

Regulatory Analysis Form

(Completed by Promulgating Agency)

INDEPENDENT REGULATORY
REVIEW COMMISSION

(All Comments submitted on this regulation will appear on IRRC's website)

(1) Agency
Department of State, Bureau of Professional and Occupational Affairs, State Board of Crane Operators

(2) Agency Number: 16A
Identification Number: 16A-7102

IRRC Number: 3002

(3) PA Code Cite:
49 Pa Code § 6.4 (relating to fees)

(4) Short Title:
Fees

(5) Agency Contacts (List Telephone Number and Email Address):
Primary Contact: **Christopher McNally, Board Counsel, State Board of Crane Operators, P.O. Box 2649, Harrisburg, PA 17105-2649, phone - 717-783-7200, fax - 787-0251, chrmcnally@pa.gov.**
Secondary Contact: **Cynthia Montgomery, Regulatory Counsel, Department of State, P.O. Box 2649, Harrisburg, PA 17105-2649, phone - 717-783-7200, fax - 787-0251, cymontgome@pa.gov.**

(6) Type of Rulemaking (check applicable box):

- Proposed Regulation
 FINAL REGULATION
 Final Omitted Regulation

- Emergency Certification Regulation;
 Certification by the Governor
 Certification by the Attorney General

(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)

The final rulemaking amends § 6.4 (relating to fees) to increase the biennial renewal fee for licensed crane operators from \$100 to \$130.

(8) State the statutory authority for the regulation. Include specific statutory citation.

Section 701(a) of the Crane Operator Licensure Act (act) (63 P.S. § 2400.701(a)) requires the Board to increase fees by regulation to meet or exceed projected expenditures if the revenues raised by fees, fines and civil penalties imposed under the act are not sufficient to meet expenditures over a 2-year period.

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(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

Yes, Section 701(a) of the act mandates a fee increase when expenditures outpace revenue.

(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

At the May 23, 2012, Board meeting, representatives from the Department of State's Bureau of Finance and Operations (BFO) presented a summary of the Board's revenue and expenses for fiscal years 2010-2011 and 2011-2012, and projected revenue and expenses through fiscal year 2014-2015. Although the Board received an initial appropriation of \$85,000 from the Professional Licensure Augmentation Account (PLAA) when it was created in 2008, it incurred expenses in excess of that amount since then, and was required to pay that amount back to the PLAA within 3 years (or by December 8, 2011). As of the beginning of fiscal year 2012-2013, the Board had incurred a deficit of \$182,660.46. Licenses renewed for the first time as of November 1, 2012, so there was renewal revenue during this fiscal year for the first time. However, it was not sufficient to recoup the current deficit and cover budgeted expenses for the year. BFO projects a deficit of \$136,475.67 by the end of fiscal year 2013-2014. Without an increase in the biennial renewal fee, BFO projects continuing deficits for the foreseeable future.

All Pennsylvanians will benefit from the regulation in that it will allow the State Board of Crane Operators to continue to operate and carry out its mission in the interest of the public health, safety and welfare.

(11) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

There are no applicable federal licensure standards relating to fees for crane operator licenses.

(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania's ability to compete with other states?

Currently, only 18 states (and 6 cities) require licensure or certification of crane operators. A certified crane operator in New York pays a triennial renewal fee of \$150. A New Jersey State crane operator's license is renewed for 5 years at a fee of \$250. Maryland does not license crane operators, but has labor regulations requiring employers to assure that crane operators are "qualified or certified." A certified crane operator in West Virginia pays an annual renewal fee of \$75. The proposed regulation should have no adverse impact on Pennsylvania's ability to compete with other states.

(13) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

The regulation will not affect any other regulation of the Board or other state agencies.

(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. ("Small business" is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)

Because the fee increase is mandated based on section 701(a) of the act, the Board did not release an exposure draft of the regulation. However, it was discussed at the May 2012, and October 2012, meetings of the Board. These meetings are open to the public.

(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?

