

**SUPPORTING STATEMENT FOR
THE INFORMATION COLLECTION REQUIREMENTS OF
THE STANDARD ON MATERIAL HOISTS,
PERSONNEL HOISTS,
AND ELEVATORS (29 CFR 1926.552)¹
(OFFICE OF MANAGEMENT AND BUDGET)
(OMB) CONTROL NO. 1218-0231))
(February 2011)**

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The main objective of the Occupational Safety and Health Act of 1970 (i.e., the Act) is to “assure as far as possible every working man and woman in the Nation safe and healthful working conditions and to preserve our human resources” (29 U.S.C. 651). To achieve this objective, the Act authorizes “the development and promulgation of occupational safety and health standards” (29 U.S.C. 651).

With regard to recordkeeping, the Act specifies that “[e]ach employer shall make, keep and preserve, and make available to the Secretary such records as the Secretary may prescribe by regulation as necessary or appropriate for the enforcement of this Act” (29 U.S.C. 657). The Act states further that “[t]he Secretary shall prescribe such rule and regulations as [he/she] may deem necessary to carry out [he/she] responsibilities under this Act, including rule and regulations dealing with the inspection of an employer’s establishment” (29 U.S.C. 657).

Under the Authority granted by the OSH Act, the Occupational Safety and Health Administration (OSHA or the “Agency”) published the Material Hoists, Personnel Hoists, and Elevators Standard (29 CFR 1926.552) (the “Standard”) to protect workers who operate and work around personnel hoists. Items 2 and 12 below list and describe the specific information collection requirement of this Standard.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the Agency has made of the information received from the current collection.

Posting Requirements

Paragraph (a)(2) requires that the rated load capacities, recommended operating speeds, and special hazard warnings or instructions be posted on cars and platforms.

¹The purpose of this supporting statement is to analyze and describe the burden hour and cost associated with provisions of this standard that contain paperwork requirements; this Supporting Statement does not provide information or guidance on how to comply with, or how to enforce, these provisions.

Paragraph (b)(1)(i) requires that operating rules for material hoists be established and posted at the operator's station of the hoist. These rules shall include signal system and allowable line speed for various loads.

Paragraph (c)(10) requires that cars be provided with a capacity and data plate secured in a conspicuous place on the car or crosshead.

These posting requirements are used by the operator and crew of the material and personnel hoists to determine how to use the specific machine and how much it will be able to lift as assembled in one or a number of particular configurations. If not properly used, the machine would be subject to failures, endangering the employees in the immediate vicinity.

Test and Inspection and Certification Records

Paragraph (c)(15) requires that a test and inspection of all functions and safety devices be made following assembly and erection of hoists. The test and inspection are to be conducted under the supervision of a competent person. A similar inspection and test is required following major alteration of an existing installation. All hoists shall be inspected and tested at three month intervals. A certification record (the most recent) of the test and inspection is required to be kept on file, including the date the test and inspection was completed, the identification of the equipment and the signature of the person who performed the test and inspection. This certification ensures that the equipment has been tested and is in safe operating condition.

Disclosure of Test and Inspection Certification Records

The most recent certification record will be disclosed to a CSHO during an OSHA inspection.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

Employers may use automated, electronic, mechanical, or other technological information-collection techniques, or other forms of information technology (e.g., electronic submission of responses) when establishing and maintaining the required records. The agency wrote paperwork requirements of the Standard in performance-oriented language (i.e., in terms of what data to collect, not how to record the data).

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item A.2 above.

The requirements to collect and maintain information are specific to each employer and worker involved, and no other source or agency duplicates these requirements or can make the required information available to OSHA (i.e., the required information is available only from employers).

