

**SUPPORTING STATEMENT FOR THE
INFORMATION COLLECTION REQUIREMENTS OF THE
STANDARD ON GEAR CERTIFICATION (29 CFR PART 1919)¹
OFFICE OF MANAGEMENT AND BUDGET (OMB)
CONTROL NO. 1218-0003 (May 2017)**

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 Occupational Safety and Health Act's (OSH Act) main objective is 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" (29 U.S.C. 651). To achieve this objective, the OSH Act specifically authorizes "the development and promulgation of occupational safety and health standards" (29 U.S.C. 651). In addition, the OSH 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).

Under the authority granted by Sections 4, 6, 8 of the OSH Act (29 U.S.C. 653, 655, 657), and Section 941 of the Longshore and Harbor Workers' Compensation Act (44 Stat.1424), the Occupational Safety and Health Administration (OSHA) published a standard on Gear Certification at 29 CFR part 1919 (the "Standard"). This supporting statement addresses the burden hours associated with gathering information to complete the OSHA 70 Form. The OSHA 70 Form is used by applicants seeking accreditation from OSHA to be able to test or examine certain equipment and material handling devices, as required under the maritime regulations, part 1917 (Marine Terminals), and part 1918 (Longshoring). The OSHA 70 Form application for accreditation provides an easy means for companies to apply for accreditation.

The collection of the information needed to complete this form is necessary to provide an effective and efficient means of enabling employers and workers to determine if cargo gear, equipment and/or other material handling devices are safe to use.

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.

¹The purpose of this supporting statement is to analyze and describe the burden hours and costs associated with provisions of the Standard that contain paperwork requirements; this supporting statement does not provide information or guidance on how to comply with, or how to enforce, the Standard.

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The information is utilized by employers, workers, OSHA Compliance Officers, and OSHA's National Office in order to provide a simplified and swift means for determining if certain cargo handling devices are safe for use. The information is collected every time a maritime material handling device is tested or examined. Proof-load examinations are conducted every four years, while visual examinations are conducted yearly.

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.

OSHA is not making the OSHA 70 Form available electronically. The OSHA 70 Form is an application for accreditation and is also used for renewal of current accredited agencies. Renewal is required by regulation every three years. Before sending this form to a potential applicant, OSHA speaks with the applicant to determine their credibility. This process saves the Agency's limited resources by not having to review numerous OSHA 70 Forms. It also saves the public burden by not having to unnecessarily complete the OSHA 70 Form. By using this process, less than 50 forms are completed by potential applicants and current accredited agencies annually.

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 information collection requirement in the Standard is specific to each employer and worker involved, and no other source or agency duplicates the requirement 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 the methods used to minimize the burden.

The information collection requirement specified by the Standard does not have a significant impact on a substantial number of small 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 collection of information is for the purpose of worker safety and health in the workplace and is the minimum amount necessary and appropriate.

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;

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- 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 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.

This information request is consistent with the guidelines provided 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 prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

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, disclosed, 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 may preclude mitigate against consultation in a specific situation. These circumstances should be explained.

Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3506(c)(2)(A)), OSHA published a notice in the *Federal Register* on December 22, 2016 (81 FR 93963) soliciting comments on its proposal to extend the Office of Management and Budget's approval of the information collection requirements specified by the Standard on Gear Certification (29 CFR part 1919). This notice was part of a preclearance consultation program that provided the general public and government agencies with an opportunity to comment. The Agency did not receive any comments in response to this notice.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration 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

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statute, regulation, or agency policy.

The paperwork requirement specified by the Standard does not require the collection of 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.

The paperwork requirement specified by the Standard does not require the collection of 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.**

The Agency determined average wage rates from average hourly earnings to represent the cost of employee time. For the relevant occupational category, OSHA adjusted the mean hourly earnings according to the, Occupational Employment Statistics, Occupational Employment and Wages, May 2016, Bureau of Labor Statistics, U.S. Department of Labor, <http://www.bls.gov/oes/current/oes531031.htm>. To account for fringe benefits, the Agency used the fringe benefit rate reported in <https://www.bls.gov/news.release/ecec.nr0.htm>. BLS reported that for private industry, fringe benefits accounted for 31.6 percent of total compensation and wages accounted for the remaining 68.4 percent. To calculate the loaded hourly wage for each occupation, thus, the Agency divided the mean hourly wage by 68.4 percent.