There are currently 3,535 licensed crane operators that will be required to pay an additional \$30 per biennium (or \$15 per year) to renew their licenses in 2014 and beyond. Because cranes used in coal mining operations, longshore or other intermodal operations, and manufacturing applications are excluded from the licensure requirements, the majority of licensed crane operators in this Commonwealth work in construction, particularly heavy construction, and for utilities.

According to the Small Business Administration (SBA), there are approximately 982,692 businesses in Pennsylvania; of which 978,831 are small businesses; and 3,861 are large businesses. Of the 978,831 small businesses, 236,775 are small employers (those with fewer than 500 employees) and the remaining 772,056 are non-employers. Thus, the vast majority of businesses in Pennsylvania are considered small businesses. Therefore, for purposes of determining the economic impact on small businesses, the Board must assume that a large number of its licensees work for small businesses as that term is defined by the SBA and Pennsylvania's Regulatory Review Act.

Small businesses are defined in Section 3 of the Regulatory Review Act, (71 P.S. § 745.3) which provides that a small business is defined by the SBA's Small Business Size Regulations under 13 CFR Ch. 1 Part 121. These size standards have been established for types of businesses under the North American Industry Classification System (NAICS). In applying the NAICS standards to the types of businesses where crane operators work, a small business in Sector 23 (Construction), including construction of buildings (residential, commercial and industrial), and heavy and civil engineering construction (such as construction of water and sewer lines; oil and gas pipelines; power and communication lines and related structures; and highways, streets and bridges) is generally one with \$33.5 million or less in total income annually. A small business in Sector 22 (Utilities) includes power companies whose total electric output does not exceed 4 million megawatt hours per year; natural gas companies with fewer than 500 employees; water suppliers and waste water treatment facilities with \$7.0 million or less in total income annually; and steam and air-conditioning supply companies with \$12.5 million or less in total income annually.

Although many licensed crane operators probably work for “small businesses,” whether these businesses will be adversely affected by the increase in the biennial renewal fee depends on whether the employer elects to pay the biennial renewal fees on behalf of its licensed employees. Some companies may do so, others may not. A company could avoid the adverse effect by simply requiring its employees to pay their own licensure fees.

Additionally, unlike many other boards, a significant percentage of Pennsylvania licensed crane operators have reported their addresses to the board as out-of-state, and may be employed by companies that are not based in Pennsylvania, but that supply cranes (and crane operators) to jobs throughout the country, and even internationally. Current active licensees of the board are located in no less than 39 states outside of Pennsylvania (including, Alabama, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Jersey, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Rhode Island, South Carolina, Tennessee, Texas, Virginia, West Virginia, Wisconsin and Wyoming) and Washington, D.C.

(16) List the persons, groups or entities, including small businesses, that will be required to comply with the regulation. Approximate the number that will be required to comply.

All 3,535 currently licensed crane operators will be required to comply with the regulation in order to renew their licenses in 2014. Those small businesses that employ crane operators which choose to pay the biennial renewal fees for their employees would be required to comply with the regulation.

(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.

All licensed crane operators, or their employers (if the employer elects to pay the biennial renewal fee for its employees) will be required to pay an additional \$30 every 2 years beginning in 2014 in order to renew a crane operator’s license. This increase is necessary to ensure the fiscal integrity of the board and to assure that the board’s mandate to protect the health, safety and welfare of the public is carried out.

(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.

The increase is mandated by section 701(a) of the Crane Operator Licensure Act (act) (63 P.S. § 2400.701(a)), which requires the Board to increase fees by regulation to meet or exceed projected expenditures if the revenues raised by fees, fines and civil penalties imposed under the act are not sufficient to meet expenditures over a 2-year period. The regulation benefits every citizen of the Commonwealth in that it will ensure the fiscal integrity of the Board and allow the Board to carry out its mission. The costs to crane operators, which equates to \$15 per year, is outweighed by the Board’s duty to license and regulate crane operators in the public interest.

(19) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

The regulated community of 3,535 currently licensed crane operations will be required to pay an additional \$30 every 2 years to renew their licenses. The estimated costs to the regulated community, therefore, are calculated as follows:

3,535 licensees x \$30 increase = \$106,050 biennially.

