



Ski Tramway Board Occupational Licensing Board Review House State & Local Government Committee June 26, 2019

Chair Wiggam, Vice Chair Ginter, Ranking Member Kelly, and members of the House State and Local Government Committee, my name is Aaron Johnston and I am here today to provide information on the Ski Tramway Board.

The Ski Tramway Board ("Board") was established in 1981 (then called the Safety in Skiing Board) with the primary purpose of protecting the public's safety by establishing a registration and inspection program for ski areas operating passenger tramways in Ohio. The three-member board regulates the construction, maintenance, mechanical operation, and inspection of passenger tramways that are associated with ski areas, and also registers operators of passenger tramways. In coordination with the Ohio Department of Commerce's Division of Industrial Compliance ("Division"), the Board also investigates and inspects complaints, accidents, possible violations of its rules, and any reported passenger tramway condition that endangers public safety.

The Board does not have a dedicated budget or staff. Instead, to increase efficiency and reduce costs, the Division provides staff and support to the Board, and the expenses and revenues for the Board's program are included in the Division's budget and funds. Currently, five Division staff members assist the Board in its duties, and approximately fifty Division staff hours are dedicated each year to this assistance.

Over the past three years, the average yearly revenue from passenger tramway registration fees was \$7,225.00. As for expenses, board members are reimbursed for actual and necessary expenses as well receive a stipend of \$250 for each meeting attended. These expenses average \$1,266.45 annually. The Board expects the yearly revenue and expenses for the 2019 calendar year to be consistent with the average of the past three years.

In addition to adopting rules related to the construction and operation of passenger tramways, the Board requires passenger tramway operators to register with the Board, but the Board does not issue any occupational licenses. An operator of a passenger tramway is required to annually register with the Board by paying the registration fee (between \$50 and \$750 depending on the type of passenger tramway being operated) and providing identifying information about the tramway that is intended to be used. The operator is not the specific person who is at the controls of the tramway, but the responsible entity. Additionally, each registration is associated with a specific passenger tramway and does not generally allow an individual to perform an occupation. Instead, each registration permits a specific passenger tramway to be put into operation by a specific operator, which is almost exclusively a business.

Other states differ greatly in how they regulate passenger tramways or if they regulate passenger tramways at all. Some states do not have ski resorts and, accordingly, do not have passenger tramway regulations. Even the states that do have at least one operating ski resort can differ

greatly in how they allow passenger tramways to be regulated. Generally, the states with more restrictive regulations tend to have a higher number of ski resorts and/or passenger tramways that transport passengers longer distances and higher altitudes. Among the states that have at least one operating ski resort, Ohio's regulatory system is neither the least restrictive nor most restrictive. Other less restrictive manners in which other states regulate passenger tramways include:

- 1) No statutory or regulatory codes - These states rely on the ski resorts' insurers, the federal government (such as when a ski resort is on National Forest Service land), or the private market to protect the public. A state may choose this lack of state regulation when the insurers' requirements, standards, and oversight exceed those of the state; which is most likely the case in Ohio.
- 2) Private cause of action/enforcement - These states place legal requirements on passenger tramways/ski resorts, but the only remedy for a violation is a civil cause of action by the impacted individual. In these states, there is no state body that enforces these laws.

It should be noted that any changes to eliminate or consolidate the functions currently performed by the Board would require a statutory change and cannot be made solely through an action taken by the Board.

In regard to rule adoption, the Board has adopted rules in a manner that is consistent with its legislative mandate as expressed in section 4169.02 of the Revised Code. The construction standard adopted by the Board for passenger tramways is the national standard and is universal in the United States. It is universal in that it is required by state law, manufacturer requirements, federal requirements, and insurance company policies. This means that it is not an economic burden specific to Ohio ski resorts. Similarly, the requirement of an annual inspection in the Board's rules also does not inhibit economic growth of regulated parties, as all or almost all insurers of ski resorts already require and perform such inspections for coverage. To illustrate this point, all eight of the ski resorts currently registered to operate passenger tramways in Ohio are inspected at least once per year by their own insurance company's inspectors, not the State's.

In summary, the Ski Tramway Board is not believed to have inhibited economic growth, reduced efficiency in government, or impact the ability of individuals seeking to enter an occupation or profession. This is because the Board does not issue an occupational license given that there are no personal qualification requirements to obtain a passenger tramway registration certificate. Furthermore, the Board is fulfilling the purposes for which it was created: protecting public safety in ski areas where passenger tramways are used.

Mr. Chairman and members of the committee, thank you for the opportunity to present information on this board, and I would be happy to answer any questions you may have.