

Memorandum

To : ALL STANDARDS BOARD MEMBERS

Date : December 6, 2010

From : Occupational Safety and Health Standards Board
Conrad E. Tolson, Senior Engineer - Standards

Subject : General Industry Safety Orders – Cranes & Derricks - Horcher

The following information is provided in regard to the proposed revisions to the California Code of Regulations, Title 8, Division 1, Chapter 4, Subchapter 7, General Industry Safety Orders, Group 13, Cranes and Other Hoisting Equipment.

INFORMATIVE DIGEST OF PROPOSED ACTION/POLICY STATEMENT OVERVIEW

The Occupational Safety and Health Standards Board (Board) intends to adopt the proposed rulemaking action pursuant to Labor Code Section 142.3, which mandates that the Board adopt standards at least as effective as federal standards addressing occupational safety and health issues.

On August 9, 2010, the U.S. Department of Labor, Occupational Safety and Health Administration (Federal OSHA) promulgated standards revising the Cranes and Derricks Standard and related sections found primarily in the federal Construction Standard, 29 CFR Part 1926, to update and specify industry work practices necessary to protect employees during the use of cranes and derricks in construction. The Board is relying on the explanation of the federal standards found in Federal Register, Volume 75, No. 152, pages 47906-48177, August 9, 2010, as the justification for the Board's proposed rulemaking action. The Board proposes to adopt standards which are the same as the federal standards except for editorial and format differences, or where existing state standards provide a higher level of safety. The Board notes that California standards for Cranes and Derricks are contained in Group 13 of the General Industry Safety Orders. Federal OSHA's promulgation also will require minor and incidental modification of California Title 8 Construction and Electrical Safety Orders as indicated in the attached documentation.

In the final rule, Federal OSHA has made incidental and related amendments of Federal Standards, Part 1926, as follows:

Subpart A – General.

Subpart C – General Safety and Health Provisions.

Subpart L – Scaffolds.

Subpart M – Fall Protection.

Subpart N – Cranes, Derricks, Hoists, Elevators and Conveyors.

Subpart O – Motorized Vehicles, Mechanical Equipment, and Marine Operations.

Subpart R – Steel Erection.

Subpart S – Underground Construction, Caissons, Cofferdams, and Compressed Air.
Subpart T – Demolition.
Subpart V – Power Transmission and Distribution.
Subpart X – Stairways and Ladders.
Appendix A to Part 1926

The Federal OSHA promulgation has also created new Subpart CC (Cranes and Derricks in Construction) and Subpart DD (Cranes and Derricks Used in Demolition and Underground Construction).

All of the foregoing amendments and additions are related to moving standards for cranes and derricks to newly created Subparts CC and DD in 29 CFR Part 1926. The new promulgation also addresses advances in the design of cranes and derricks, related hazards and employee qualifications necessary for safe operation.

Subjects addressed by the proposal include, but are not limited to, the following:

- Scope of application of this standard.
- Definitions of terms used in the Crane and Derrick Standard.
- Standards for design, construction and testing of cranes and derricks.
- Ground conditions.
- Assembly/disassembly, erection/dismantling.
- Power line safety.
- Crane inspection and testing.
- Wire rope selection, installation and inspection criteria.
- Safety devices and operational aids.
- Operation.
- Signals, signaling and signal person qualifications.
- Crane operator qualifications and certification.
- Qualifications of maintenance and repair personnel.
- Fall protection.
- Work area control.
- Keeping clear of the load.
- Free fall and controlled load lowering.
- Training.
- Hoisting personnel.
- Multiple-crane/derrick lifts – supplemental requirements.
- Equipment modifications.
- Tower cranes.
- Derricks.
- Floating cranes and derricks and land cranes/derricks on barges.
- Overhead & gantry cranes.
- Dedicated pile drivers.
- Sideboom cranes.

Because the proposed standards are substantially the same as the Federal OSHA final rule, Labor Code Section 142.3(a)(3) exempts the Board from the provisions of Article 5 (commencing with Section 11346) and Article 6 (commencing with Section 11349) of Chapter 3.5, Part 1, Division 3 of Title 2 of the Government Code. However, the Board is still providing a comment period and will convene a public hearing. The primary purpose of the written comments and the oral comments at the public hearing is to:

- (1) Identify any issues unique to California related to this proposal which should be addressed in this rulemaking and/or a subsequent rulemaking.
- (2) Solicit comments on the proposed effective date.

The responses to comments will be available in the rulemaking file on this matter and will be limited to the above areas.

The effective date is proposed to be upon filing with the Secretary of State as provided by Labor Code Section 142.3. The standards may be adopted without further notice even though modifications may be made to the original proposal in response to public comments or at the Board's discretion.

DOCUMENTS RELIED UPON

Federal Register, Vol. 75, No. 152, pp. 47906-48177, August 9, 2010.

This document is available online at the federal OSHA website:

http://www.osha.gov/FedReg_oseha_pdf/FED20100809.pdf

This document is also available for review Monday through Friday from 8:00 a.m. to 4:30 p.m. at the Standards Board Office located at 2520 Venture Oaks Way, Suite 350, Sacramento, California.