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

The information collection requirements specified by the Standard do not have a significant impact on a substantial number of entities.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The Agency believes that the information-collection frequencies required by the Standard are the minimum frequencies necessary to fulfill its mandate “to assure so far as possible every working man and woman in the nation safe and healthful working conditions and to preserve our human resources” as specified in the OSH Act at 29 U.S.C. 651. Accordingly, if employers do not perform the information collection required by §1926.552 or delay in providing this information, workers are at risk of serious injuries or death.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- **Requiring respondents to report information to the agency more often than quarterly;**
- **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **Requiring respondents to submit more than an original and two copies of any document;**
- **Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

No special circumstances exist that require employers to collect information using the procedures specified by this Item. The requirements are within the guidelines set forth in 5 CFR 1320.5

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection before submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to those comments specifically address comments received on cost and hour burdens.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, revealed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three years -- even if the collection of information activity is the same as in prior periods. There may be circumstances that mitigate against consultation in a specific situation. These circumstances should be explained.

As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3506(c)(2)(A)), OSHA published a notice in the *Federal Register* on December 3, 2010 (75 FR 75500, Docket No. OSHA-2010-0052) requesting public comments on its proposal to extend the Office of Management and Budget's (OMB) approval of the information collection requirements specified in its standard on Material Hoists, Personnel Hoists, and Elevators (29 CFR 1926.552). This notice was part of a preclearance consultation program designed to provide the general public and government agencies with an opportunity to comment on OSHA's request for an extension by OMB of a previous approval of the information collection requirements found in the Standard. The Agency received no comments in response to this notice.

9. Explain any decision to provide any payment or gift to respondents, other than reenumeration of contractors or grantees.

The Agency will not provide payments or gifts to the respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

The paperwork requirements specified by the Standard do not involve confidential information.

11. Provide additional justification for any questions of a sensitive nature such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reason why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

None of the provisions in the standard require sensitive information.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage-rate categories.**

Estimated Burden Hours and Costs

(A) Posting Requirements--1926.552(a)(2), (b)(1)(i), (c)(10)

Based upon information gathered for the final economic analysis for the new cranes and derricks rule (75 FR 47906, August 9, 2010), OSHA estimates that there are 122,091 cranes and derricks in the construction industry. OSHA estimates that 80% (97,673) of these are crawler, truck or locomotive cranes. It is further estimated that the remaining 20% (24,418) are construction personnel and material hoists. It has been determined that half of these hoists are factory-built and half are site-built.

All factory manufactured equipment has the required documentation attached or included when the equipment is delivered. If, for some reason, the manufacturer's specifications are unavailable, or if they have been lost or damaged, the employer must obtain a replacement set of specifications from the manufacturer. In the event the equipment manufacturer is not available or cannot provide the information, the equipment must be evaluated and tested by a qualified engineer to obtain the required information.

Factory-Built Hoists and Elevators

In a factory-built hoist, manufacturers establish the rated load capacity, recommended operating speeds, special hazards warning, allowable line speed for various loads and other required information stated in these provisions. This information is permanently affixed to the hoist when delivered. The only time an employer would incur a burden for this information collection activity would be when, and if, the information would need to be re-posted due to damage caused by wear and tear. The Agency estimates that .1% of factory-built hoists will need the information re-posted each year due to damage. OSHA estimates that it would take a non-supervisory construction worker 30 minutes (.5 hour) to obtain and post the necessary information.

In a previous supporting statement, OSHA estimated that there were 13,274 hoists/elevators affected by this Standard. That same year, the 2006 FW Dodge report calculated that there were 243,000 active construction worksites (excluding single-family houses). In order to estimate the number of hoists/elevators for this supporting statement, OSHA divided the number of active construction worksites (excluding single-family houses) in the 2009 FW Dodge report (168,199) by the 2006 FW Dodge report number of active construction worksites (excluding single-family houses) to calculate a ratio of .692 worksites between the total worksites in 2006 and 2009 (i.e., 168,199/243,000). OSHA then multiplied the prior estimate of 13,274 hoists/elevators by .692 to estimate that 9,186 hoists/elevators are affected by this Standard.

The Agency uses average hourly earnings, including benefits, to represent the cost of employee time. For the relevant occupational categories, mean hourly earnings from the *July 2009 National Compensation Survey* by the Bureau of Labor Statistics have been adjusted to reflect the fact that fringe benefits comprise about 29.4% of total compensation in the private sector. Since wages are the remaining 70.6% of employee compensation wages (\$21.13/hour) are multiplied by 1.42 (1/0.706) to estimate full employee hourly compensation. The costs of labor

used in this analysis are therefore estimates of total hourly compensation. The hourly wage rate for a non-supervisory construction worker is \$30.00.

