construction, installation, repair, use, operation, maintenance, and inspection of all ski areas and ski lifts, MCL 408.326.

17. If small businesses are not exempt, describe (a) the manner in which the agency reduced the economic impact of the proposed rules on small businesses, including a detailed recitation of the efforts of the agency to comply with the mandate to reduce the disproportionate impact of the rules upon small businesses as described below (in accordance with MCL 24.240(1)(a-d)), or (b) the reasons such a reduction was not lawful or feasible.

The bureau provides rules for the inspection, licensing, and regulation of ski areas and ski lifts and protects the safety of skiers, spectators, and the public using ski areas, as well as to prescribe the duties of skiers and ski area operators according to the provisions of the Ski Area Safety Act of 1962. Under the law, the bureau has exclusive jurisdiction for administering and enforcing the installation, repair, use operation, maintenance, and inspection of all ski areas and ski lifts throughout the state of Michigan that covers most private-sector ski areas and operators. As a result, the bureau is unable to exempt small businesses from the proposed rules. The bureau does not anticipate small businesses to be adversely affected by the proposed rule changes.

A. Identify and estimate the number of small businesses affected by the proposed rules and the probable effect on small businesses.

The Ski Area Safety – General rules provide duties of ski area operators. The proposed rules affect 43 ski areas. The proposed rules reference the latest ANSI standard, but the bureau does not anticipate small businesses to be adversely affected by the proposed rule changes.

B. Describe how the agency established differing compliance or reporting requirements or timetables for small businesses under the rules after projecting the required reporting, record-keeping, and other administrative costs.

The bureau did not establish differing compliance or reporting requirements or timetables for small businesses under the proposed rules because the bureau simplified and reduced reporting requirements for all businesses.

C. Describe how the agency consolidated or simplified the compliance and reporting requirements for small businesses and identify the skills necessary to comply with the reporting requirements.

The bureau consolidated and simplified reporting requirements by replacing ambiguous language with specific requirements outlining exactly which mechanical failures are of public interest. For example, over 25 percent of the incident reports files for the 24/25 ski season would not have met the reporting requirements of the proposed rule.

Necessary skills include the ability to write or type and an understanding of ski lift components and terminology.

D. Describe how the agency established performance standards to replace design or operation standards required by the proposed rules.

There are no design or operation standards in the proposed rule changes.

18. Identify any disproportionate impact the proposed rules may have on small businesses because of their size or geographic location.

The proposed rule changes have no disproportionate impact on small businesses because of their size or geographic location.

19. Identify the nature of any report and the estimated cost of its preparation by small businesses required to comply with the proposed rules.

R 408.90 requires the reporting of an incident on a department form in which an individual is seriously injured or killed resulting from the operation of a ski lift. It is estimated the filling out of the form and reporting to the department would take about one hour per incident at a cost of less than \$50 per incident.

20. Analyze the costs of compliance for all small businesses affected by the proposed rules, including costs of equipment, supplies, labor, and increased administrative costs.

The proposed rules reference the latest ANSI standard. Small businesses may anticipate a cost of up to \$400 to obtain the newly adopted standard. It is important to note that this issue was not raised as a concern during our public advisory meeting.

21. Identify the nature and estimated cost of any legal, consulting, or accounting services that small businesses would incur in complying with the proposed rules.

There are no legal, consulting, or accounting services costs that small businesses would incur in complying with the proposed rule changes.

22. Estimate the ability of small businesses to absorb the costs without suffering economic harm and without adversely affecting competition in the marketplace.

Ski areas that are small businesses are accustomed to the safety and operational standard in the ANSI B77.1 standard. The cost of compliance is anticipated to be negligible beyond normal operational costs and will not adversely affect the competitive ability of small businesses.

23. Estimate the cost, if any, to the agency of administering or enforcing a rule that exempts or sets lesser standards for compliance by small businesses.

There is no additional cost to the bureau for administering or enforcing the proposed rules in relation to small businesses. The proposed rules do not include exemptions or reduced standards for small operators, as uniform safety compliance is essential across the industry, regardless of size.

24. Identify the impact on the public interest of exempting or setting lesser standards of compliance for small businesses.

