TITLE 312 NATURAL RESOURCES COMMISSION

Economic Impact Statement

LSA Document #11-332

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

Adds rules to help implement SEA 356 (which amends <u>IC 25-39</u>) with respect to the licensing of water well drillers and water well pump installers.

Estimated Number of Small Businesses Subject to this Rule:

The Department of Natural Resources (DNR) anticipates that approximately 120 plumbing companies (20% of 587 total licensed within Indiana representing about 2,000 licensed plumbers) and 450 water well drilling companies (850 licensed drillers) will be subject to the provisions of rules adopted under SEA 356.

Estimated Average Annual Reporting, Record Keeping, and Other Administrative Costs Small Businesses Will Incur for Compliance:

Small business will be required to obtain or renew, or both, water well driller and water well pump installer licenses annually at a cost of \$100 per licensed employee for either or both licenses and will also incur costs (travel, food, lodging) associated with the completion of six hours of continuing education every two years for each licensed employee. A \$25 examination fee will also be required for those individuals not "grandfathered" under the provisions of the rule.

Estimated Total Annual Economic Impact on Small Businesses to Comply:

(A) The proposed rule will be applicable to approximately 120 plumbing companies and 450 water well drilling companies during the first 12 months following implementation.

(B) Economic impact of this proposed rule is based upon the existing and proposed license and examination fees for water well drillers and pump installers (\$100 and \$25, respectively) and proposed costs associated with obtaining six hours of continuing education for water well drillers and pump installers.

Justification Statement of Requirement or Cost:

License fees incurred by small businesses for implementation of the proposed rule are specified in SEA 356. Examination fees (if applicable) for water well drillers are currently specified by rule.

Regulatory Flexibility Analysis of Alternative Methods:

License and examination fees are specified by statute (SEA 356) and by existing rule <u>312 IAC 13</u>. No regulatory flexibility analysis of alternative methods was conducted by DNR due to statutory requirements.

Posted: 09/14/2011 by Legislative Services Agency An <u>html</u> version of this document.