

CSI - Ohio

The Common Sense Initiative

Business Impact Analysis

Agency Name: Department of Commerce, Division of Industrial Compliance

Regulation/Package Title: Plumbing Permit and Reinspection Fees

Rule Number(s): 1301:3-2-01 to 1301:3-2-09

Date: 6/17/2014

Rule Type:

New

5-Year Review

Amended

Rescinded

The Common Sense Initiative was established by Executive Order 2011-01K and placed within the Office of the Lieutenant Governor. Under the CSI Initiative, agencies should balance the critical objectives of all regulations with the costs of compliance by the regulated parties. Agencies should promote transparency, consistency, predictability, and flexibility in regulatory activities. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

Regulatory Intent

1. Please briefly describe the draft regulation in plain language.

Please include the key provisions of the regulation as well as any proposed amendments.

Pursuant to Ohio Revised Code Section 3703.07, the rules set forth in Chapter 1301:3-2 et seq. of the Ohio Administrative Code establish the plumbing inspection fees, the fee required to pay the costs of the division to fulfill its duties established by this chapter, including fees

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIOhio@governor.ohio.gov

for administering a program for continuing education for, and certifying and recertifying plumbing inspectors.

These rules promote easy, transparent and inexpensive compliance with applicable standards and regulations.

2. Please list the Ohio statute authorizing the Agency to adopt this regulation.

R.C. 3703.07.

3. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program?

If yes, please briefly explain the source and substance of the federal requirement.

The regulation does not implement a federal requirement.

4. If the regulation includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.

N/A.

5. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?

Pursuant to R.C. Chapter 3703, the division of industrial compliance is charged with adopting rules to establish the plumbing inspection fees, the fee required to pay the costs of the division to fulfill its duties established by this chapter, including fees for administering a program for continuing education for, and certifying and recertifying plumbing inspectors. The reason for the regulation of plumbing inspectors is public safety: sub-standard plumbing could wreak havoc on public health and the environment. A poorly-connected sewage outlet to a potable water system could infect an entire city. Inspections of plumbing systems by qualified and trained inspector helps to ensure the adherence to industry standards, thereby protecting public health and welfare. These rules promote easy, transparent and inexpensive compliance with applicable standards and regulations.

6. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?

The rules are successful when the plumbing division protects Ohioans while maintaining a simple and efficient inspection and registration process for those in the plumbing industry.

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIOhio@governor.ohio.gov

Development of the Regulation

- 7. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation.**

If applicable, please include the date and medium by which the stakeholders were initially contacted.

See Attachment B for list of stakeholders. Stakeholders were contacted via e-mail on June 8, 2012 and again on May 23, 2014.

- 8. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?**

Stakeholders are supportive of this entire rule package. No changes were suggested.

- 9. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?**

Scientific data was not used to develop the rule package or to measure outcomes.

- 10. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn't the Agency consider regulatory alternatives?**

Stakeholders are supportive of this entire rule package so no alternatives were necessary. The rule package will provide flexibility and simplicity, and we believe the existing rules are operating efficiently.

- 11. Did the Agency specifically consider a performance-based regulation? Please explain. *Performance-based regulations define the required outcome, but don't dictate the process the regulated stakeholders must use to achieve compliance.***

No. These rules are not appropriate for performance based regulations.

- 12. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?**

Pursuant to R.C. 3703.01 and 3703.07, the Division of Industrial Compliance has exclusive jurisdiction over plumbing inspection and related fees.

13. Please describe the Agency’s plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.

Commerce will notify the stakeholders and industry about this rule package. Given minimal changes to this rule package, there will be little to no impact on stakeholders.

Adverse Impact to Business

14. Provide a summary of the estimated cost of compliance with the rule. Specifically, please do the following:

a. Identify the scope of the impacted business community;

The impacted business community consists of plumbing industry requiring a plumbing permit and plumbing inspectors.

b. Identify the nature of the adverse impact (e.g., license fees, fines, employer time for compliance); and

The adverse impact consists of application, certification, examination and renewal fees, as well as personnel time to complete applications or approval requests.

c. Quantify the expected adverse impact from the regulation.

The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a “representative business.” Please include the source for your information/estimated impact.

For a business requiring a plumbing permit, the plan approval fee is \$200.00, the initial application fee is \$200.00, and the reinspection fee is \$100.00. Each additional trap, vented fixture, appliance or device is \$20.00. The application for examination fee is \$50.00, the examination fee is \$25.00, the certification fee is \$25.00, and the renewal fee is \$60.00. All certificates are annual. The renewal of a plumbing certificate inspector requires 10 hours of continuing education. The cost of the continuing education/training varies depending upon the training agency chosen, and the entities will incur minimal personnel costs for the time taken to submit the applications and forms.

15. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?

R.C. 3703.07 mandates that the Superintendent of the Division of Industrial Compliance promulgate rules regarding the plumbing inspection fees, the fee required to pay the costs of

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIOhio@governor.ohio.gov

the division to fulfill its duties established by this chapter, including fees for administering a program for continuing education for, and certifying and recertifying plumbing inspectors. The Agency is therefore required to adhere to these standards which, by necessity, impose a certain level of adverse impact to business. These expenses are minimal and are outweighed by the important safety interest ensured by the plumbing rules.

Regulatory Flexibility

16. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.

The rules that apply are uniform across the industry without regard for the size of the business.

17. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?

The plumbing section has a high compliance rate and in a case where an issue arises, the section works with the plumbing industry to achieve compliance.

18. What resources are available to assist small businesses with compliance of the regulation?

The plumbing section is easily accessible for questions via internet, phone and e-mail. The section strives to assist small businesses into achieving and maintaining compliance with requirements of R.C. Chapters 3703 and O.A.C. Chapters 1301:3-2.