Burden hours: $9,186 \times .001 \text{ reposted/yr} \times .5 \text{ hr.} = 5 \text{ hours}$

Costs: $5 \text{ hours} \times \$30.00 = \150.00

Site-Built Hoists

When a hoist is built on site, it is necessary to determine the weight and rated-load capacity of the hoist along with recommended operating speeds, special hazards warnings, and allowable line speeds for various loads. The hoists would typically be designed by an engineer. The information needed to comply with this requirement is readily known from engineering plans. For hoists that are site-built, posting this information would be required in all instances. Since these hoists are required to be designed by a qualified engineer or a qualified person competent in structural design, the only burden is the time to post the information developed by the engineer on a plate or to permanently mark the hoist. Previously, OSHA estimated the burden of posting this information by using the wages/hour of a construction supervisor. OSHA has revisited this decision and is now using the wages of a non-supervisory construction worker to calculate this burden. OSHA made this change because the Agency believes that a non-supervisory construction worker is capable of adequately performing the duty to post, based on information developed by a qualified engineer. Although the non-supervisory construction worker is generally not capable of designing the hoists, he/she is capable of posting the information provided by a qualified engineer.

In a previous supporting statement, OSHA estimated that there were 13,274 hoists/elevators affected by this standard. That same year, the 2006 FW Dodge report calculated that there were 243,000 active construction worksites (excluding single-family houses). In order to estimate the number of hoists/elevators for this supporting statement, OSHA divided the number of active construction worksites (excluding single-family houses) in the 2009 FW Dodge report (168,199) by the 2006 FW Dodge report number of active construction worksites (excluding single-family houses) to calculate a ratio of .692 worksites from the two years (i.e., $168,199/243,000$). OSHA then multiplied the prior estimate of 13,274 hoists/elevators by .692 to estimate that 9,186 hoists/elevators are affected by this standard.

The Agency determined average wage rates for a non-supervisor construction worker using average hourly earnings. For the relevant occupational categories, OSHA adjusted the mean hourly earnings from the *July 2009 National Compensation Survey* by the Bureau of Labor Statistics to allow for fringe benefits, which comprise about 29.4% of total compensation in the private sector. With wages comprising 70.6% of employee compensation, the Agency multiplied non-supervisory construction employee wages (\$21.13/hour) by 1.42 ($1/0.706$) to derive total hourly employee compensation. Therefore, the costs of labor used in this analysis are estimates of total hourly compensation. These estimates are \$30.00 for a non-supervisory construction employee. OSHA estimates it takes a non-supervisor construction worker 5 minutes (.08 hour) to post the necessary information.

Burden hours: 9,186 hoists x .08 hour to post information = 735 hours.

Costs: 735 hours x \$30.00 = \$22,050

(B) Test and Inspection and Certification Records1926.552(c)(15)

The frequency of the inspection is quarterly (4 times a year). Additionally, OSHA estimates that 10% of the personnel hoists will require a second inspection each quarter due to repair work. The Agency estimates that it takes a non-supervisory construction worker approximately 15 minutes (.25 hour) to conduct the test and inspection, and to generate and maintain the certification record of the most recent test and inspection. To calculate the total number of hoists, the Agency added the number of factory-built hoists and the number of site-built hoists.

The Agency determined average wage rates for a non-supervisor construction worker using average hourly earnings. For the relevant occupational categories, OSHA adjusted the mean hourly earnings from the *July 2009 National Compensation Survey* by the Bureau of Labor Statistics to allow for fringe benefits, which comprise about 29.4% of total compensation in the private sector. With wages comprising 70.6% of employee compensation, the Agency multiplied non-supervisory construction employee wages (\$21.13/hour) by 1.42 (1/0.706) to derive total-hourly employee compensation. Therefore, the costs of labor used in this analysis are estimates of total hourly compensation. These estimates are \$30.00 for a non-supervisory construction employee.

