



## **Economic Impact Analysis Virginia Department of Planning and Budget**

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### **13 VAC 5-31 – Virginia Amusement Device Regulations**

#### **Department of Housing and Community Development**

October 4, 2004

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The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.G of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.G requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. The analysis presented below represents DPB's best estimate of these economic impacts.

### **Summary of the Proposed Regulation**

The General Assembly mandates in §36-98.3 of the Code of Virginia that the Virginia Board of Housing and Community Development promulgate regulations pertaining to the construction, maintenance, operation, and inspection of amusement devices. The Code of Virginia defines an amusement device as (i) a device or structure open to the public by which persons are conveyed or moved in an unusual manner for diversion, and (ii) passenger tramways

The proposed regulation updates standards incorporated by reference for the construction and operation of amusement devices. Standards for typical amusement devices written by the American Society for Testing Materials (ASTM) and standards for passenger tramways written by the American National Standards Institute (ANSI) are incorporated by reference into Virginia's amusement device regulations. At the time of drafting the proposed regulation, the ANSI standard and two of the ASTM standards incorporated by reference had newer versions.

The proposed regulation updates the existing regulation to incorporate by reference the newer version of these standards.

The proposed regulation also updates the reference to the Uniform Statewide Building Code (USBC) and makes a few other clarifying changes.

## **Estimated Economic Impact**

The proposed regulation updates the ASTM and ANSI standards incorporated by reference. The ASTM standard practice for design and manufacture of amusement rides and devices has been updated to include artificial climbing walls and air-supported structures. In addition, the ASTM standard practice for an amusement ride and device manufacturer quality assurance program has been updated. The ANSI requirements relating to passenger ropeways (i.e., aerial tramways, aerial lifts, surface lifts, and tows and conveyors) have also been updated. The proposed regulation incorporates by reference newer versions of these standards and requirements.

According to the Department of Housing and Community Development (DHCD), a review of the new standards did not indicate any substantive changes.

The scope of the ASTM standard practice for design and manufacture of amusement rides and devices now specifically includes artificial climbing walls and air-supported structures. However, according to DHCD, there appear to be no changes in the text itself that would require additional safeguards for artificial climbing walls or air-supported structures. The agency believes that existing policy is meant to cover these types of devices, but there has been some confusion in this regard. The newer version of the ASTM standard clarifies that artificial climbing walls and air-supported structures fall within the scope of these standards. The agency believes that most localities are already enforcing these standards as they apply to artificial climbing walls and air-supported structures. Moreover, due to insurance costs and liability concerns a majority of owners and operators of such devices are already meeting these standards. Thus, updating to the newer version is not likely to require any substantive changes to current practice.

The ASTM standard practice for an amusement ride and device manufacturer quality assurance program has been updated. The scope of these standards has been broadened to

specifically include the manufacture of amusement rides and devices (including major modifications). The ANSI requirements relating to passenger ropeways (aerial tramways, aerial lifts, surface lifts, and tows and conveyors) have also been updated. However, according to DHCD, a preliminary review of the new standards did not indicate any substantive changes.

The proposed regulation also updates references to the USBC and makes a few other clarifying changes. The existing USBC is being repealed and a new regulation is being promulgated in its place. The reference to the USBC in the proposed regulation is updated to reflect this change. The USBC is referenced in the Virginia amusement device regulations in the context of the administration and enforcement of these regulations. The USBC is also referenced in the context of the general requirements for gravity rides. Specifically, when loading or unloading platforms are elevated more than 30 inches, guardrails conforming to the USBC are to be provided. Finally, to the extent that they are not superseded by the Virginia amusement device regulations, provisions of the USBC are to apply to amusement devices. According to DHCD, there are seven substantive changes between the new and old versions of the USBC. However, based on information provided by DHCD, none of the changes to the USBC regulation are likely to have a significant effect on the construction, maintenance, operation, and inspection of amusement devices and, thus, on the use and implementation of the Virginia amusement device regulations.

As none of the changes appear to be substantive, the proposed regulation is not likely to have a significant economic impact. By clarifying the scope of ASTM standards dealing with the design and manufacture of amusement rides and devices, the proposed regulation is likely to improve the understanding and implementation of these standards. Moreover, by updating references to newer versions of nationally recognized codes and standards, the proposed changes are also likely to increase the consistency and uniformity of these practices across states. To the extent that it improves understanding and implementation of the regulation and makes these practices consistent with those used elsewhere in the country, the proposed changes are likely to produce some economic benefits.

DHCD states in its agency document that it anticipates receiving requests during the public comment period for substantive changes to this regulation. Depending on the nature of the comments received, the agency may choose to re-propose the regulation with additional

changes. Since DHCD drafted the proposed regulation, ASTM has come out with newer versions of several of the standards incorporated by reference. These include newer versions of standards dealing with the maintenance, inspection, and manufacture of amusement rides and devices. Moreover, DHCD has also received some preliminary proposals from the amusement device technical advisory committee. The proposals include changes that deal with fees, insurance requirements, the use of technical bulletins, and the definition of an amusement device. The agency has not yet had a chance to evaluate either the newest ASTM standards or the proposals submitted by the technical advisory committee.

### **Businesses and Entities Affected**

The proposed regulation applies to owners, operators, and manufacturers of amusement rides and devices in Virginia. The number of such entities is not known. However, as none of the changes appear to be substantive, the proposed regulation is not likely to have a significant effect on any of these businesses and entities.

### **Localities Particularly Affected**

The proposed regulation applies to all localities in the Commonwealth.

### **Projected Impact on Employment**

The proposed regulation is not likely to have a significant impact on employment in Virginia.

### **Effects on the Use and Value of Private Property**

The proposed regulation is not likely to have a significant impact on the use and value of private property.