The Board does not anticipate any other costs associated with legal, accounting or consulting procedures.

(20) Provide a specific estimate of the costs and/or savings to the **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

There are no costs or savings to local governments associated with compliance with the rulemaking.

(21) Provide a specific estimate of the costs and/or savings to the **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

The only cost to state government is the minimal cost associated with publishing new biennial renewal forms and updating the online renewal platform with the updated fee. The Board will not incur an increase in administrative costs by implementing the rulemaking. Indeed, the regulatory amendment will permit the Board to recoup the costs of its operations. There are no other costs or saving to state government associated with compliance with the proposed rulemaking.

(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

This proposed rulemaking would not require any additional recordkeeping or other paperwork, nor will there be any legal, accounting or consulting procedures required for implementation of the regulation.

(23) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

| | Current FY 13-14 | FY +1 14-15 | FY +2 15-16 | FY +3 16-17 | FY +4 17-18 | FY +5 18-19 |
|-----------------------------|-----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| SAVINGS: | \$ | \$ | \$ | \$ | \$ | \$ |
| Regulated Community | | | | | | |
| Local Government | | | | | | |
| State Government | | | | | | |
| Total Savings | N/A | N/A | N/A | N/A | N/A | N/A |
| COSTS: | | | | | | |
| Regulated Community | \$0 | \$106,050 | \$0 | \$106,050 | \$0 | \$106,050 |
| Local Government | | | | | | |
| State Government | | | | | | |
| Total Costs | \$0 | \$106,050 | \$0 | \$106,050 | \$0 | \$106,050 |
| REVENUE LOSSES: | | | | | | |
| Regulated Community | | | | | | |
| Local Government | | | | | | |
| State Government | | | | | | |
| Total Revenue Losses | N/A | N/A | N/A | N/A | N/A | N/A |

(23a) Provide the past three year expenditure history for programs affected by the regulation.

| Program | FY -3 FY 10-11 Actual | FY -2 FY 11-12 Actual | FY -1 FY 12-13 Projected | Current FY FY 13-14 Budgeted |
|---|--------------------------------------|--------------------------------------|---|---|
| State Board of Crane Operators | \$140,501.37 | \$142,550.62 | \$135,000.00 | \$165,000.00 |

(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:

- (a) An identification and estimate of the number of small businesses subject to the regulation.
- (b) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.
- (c) A statement of probable effect on impacted small businesses.
- (d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

- (a) Assuming that the majority of crane operators work for “small businesses” as that term is defined by the Regulatory Review Act and the SBA, there could be as many as 3,535 small businesses subject to the regulation.
- (b) There are no projected reporting, or recordkeeping costs required for compliance. There are no additional administrative costs required for compliance. (The administrative costs would be those associated with filling out the biennial renewal form or online renewal application and either writing a check or processing the payment of the fee. These costs would be the same regardless of the increase in the fee.) Also, these fees can be avoided by the small businesses by simply requiring employees to pay their own biennial renewal fees.
- (c) The probable effect on impacted small businesses would be a \$30 increase in the biennial renewal fee for each of the business’ licensed crane operators.
- (d) The board considered three alternatives as set forth in item no. (26) below and selected the option that was the least burdensome.

(25) List any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers.

No special provisions have been developed for any affected groups or persons.

(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

The Board considered three alternatives. First, the Board considered no increase in the biennial renewal fee at this time. However, that option was rejected because without a fee increase BFO projected continued deficits for the foreseeable future. There would be no way for the Board to carry out its legislative mandate without sufficient funds; and it would be contrary to the statutory requirement that revenue produced by fees, fines and civil penalties over a 2-year period must at least meet or exceed projected expenses for that period. Next the Board considered staying with the proposed \$60 fee increase or reduce the fee increase given the changed financial position of the Board. Either would meet the statutory requirement to produce adequate revenue in a given 2-year period to cover projected expenditures for that period; however, in the end the Board elected to adopt the \$30 increase because it would recoup the existing deficits and get the Board on sound financial footing and represents the least burdensome acceptable alternative.