While ski areas in Michigan – other than those owned and operated by a municipality – may be considered a small business they can't be exempt from the rules because the ski area safety act requires the promulgation of rules for the safe construction, installation, repair, use, operation, maintenance, and inspection of all ski areas and ski lifts, MCL 408.326.

25. Describe whether and how the agency has involved small businesses in the development of the proposed rules.

The bureau provided an opportunity for all small businesses to submit code proposals to recommend changes to the rules and/or amendments to the ANSI standard proposed to be adopted. The bureau also engaged small businesses by notifying ski areas of a public advisory meeting at which small businesses were able to discuss changes and make comments on the proposed rules.

A. If small businesses were involved in the development of the rules, please identify the business(es).

Small business participation in the proposed rules include ski areas from the following: Caberfae Peaks, Swiss Valley, and Michigan Ski Industry Association.

Cost-Benefit Analysis of Rules (independent of statutory impact)

26. Estimate the actual statewide compliance costs of the rule amendments on businesses or groups.

In the proposed rules, R 408.65 requires a person to construct, install, and operate a ski lift as prescribed in ANSI B77.1-2022. In order to follow ANSI B77.1-2022 when constructing, installing, and operating a ski lift, a person may have to purchase a copy of the standard at the cost of approximately \$400. Including the 43 ski areas, the statewide compliance cost is \$17,200.

A. Identify the businesses or groups who will be directly affected by, bear the cost of, or directly benefit from the proposed rules.

The proposed rules affect 43 ski areas. The proposed rules reference the latest ANSI standard B77.1. Small businesses may anticipate a cost of up to \$400 to obtain the newly adopted standard. It is important to note that this issue was not raised as a concern during our public advisory meeting.

B. What additional costs will be imposed on businesses and other groups as a result of these proposed rules (i.e. new equipment, supplies, labor, accounting, or recordkeeping)? Please identify the types and number of businesses and groups. Be sure to quantify how each entity will be affected.

The proposed rules reference the latest ANSI standard. Small businesses may anticipate a cost of up to \$400 to obtain the newly adopted standard. It is important to note that this issue was not raised as a concern during our public advisory meeting.

27. Estimate the actual statewide compliance costs of the proposed rules on individuals (regulated individuals or the public). Include the costs of education, training, application fees, examination fees, license fees, new equipment, supplies, labor, accounting, or recordkeeping.

Ski area operators will be required to purchase the updated standard for approximately \$400. Including the 43 ski areas, the statewide compliance cost is \$17,200.

A. How many and what category of individuals will be affected by the rules?

The proposed rules will affect ski lift operators at the 43 Michigan ski areas along with the thousands of skiers. The bureau does not have a reliable figure for exact number of skiers, but the Michigan Snowsports Industries Association figured a total skier visits in 2022 at 2.2 million.

B. What qualitative and quantitative impact do the proposed changes in rules have on these individuals?

The intended qualitative impact is a safe and enjoyable ski season for Michigan residents and tourist skiers. Accurate quantitative figures are not available at this time. The department has attempted to address the lack of quantitative data through the adoption of clearer reporting standards in R 408.90.

28. Quantify any cost reductions to businesses, individuals, groups of individuals, or governmental units as a result of the proposed rules.

There are no cost reductions to businesses, individuals, groups of individuals, or governmental units as a result of the proposed rule changes. The proposed rules reference the latest ANSI standard. Small businesses may anticipate a cost of up to \$400 to obtain the newly adopted standard. It is important to note that this issue was not raised as a concern during our public advisory meeting.

29. Estimate the primary and direct benefits and any secondary or indirect benefits of the proposed rules. Please provide both quantitative and qualitative information, as well as your assumptions.

The proposed rules will provide greater clarity to the general rules and an increase in safety for the citizens of the State of Michigan and its visitors.

30. Explain how the proposed rules will impact business growth and job creation (or elimination) in Michigan.

The proposed rules will not impact business growth or job creation in Michigan.

31. Identify any individuals or businesses who will be disproportionately affected by the rules as a result of their industrial sector, segment of the public, business size, or geographic location.

The bureau does not expect any individuals or businesses to be disproportionately affected by the proposed rules. The proposed rules do not include exemptions or reduced standards for any individuals or businesses as uniform safety compliance is essential across the industry, regardless of their industrial sector, segment of the public, business size, or geographic location. The proposed rules are designed to affect the snowsports category of the seasonal recreation industry sector in a uniform way.

