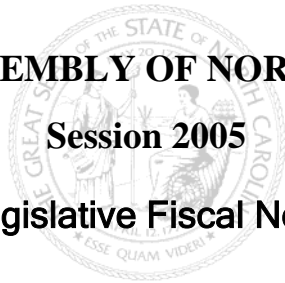


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2005

Legislative Fiscal Note

BILL NUMBER: House Bill 766 (First Edition)

SHORT TITLE: Enhance Passenger Tramway Safety Act.-AB

SPONSOR(S): Representative Howard

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	(\$)				
	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>
REVENUES					
General Fund	4,200	4,200	4,200	4,200	4,200
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: North Carolina Department of Labor.					
EFFECTIVE DATE: When it becomes law.					

BILL SUMMARY: The legislation broadens the definition of “passenger tramway” under GS 95-117 to include transportation by conveyor belt. This effectively adds ski lifts and incline railroads to the definition. It also amends GS 95-120 to empower the Department of Labor to investigate accidents involving passenger tramways and to establish fees of up to \$137 for requisite registration certificates. Finally, it enacts new GS 95-120.1 requiring tramway operators to obtain liability insurance coverage of not less than \$1 million per occurrence or not less than \$500,000 per occurrence for devices generating \$275,000 or less in annual revenue.

ASSUMPTIONS AND METHODOLOGY: Previously the North Carolina Department of Labor had authority to inspect all forms of ski lifts, including chairlifts, t-bars, and rope tows. During the 2001 session HB 232 repealed the Departments inspection and fee collection authority but replaced it with a new statute. Due to an oversight, the portion of the law related to passenger tramways was repealed but was not replaced by a new statue. Unaware of this error, the Department continued to inspect these devises and charge a fee. However, the Department recently discovered this error and refunded to taxpayers three years of fees (as the repeal took place three years ago). The legislation seeks to again allow the Department to inspect this machinery and charge a fee. The fee amounts in the legislation are the same as in the previous statutes.

According to the Department of Labor, during the most recent three years, the following revenue was raised (and later refunded) as a result of this type of inspection:

Type	Rate	Revenue		
		2001-02	2002-03	2003-04
Chairlift	137.00	3,562.00	1,781.00	2,603.00
Rope Tow	31.00	651.00	496.00	124.00
T Bar	62.00	-	62.00	-
TOTAL		4,213.00	2,339.00	2,727.00

Because the number of inspections has declined each year since the legislation was repealed, the highest year is used as a proxy for future years.

The Department indicates that because of the low numbers involved, there will be no additional personal costs to the Department of Labor.

The legislation also requires operators of passenger tramways to obtain a contract of insurance and offer proof of that insurance to the inspector. No fiscal impact is associated with this portion of the bill.

SOURCES OF DATA: North Carolina Department of Labor.

TECHNICAL CONSIDERATIONS: None

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Signed Copy Located in the NCGA Principal Clerk's Offices