(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:

- a) The establishment of less stringent compliance or reporting requirements for small businesses;
- b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
- c) The consolidation or simplification of compliance or reporting requirements for small businesses;
- d) The establishment of performing standards for small businesses to replace design or operational standards required in the regulation; and
- e) The exemption of small businesses from all or any part of the requirements contained in the regulation.

a) & b) All crane operator licenses renew biennially. The Board did not consider less stringent reporting requirements or deadlines for small businesses or for crane operators that work for small businesses.

c) There are no compliance or reporting requirements that could be consolidated or simplified. The biennial renewal process is the same whether a particular crane operator is employed by a small business or a large business.

d) The regulations do not contain design or operational standards that need to be altered for small businesses.

e) To exclude any licensed crane operators from the requirements contained in the regulation (an increased biennial renewal fee) based on the size of their employers would not be consistent with public health and welfare because it would prevent the Board from obtaining adequate revenue to meet projected expenditures and it would not be able to carry out its legislative mandate.

(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.

No data, studies or references were used to justify the regulation.

(29) Include a schedule for review of the regulation including:

- A. The date by which the agency must receive public comments: **Within 30 days of publication as proposed rulemaking.**
- B. The date or dates on which public meetings or hearings will be held: **No public hearings are contemplated. The Board meets in public session five to six times a year to discuss its regulatory proposals. The remaining 2014 board meeting dates are: April 23*, May 28, June 25*, July 23, August 27*, September 24, October 22*, November 19 and December 17*. (Dates marked with an asterisk (*) are tentative dates.)**
- C. The expected date of promulgation of the proposed regulation as a final-form regulation: **Because the increased biennial renewal fees are expected to be effective for the biennial renewal period which begins on November 1, 2014, and the Board generally begins accepting renewal applications 90 to 120 days prior to the renewal deadline, the Board anticipates that the final-form regulation will be published no later than July 5, 2014.**
- D. The expected effective date of the final-form regulation: **The regulation will be effective upon publication of the final-form regulation; however, the increased biennial renewal fee will be first collected for the biennial renewal period which begins on November 1, 2014.**
- E. The date by which compliance with the final-form regulation will be required: **All active licenses must be renewed, and the increased renewal fee paid, by October 31, 2014.**
- F. The date by which required permits, licenses or other approvals must be obtained: **All active licenses must be renewed by October 31, 2014.**

(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its implementation.

The Board continually reviews the efficacy of its regulations, as part of its annual review process under Executive Order 1996-1. The Board reviews its regulatory proposals at regularly scheduled public meetings, generally five to six meetings a year. More information can be found on the Department's website (www.dos.state.pa.us).

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FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU

(Pursuant to Commonwealth Documents Law)

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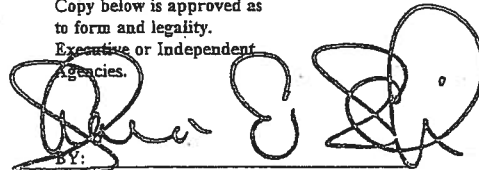
Copy below is hereby approved as to form and legality. Attorney General

Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by:

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BY: _____
(DEPUTY ATTORNEY GENERAL)

State Board of Crane Operators
(AGENCY)


BY: _____

DOCUMENT/FISCAL NOTE NO. 16A-7102

MAY 05 2014

DATE OF APPROVAL

DATE OF ADOPTION: _____

DATE OF APPROVAL

BY: Raymond Feidt
Raymond Feidt

(Executive Deputy General Counsel
Strike inapplicable title)

TITLE: Chairperson
(EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)

- Check if applicable
Copy not approved.
Objections attached.
- Check if applicable. No
Attorney General approval or
objection within 30 day after
submission.