Burden hours: 18,372 x 4 inspections annually x .25 hour = 18,372 hours

18,372 hoists x 10% requiring 2nd inspection x 4 inspections annually x .25 hour = 1,837 hours

Costs: (18,372 hours + 1,837 hours) = 20,209 hours x \$30.00 = \$606,270

(C) Disclosure of Test and Inspection Certification Records--1926.552(c)(15)

OSHA estimates that approximately 257 hoists covered by the Standard will be subject to an OSHA inspection where the employer will be required to disclose certification records annually (see Item 14 below). This is estimated to take a supervisor 2 minutes (.03 hour).

The Agency determined average wage rates for a first-line supervisor of construction using average hourly earnings. For the relevant occupational categories, OSHA adjusted the mean hourly earnings from the *July 2009 National Compensation Survey* by the Bureau of Labor Statistics to allow for fringe benefits, which comprise about 29.4% of total compensation in the private sector. With wages comprising 70.6% of employee compensation, the Agency multiplied first-line construction supervisor wages (\$29.94/hour) by 1.42 (1/0.706) to derive total hourly employee compensation. Therefore, the costs of labor used in this analysis are estimates of total hourly compensation. These estimates are \$42.51 for a first-line supervisor of construction.

Burden hours: 257 inspections x .03 hour = 8 hours

Cost: 8 burden hours x \$42.51 = \$340

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14.)

- **The cost estimate should be split into two components: (a) a total capital and start-up cost component annualized over its expected useful life); and (b) a total operation and maintenance and purchase of service component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**
- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondent (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made:
 - (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

Item 12 above provides the total cost of the information collection requirements specified by the Standard.

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

OSHA estimates that a compliance officer (GS-12, step 5), with an hourly wage rate of \$37.37² spends about 5 minutes (.08 hour) during an inspection reviewing the document required by the Standard. The Agency determines that its compliance officers will inspect 257 personnel hoists which are regulated by this Standard during each year covered by this ICR³. OSHA considers other expenses, such as equipment, overhead and support staff salaries to be normal operating expenses that would occur without the paperwork requirements specified by the Standard.

²SOURCE: U.S. Office of Personnel Management, *General Schedule and Locality Tables, Salary Table 2010-RUS*, http://www.opm.gov/oca/10tables/pdf/rus_h.pdf.

³OSHA estimated the number of inspections by multiplying OSHA's inspection rate (1.4%) by the number of hoists covered by this ICR (i.e., 18,374 hoists x 1.4% = 257).

Therefore, the total cost of this paperwork requirement to the Federal government is:

$$\text{Cost: } 257 \text{ inspections} \times .08 \text{ hour} \times \$37.37 = \$768$$

15. Explain the reasons for any program changes or adjustments reporting in Items 13 or 14.

The Agency is requesting a decrease in burden hours from 30,282 to 20,957 (a total decrease of 9,325 burden hours) (see Table 1 below). This decrease is a result of a drop in the number of construction worksites from 2.43 million to 725,199.

16. For collections of information whose results will be published, outline plans for tabulation, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection information, completion of report, publication dates, and other actions.

OSHA will not publish the information collected under the Standard.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be appropriate.

No forms are available for the Agency to display the expiration date.

18. Explain each exception to the certification statement in ROCIS.

OSHA is not seeking an exception to the certification statement in ROCIS.

B. COLLECTION OF INFORMATION EMPLOYING STATISITICAL METHODS

This Supporting Statement does not contain any collection of information requirements that employ statistical methods.

Table 1
Summary of Burden Hours and Costs

Information Collection Requirements	Current Burden Hours	Requested Burden Hours	Adjustments	Cost (Item 12)	Responses
A) Posting Requirements					
i) Factory Built Hoist and Elevator	7	5	-2	\$150	9
ii) Site Built Hoists	1,062	735	-327	\$22,050	9,186
B) Test and Inspection Certification Records	29,202	20,209	-8,993	\$606,270	80,837
C) Disclosure of Tests and Inspection Certification Records	11	8	-3	\$340	257
Totals	30,282	20,957	- 9,325	\$628,810	90,289