32. Identify the sources the agency relied upon in compiling the regulatory impact statement, including the methodology utilized in determining the existence and extent of the impact of the proposed rules and a cost-benefit analysis of the proposed rules.

The proposed rules reference the latest ANSI standard. Small businesses may anticipate a cost of up to \$400 to obtain the newly adopted standard. The bureau relied on the ski area safety board and stakeholders when determining the existence and extent of the impact of the proposed rules. It is important to note that this issue was not raised as a concern during our public advisory meeting.

The bureau also compared the following proposed rules to standards in similarly situated states (Colorado, Vermont, and New York), based on similar industry size, and regulatory scope:

Colorado

– Code of Colorado Regulations, 3 CCR 718-1, section 23.1, “Passenger Tramway Incidents,” and section 1.2.4.1, “Existing installations.”

Website: <https://www.sos.state.co.us/CCR/GenerateRulePdf.do?ruleVersionId=5966&fileName=3%20CCR%20718-1>

Vermont – Code of Vermont Rules, CVR 24-060-001, “Tramway Safety Rules,” section 2.03, “Department notification requirements,” and section 3.04, “Acceptance and dynamic testing.”

Website: <https://advance.lexis.com/documentpage/?pdmfid=1000516&crd=70e6a131-f7e1-4649-a409-169f7ed13b5d&config=00JAA3YmIxY2M5OC0zYmJlTQ4ZjMtYjY3Yi02ODZhMTViYWUzMmEKAFBvZENhdGFsb2dfKuGXoJFNHkuKZG9Oqaal&pddocfullpath=%2fshared%2fdocument%2fadministrative-codes%2furn%3acontentItem%3a6BN0-PSY3-S736-717D-00008-00&pdcontentcomponentid=234125&pdteaserkey=sr0&pditab=allpods&ecomp=6s65kkk&earg=sr0&prid=a652d63f-e279-4828-9aca-a46abc184ee4>

New York–N.Y. Comp. Codes R. & Regs. Tit. 12 § 54.5 - Responsibilities of ski area operators, Section 19-103.

Website: <https://www.law.cornell.edu/regulations/new-york/12-NYCRR-54.5>

The bureau’s approach respects regional standards while improving clarity, safety, and operational practicality in line with similarly situated states.

A. How were estimates made, and what were your assumptions? Include internal and external sources, published reports, information provided by associations or organizations, etc., that demonstrate a need for the proposed rules.

A demonstration of how estimates were made include the proposed changes in R 408.95. The changes are intended to curb the cost of burdensome regulation to both the operator and the department by removing redundant inspection and filing fees. Saving the operator \$10 per instance of portable rope tow relocation as well as saving the department a minimum of \$79 and a maximum of \$700 per instance.

The bureau also relied on the ski area safety board commission and stakeholders when determining the existence and extent of the impact of the proposed rules. Participation in the proposed rules at the public advisory meeting including representatives from the following: Caberfae Peaks, Swiss Valley, and Michigan Ski Industry Association.

Alternative to Regulation

33. Identify any reasonable alternatives to the proposed rules that would achieve the same or similar goals.

No reasonable alternatives to the proposed rules have been identified that would achieve the same or similar goals.

A. Please include any statutory amendments that may be necessary to achieve such alternatives.

There are no statutory amendments that may be necessary to achieve such alternatives in the proposed rules.

34. Discuss the feasibility of establishing a regulatory program similar to that proposed in the rules that would operate through private market-based mechanisms. Please include a discussion of private market-based systems utilized by other states.

The bureau is unaware of similar programs or private market-based systems in other states. There is no way to establish a program similar to what the rules establish that would operate solely through a private market-based mechanism.

35. Discuss all significant alternatives the agency considered during rule development and why they were not incorporated into the rules. This section should include ideas considered both during internal discussions and discussions with stakeholders, affected parties, or advisory groups.

There were no significant alternatives presented for the bureau to consider.

Additional Information

36. As required by MCL 24.245b(1)(c), please describe any instructions regarding the method of complying with the rules, if applicable.

There are no instructions regarding the method of complying with the proposed rules.