FINAL RULEMAKING

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF CRANE OPERATORS
49 PA. CODE § 6.4

FEES

The State Board of Crane Operators (Board) hereby amends § 6.4 (relating to licensure fees) to read as set forth in Annex A. The final-form rulemaking increases the biennial license renewal fees for licensed crane operators from \$100 to \$130. Although the final-form regulation will be effective upon publication in the *Pennsylvania Bulletin*, it is expected that the increased fees will be implemented for the November 1, 2014, renewal.

Statutory Authority

Section 701(a) of the Crane Operator Licensure Act (act) (63 P.S. § 2400.701(a)) requires the Board to increase fees by regulation to meet or exceed projected expenditures if the revenues raised by fees, fines and civil penalties are not sufficient to meet expenditures over a 2-year period.

Background and Need for Amendment

Under section 701 of the act, the Board is required by law to support its operations from the revenue it generates from fees, fines and civil penalties. In addition, the act provides that the Board must increase fees if the revenue raised by fees, fines and civil penalties is not sufficient to meet expenditures over a 2-year period. The Board raises the majority of its revenue through biennial renewal fees. A small percentage of its revenue comes from application fees and civil penalties. At the May 23, 2012, Board meeting, representatives from the Department of State's Bureau of Finance and Operations (BFO) presented a summary of the Board's revenue and expenses for fiscal years 20-2010-2011 and 2011-2012, and projected revenue and expenses through 2014-2015.

At the time, the Board had already incurred significant deficits and BFO projected that, without an increase to the biennial renewal fees, the Board would continue to incur additional deficits throughout the foreseeable future. Therefore, the Board determined that it was necessary to raise fees to meet or exceed projected expenditures, in compliance with section 701(a) of the act. As a result, the Board voted at its October 1, 2012, meeting to increase the biennial renewal fees to \$160.

Summary of Comments

The Board published a notice of proposed rulemaking in the *Pennsylvania Bulletin* on April 13, 2013, for thirty days of public comment. See, 43 Pa.B. 2041. The Board received no public comments on the proposed rulemaking. On May 24, 2013, the Board received comments from the House Professional Licensure Committee (HPLC); and on June 12, 2013, the Independent Regulatory Review Commission (IRRC) submitted comments to the Board.

The HPLC requested additional information pertaining to the major cost centers of the Board and explaining any significant increases in its expenditures. The Independent Regulatory Review Commission indicated that they would review the Board’s response to the HPLC’s comments as part of their determination of whether the final regulation is in the public interest.

The Board’s Response

In response, the Board first notes that it has been well over a year since BFO first met with the Board suggesting that a fee increase was necessary. Therefore, after considering the comments, the Board asked BFO to provide an updated analysis of the Board’s fiscal situation based on current data. BFO provided updated information to the Board which was discussed at the Board’s regularly scheduled meeting on February 26, 2014. Two changes in the Board’s current financial condition were noted at that meeting. First, the number of active licensees has increased from 2,780 to 3,535 since the increase was proposed a year ago. Second, the Board has been able to reduce expenditures below the projections of a year ago, such that the projected deficits have been reduced, although not eliminated. For example, when the Board approved the increase in 2012, BFO projected a negative fund balance at the end of fiscal year 2011-2012 of approximately (\$182,660.46). However, the actual balance at the end of that year came in at (\$175,050.67). The combined effect of an increase in renewable licenses and the modest decrease in expenditures has reduced, but not eliminated, the need for a fee increase.

The HPLC requested additional information regarding the major cost centers of the Board and any significant increases in its expenditures. Presently, the major cost centers of the Board are as follows:

| Cost Center | Actual Expenses FY 11-12 | Actual Expenses FY 12-13 |
|-----------------------------|--------------------------|--------------------------|
| Board Administration | \$ 60,370.16 | \$61,970.08 |
| Legal Office | \$ 32,263.45 | \$ 15,577.31 |
| Enforcement & Investigation | \$ 32,573.06 | \$ 35,280.49 |