DOCUMENTS INCORPORATED BY REFERENCE

GISO Section 4884 [renumbered to Section 4884.1 in this rulemaking] presently lists numerous documents that have been incorporated by reference in the crane standards; however, in order to conform to the federal rulemaking, the following documents are newly incorporated by reference:

- ASME B30.2–2005, Overhead and Gantry Cranes (Top Running Bridge, Single or Multiple Girder, Top Running Trolley Hoist).
- ASME B30.5–2004, Mobile and Locomotive Cranes.
- ASME B30.7–2001, Base-Mounted Drum Hoists.
- ASME B30.14–2004, Side Boom Tractors.
- AWS D1.1/D1.1M:2002, Structural Welding Code – Steel, 18th Edition.
- ANSI/AWS D14.3–94, Specification for Welding Earthmoving and Construction Equipment.

- BS EN 13000:2004, Cranes – Mobile Cranes.
- BS EN 14439:2006, Cranes – Safety – Tower Cranes.
- ISO 11660-1:2007(E), Cranes – Access, guards and restraints – Part 1: General, 2d Ed.
- ISO 11660-2:1994(E), Cranes – Access, guards and restraints – Part 2: Mobile cranes, 1994.
- ISO 11660-3:2008(E), Cranes – Access, guards and restraints – Part 3: Tower cranes, 2d Ed.
- PCSA Std. No. 2, Mobile Hydraulic Crane Standards, 1968.
- SAE J185, Access Systems for Off-Road Machines, reaffirmed May 2003.
- SAE J987, Lattice Boom Cranes – Method of Test, revised Jun. 2003.
- SAE J1063, Cantilevered Boom Crane Structures - Method of Test, revised Nov. 1993.

These documents are too cumbersome or impractical to publish in Title 8. Therefore, it is proposed to incorporate the documents by reference. Copies of these documents are available for review Monday through Friday from 8:00 a.m. to 4:30 p.m. at the Standards Board Office located at 2520 Venture Oaks Way, Suite 350, Sacramento, California.

STRIKEOUT/UNDERLINE DRAFT PROPOSAL

See Attachment No. 1.

SIDE-BY-SIDE CODE COMPARISON WITH FEDERAL STANDARD

See Attachment No. 2.

COST ESTIMATES OF PROPOSED ACTION

Federal OSHA's estimate of compliance costs found at Federal Register, Vol. 75, No. 152, August 9, 2010, starting at page 48078. Based on information found at page 48112, the costs of compliance as a percentage of profits for five major industry sectors are summarized as follows:

Industry Sector	Estimated cost as % of profits
Crane Rental With Operators	2%
Crane Rental Without Operators (Bare Rentals)	2%
Own And Rent Cranes With Operators	4%
Own But Do Not Rent	1-3%
Crane Lessees	1%

Cost estimates for small businesses are generally similar to those stated above.

Federal OSHA has made a determination that the final standard is economically feasible for the affected industries¹. Federal OSHA believes that the impact of compliance costs will be less than its estimates and that the economic impact of the final standard is most likely to consist of a very small increase in prices for construction projects involving work with cranes. Federal OSHA anticipates that crane rental companies, all of which must incur the costs of compliance unless they are already in compliance, should be able to pass through costs to lessees. Federal OSHA

¹ Federal Register, Vol. 75, No. 152, page 48112.

opines that the additional costs of crane safety measures are extremely small in relation to the value of construction, and there are no economic substitutes or alternatives to the use of cranes in construction. Thus, Federal OSHA believes it is unlikely that a price increase of the estimated magnitude would significantly alter the demand for crane services. If the compliance costs of the final standard are substantially recouped with an increase in rental prices, there would be little effect on profits. Federal OSHA is also of the opinion that impacts on all affected general industry sectors will be slight.

DETERMINATION OF MANDATE

The Occupational Safety and Health Standards Board has determined that the proposed standards do not impose a local mandate. Therefore, reimbursement by the state is not required pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code because these standards do not constitute a “new program or higher level of service of an existing program within the meaning of Section 6 of Article XIII B of the California Constitution.”

The California Supreme Court has established that a “program” within the meaning of Section 6 of Article XIII B of the California Constitution is one which carries out the governmental function of providing services to the public, or which, to implement a state policy, imposes unique requirements on local governments and does not apply generally to all residents and entities in the state. (County of Los Angeles v. State of California (1987) 43 Cal.3d 46.)

These proposed standards do not require local agencies to carry out the governmental function of providing services to the public. Rather, the standards require local agencies to take certain steps to ensure the safety and health of their own employees only. Moreover, these proposed standards do not in any way require local agencies to administer the California Occupational Safety and Health program. (See City of Anaheim v. State of California (1987) 189 Cal.App.3d 1478.)

These proposed standards do not impose unique requirements on local governments. All state, local and private employers will be required to comply with the prescribed standards.

EFFECT ON SMALL BUSINESSES

The Board has determined that the proposed amendments may affect small businesses. However, no significant economic impact is anticipated.

ASSESSMENT

The adoption of the proposed amendments to these standards will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California.

Attachments