Water Transportation (OES-531031) <http://www.bls.gov/oes/current/oes531031.htm>:
 $\$28.75 / .684 = \42.03

Clerical: (OES-43901) <http://www.bls.gov/oes/current/oes439061.htm>: $\$15.87 / .684 =$
 $\$23.20$

Burden Hours for the OSHA 70 Form

Based on past annual submissions the Agency has received, applicants annually submit on average 39 requests (31 for renewals and 8 new applicants) seeking accreditation to perform inspections under 29 CFR part 1919. Based on consultation with such applicants, it takes, on average, 45 minutes (.75 hour) to complete the OSHA 70 Form.

Burden hours: 39 Applicants submitting OSHA70 Forms x .75 hour = 29

Cost: 29 burden hours x \$42.03 = \$1,219

Maintaining Certification Records

Employers have an accredited agency conduct an annual visual examination and a thorough quadrennial examination of cargo gear or other material handling devices. The accredited Agency either issues a certificate to the owner that the piece of equipment passed the examination or issues a Notice of Deficiency to the owner of any deficiencies found during the examination. Based on OSHA's Integrated Management System (IMIS), the number of examinations comes from the IMIS Crane database, which records all certifications issued as a result of crane examinations.

For purposes of calculating burden hours and costs for this ICR, OSHA estimates there are 351 Port and Harbor Operation "marine terminals" establishments (NAICS 48831), and 678 Shipbuilding and repairing "shipyard" establishments (NAICS 336611)². Approximately 351 marine terminals and half of the 678 Shipbuilding and Repairing Establishments (339) will have cranes that are required to be certificated; a total of 690 establishments. Based on a data search, the Agency estimates that 3,859 annual visual examinations and 4,842 quadrennial examinations were conducted resulting in the issuance of 8,701 certifications. OSHA assumes that it takes a clerical one minute (.02 hour) per year to maintain the certificate.

Burden hours: 690 establishments x (8,701/690) certifications x .02 hour = 179 hrs.

Cost: 179 hours x \$23.20 = \$4,153

² United States Census Bureau, *Number of Firms, Number Establishments, Employment and Annual payroll by Enterprise Employment Size for, All Industries: 2014* Source: 2014 County Business Patterns. <https://www.census.gov/data/tables/2014/econ/susb/2014-susb-annual.html>

Summary of Burden Hours and Costs							
Collections of Information	No. of Respondents	No. of Responses per Respondent	Total No. of Responses	Avg, Burden per Response (in Hrs.)	Total Burden Hours	Mean Wage Rate	Total Burden Costs
OSHA 70 Form	39	1	39	.75	29	\$42.03	\$1,219
Maintaining Certification Records	690	8,701/690 (Total Certifications / Respondents)	8,701	.02	174	\$23.20	\$4,037
Totals	729		8,740		203		\$5,256

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

Employers pay an accredited agency to conduct an annual visual examination and a thorough quadrennial examination of cargo gear or other material handling devices. Based upon staff conversations with several employers, the Agency found that, on average, employers pay accredited agencies \$475 to perform the annual visual examination and \$600 to perform the quadrennial examinations.

$$3,859 \text{ annual visual examinations} \times \$475 = \$1,833,025$$

$$4,842 \text{ quadrennial examinations} \times \$600 = \$2,905,200$$

$$\text{Total Annual Cost Burden per Examination: } \$4,738,225$$

Cost To Respondent:

$$\text{Cost: } 690 \text{ Respondents} \times (\$4,738,225/690 \text{ Cost per respondent}) = \$4,738,225$$

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.

There is no cost to the Federal government.

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15. Explain the reasons for any program changes or adjustments.

The Agency is requesting an overall adjustment increase in burden hours from 184 to 203 hours (an increase of 19 burden hours). This burden hour increase results from an increase in the number of certification records being maintained. This increase offset the small decrease in the number of OSHA 70 forms being completed and the removal of burden hours for employers to disclose information to OSHA during an inspection. The Agency has determined that information collected by the Agency during an investigation is not subject to the PRA under CFR 1320.4(a)(2). Therefore, OSHA takes no burden or cost for disclosure of records.

The Agency requests a cost increase due to both an increase in the number of annual visual and quadrennial examinations of cargo gear or other material handling devices being conducted, and the costs for an accredited agency to conduct the examinations.

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 29 CFR part 1919.

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

OSHA lists current valid control numbers in §§1910.8, 1915.8, 1917.4, 1918.4 and 1926.5 and publishes the expiration date in a Federal Register notice announcing OMB approval of the information collection requirements (see 5 CFR 1320.3(f)(3)). OSHA believes that this is the most appropriate and accurate mechanism to inform interested parties of these expiration dates.

18. Explain each exception to the certification statement.

OSHA is not seeking such an exception.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

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