The Board began incurring expenses in fiscal year 2008-2009, at which time the major cost category was “Legal Office” (with expenses of \$ 11,400.40) because at that time, the major activity of the Board was drafting the initial rulemaking implementing the act. Legal office expenses remained the biggest cost for the board until fiscal year 2010-2011, when “Board Administration” became the largest cost category as the board began issuing licenses. Legal office costs increased from \$ 11,000.40 in fiscal year 2008-2009 to a high of \$ 44,635.54 in fiscal year 2009-2010, and have since moderated to \$ 15,577.31 in fiscal year 2012-2013. Board administration costs were minimal in fiscal year 2008-2009 and 2009-2010 (\$ 2,553.55 and \$17,927.02, respectively), but jumped dramatically to \$76,027.40 in fiscal year 2010-2011, when the Board began issuing licenses. Board administration has settled at an average of \$ 61,000 over the past 2 fiscal years. Costs relating

to “Enforcement and Investigation” began to be incurred in fiscal year 2009-2010, but didn’t really get to be significant until the past 2 fiscal years (averaging about \$34,000 a year). Because the Board has little history to inform its projections, it is difficult to estimate future expenditures with accuracy. In addition, legal office, enforcement and investigation and hearing costs depend largely on how many complaints are filed. To date, the vast majority of complaints filed have related to unlicensed practice. Total expenditures since the Board’s inception have increased from \$16,656.54 in fiscal year 2008-2009, to a high of \$146,997.01 in fiscal year 2010-2011, and have since moderated to \$134,139.33 in fiscal year 2012-2013. BFO currently projects a negative balance in the Board’s account of (\$ 136,475.67) at the end of fiscal year 2013-2014. So, although the deficit is decreasing, it is not eliminated, and without a fee increase, BFO projects a negative balance at the end of each biennial renewal period for the foreseeable future.

As a result of the updated financial information, the Board has determined that, although an increase is still necessary to eliminate the existing deficit and cover current expenditures, a more modest \$30 increase is in order at this time. Therefore, the final-form rulemaking has been amended to increase the fee from \$100 to \$130. This fee is capable of producing sufficient biennial revenue to cover projected biennial expenses, eliminate the deficit and place the Board back on firm financial ground.

Description of Proposed Amendments

The final form rulemaking amends § 47.4 to increase the biennial renewal fee for licensed crane operators from \$100 to \$130.

Fiscal Impact

The proposed amendment will increase the biennial renewal fees for licensees of the Board. There are currently approximately 3,535 licensees that will be required to pay more to renew their licenses when they expire in 2014, and thereafter. Small businesses that employ licensees of the Board may be impacted if they choose to pay the biennial renewal fees on behalf of employees. The proposed regulation should have no other fiscal impact on the private sector, the general public or political subdivisions of the Commonwealth.

Paperwork Requirements

The proposed rulemaking will require the Board to alter some of its forms to reflect the new fees; however, the amendment will not create additional paperwork for the regulated community or for the private sector.

Sunset Date

The act requires the Board to monitor its revenue and costs on a fiscal year and biennial basis. Therefore, no sunset date has been assigned.

Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on April 2, 2013, the Board submitted a copy of the notice of proposed rulemaking, published at 43 Pa.B. 2041 (April 13, 2013), to the House Professional Licensure Committee (HPLC), the Senate Consumer Protection and Professional Licensure Committee (SCP/PLC) and the Independent Regulatory Review Commission (IRRC) for review and comment.

In compliance with section 5(c) of the Regulatory Review Act (71 P.S. § 745.5(c)), the Board also provided IRRC, SCP/PLC, and HPLC with copies of comments received as well as other documents when requested. In preparing the final-form regulation, the Board has considered the comments received from IRRC, the HPLC, and the public.

Under section 5.1(j.2) of the Regulatory Review Act (71 P.S. § 745.5a(j.2)), this final-form regulation was (deemed) approved by the HPLC on _____, 2014, and deemed approved by SCP/PLC on _____, 2014. Under section 5(g) of the Regulatory Review Act (71 P.S. § 745.5(g)), the final regulation was approved by IRRC on _____, 2014.

Contact Person

Further information may be obtained by contacting Christopher K. McNally, Counsel, State Board of Crane Operators, P.O. Box 2649, Harrisburg, PA 17105-2649.

