

**MEMORANDUM**

**TO:** Pamela Watkins, Rules Administrator, Ohio Department of Public Safety

**FROM:** Paula Steele, Regulatory Policy Advocate

**DATE:** February 12, 2013

**RE:** **CSI Review – Construction Equipment Auction License** (OAC 4501:1-3-36 and 4501:1-3-37)

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On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in ORC 107.54.

**Analysis**

The Ohio Department of Public Safety has submitted a rule package consisting of two new proposed rules which establish regulation of construction equipment auction sales and licensees as required by ORC 4517.17. The proposed rules outline the construction auction license application procedures and requirements, and licensee annual reporting and record keeping requirements. The rule package was filed with the CSI Office on November 23, 2012 with a public comment period ending on December 7, 2012. Four comments were received during the public comment period, most of which expressed the concern that the proposed rules did not fully encompass the statutory requirements adopted in ORC 4517.17. The commenters were also concerned that the rules could lead to a discrepancy in how different types of businesses were treated.

The CSI Office discussed the comments with the Department and encouraged it to consider the suggestions. The Department studied the suggestions and agreed to revise the draft rule, which led to the creation of a second rule and a revised BIA. The Department sent the revisions to the stakeholders and the CSI Office on January 15, 2013. The draft rule revisions address the comments of small business stakeholders who were concerned that the regulations were not

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specific enough and did not adequately incorporate statutory requirements. Based on feedback the CSI Office received from those stakeholders who commented, the revised draft rules and BIA satisfy their concerns.

After reviewing the proposed rule, appendix, and the revised BIA, the CSI Office has determined that the rule satisfactorily meets the standards espoused by the CSI Office, and the purpose of the rule justifies the adverse impact identified in the BIA.

### **Recommendations**

1. The Department should revise the proposed rule to ensure that it more fully aligns with the requirements of Ohio Revised Code 4517.17.

**Please note:** as described in the analysis above, the Department has already implemented this recommendation.

### **Conclusion**

Based on the above comments, the CSI Office concludes that the Department of Public Safety should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.

cc: Mark Hamlin, Lt. Governor's Office