Findings

The State Board of Crane Operators finds that:

- (1) Public notice of proposed rulemaking was given under sections 201 and 202 of the act of July 31, 1968 (P.L. 769, No. 240) (45 P.S. §§ 1201 and 1202) and the regulations promulgated thereunder, 1 Pa. Code §§ 7.1 and 7.2.
- (2) A public comment period was provided as required by law and no comments were received.
- (3) The amendments to the final form rulemaking do not enlarge the purpose of proposed

rulemaking published at 43 Pa.B. 2041.

(4) This final-form rulemaking is necessary and appropriate for administering and enforcing the authorizing act identified this Preamble.

Order

The State Board of Crane Operators, acting under its authorizing statutes, orders that:

(a) The regulations of the Board at 49 Pa. Code § 6.4 are amended to read as set forth in Annex A.

(b) The Board shall submit this order and Annex A to the Office of General Counsel and the Office of Attorney General as required by law.

(c) The Board shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

(d) This order shall take effect on publication in the *Pennsylvania Bulletin*.

Raymond Feidt
Chairperson

ANNEX A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

PART I. DEPARTMENT OF STATE

Subpart A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS

CHAPTER 6. STATE BOARD OF CRANE OPERATORS

GENERAL PROVISIONS

§ 6.4. Fees.

(a) The schedule of fees charged by the Board is as follows:

* * * * *

Biennial renewal fee.....[\$100] ~~\$160~~ **\$130**

* * * * *

Commentators List for Reg. # 16A-7102

There were no comments.



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF CRANE OPERATORS

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(717) 783-3397

June 5, 2014

The Honorable John F. Mizner, Esq., Chairman
INDEPENDENT REGULATORY REVIEW COMMISSION
14th Floor, Harristown 2, 333 Market Street
Harrisburg, Pennsylvania 17101

Re: Final Regulation
State Board of Crane Operators
16A-7102: FEES

Dear Chairman Mizner:

Enclosed is a copy of a final rulemaking package of the State Board of Crane Operators pertaining to Fees.

The Board will be pleased to provide whatever information the Commission may require during the course of its review of the rulemaking.

Sincerely,

A handwritten signature in black ink that reads "Raymond B. Feidt".

Raymond Feidt, Chairperson
State Board of Crane Operators

RF/CKM:rs

Enclosure

cc: Travis N. Gery, Esq., Commissioner
Professional and Occupational Affairs
Patricia Allan, Director of Policy, Department of State
Kevin Schmidt, Chief Counsel
Department of State
Cynthia Montgomery, Regulatory Counsel
Department of State
Christopher K. McNally, Counsel
State Board of Crane Operators
State Board of Crane Operators

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT**

I.D. NUMBER: 16A-7102
SUBJECT: FEES
AGENCY: DEPARTMENT OF STATE
 BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
 STATE BOARD OF CRANE OPERATORS

TYPE OF REGULATION

- Proposed Regulation
- X Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
 - a. With Revisions
 - b. Without Revisions

2014 JUN -5 AM 11:08

RECEIVED
IRRC

FILING OF REGULATION

| <u>DATE</u> | <u>SIGNATURE</u> | <u>DESIGNATION</u> |
|-------------|--------------------|---|
| | | <i>HOUSE COMMITTEE ON PROFESSIONAL LICENSURE</i> |
| 6/5/14 | <i>Angie Kelly</i> | MAJORITY CHAIR <u>Julie Harhart</u> |
| | | MINORITY CHAIR _____ |
| | | <i>SENATE COMMITTEE ON CONSUMER PROTECTION & PROFESSIONAL LICENSURE</i> |
| 6/5/14 | <i>May Walmer</i> | MAJORITY CHAIR <u>Robt. M. Tomlinson</u> |
| | | MINORITY CHAIR _____ |
| | | <i>INDEPENDENT REGULATORY REVIEW COMMISSION</i> |
| | | <i>ATTORNEY GENERAL</i> (for Final Omitted only) |
| | | <i>LEGISLATIVE REFERENCE BUREAU</i> (for Proposed only) |