

TABLE 8.—SUMMARY OF COSTS AND BENEFITS FOR INDUSTRY SECTORS AFFECTED BY THE PROPOSED RULE—Continued

SIC	Industry description	Low implementation costs	High implementation costs	Low payroll costs	High payroll costs	Low total costs	High total costs	Low benefits	High benefits	Low difference	High difference
53 .....	General merchandise stores .....	5,222	6,352	2,961	7,041	8,183	13,393	14,966	26,604	6,783	13,210
54 .....	Food stores .....	13,060	16,499	6,487	16,941	19,547	33,441	19,519	34,698	-28	1,257
55 .....	Automotive dealers & gasoline service stations.	13,380	17,101	3,942	10,470	17,322	27,571	38,529	68,490	21,207	40,919
56 .....	Apparel & accessory stores .....	7,926	10,182	959	1,905	8,885	12,087	5,547	9,860	-3,339	-2,227
57 .....	Home furniture, furnishings, & equipment stores.	7,015	9,032	1,627	3,795	8,641	12,827	20,518	36,472	11,876	23,646
58 .....	Eating & drinking places .....	33,346	42,414	9,310	26,857	42,656	69,271	38,054	67,646	-4,601	-1,626
59 .....	Miscellaneous retail .....	22,326	28,755	6,152	14,028	28,478	42,783	31,195	55,452	2,717	12,669
.....	Retail Subtotal .....	106,884	136,210	32,387	83,417	139,271	219,627	178,881	317,979	39,611	98,353
60 .....	Depository institutions .....	6,943	8,924	2,677	8,836	9,620	17,760	23,042	40,960	13,422	23,200
61 .....	Nondepository credit institutions	2,727	3,580	1,795	4,701	4,522	8,281	13,449	23,907	8,927	15,625
62-67 ....	Holding & other investment offices, except trusts, & Security & commodity brokers, dealers, exchanges, & services.	4,055	5,302	8,260	20,789	12,315	26,091	30,936	54,992	18,620	28,901
63-64 ....	Insurance carriers, Insurance agents, brokers, & services.	9,454	12,342	6,016	11,003	15,470	23,345	26,681	47,428	11,211	24,083
65 .....	Real estate .....	10,801	14,565	21,401	56,982	32,202	71,546	21,773	38,703	-10,429	-32,843
.....	Fin., Insure., & Real Est. Subtotal.	33,980	44,713	40,150	102,311	74,130	147,024	115,881	205,990	41,751	58,966
70 .....	Hotels, rooming houses, camps, & other lodging places.	6,394	7,899	2,707	7,492	9,101	15,391	10,461	18,595	1,359	3,204
72 .....	Personal services .....	12,705	16,505	25,351	67,270	38,055	83,775	8,112	14,419	-29,943	-69,355
73 .....	Business services .....	37,518	46,860	16,606	39,540	54,124	86,401	109,491	194,631	55,367	108,230
75 .....	Automotive repair, services, & parking.	11,698	15,230	19,375	51,798	31,073	67,028	9,480	16,851	-21,593	-50,177
76 .....	Miscellaneous repair services ....	4,164	5,406	1,373	4,213	5,537	9,618	1,586	2,819	-3,951	-6,800
78 .....	Motion pictures .....	3,470	4,419	4,283	19,485	7,753	23,904	10,446	18,570	2,693	-5,334
79 .....	Amusement & recreation services.	7,987	10,088	5,622	16,716	13,609	26,804	10,573	18,795	-3,035	-8,009
80 .....	Health services .....	48,132	60,026	37,155	103,356	85,287	163,382	114,546	203,617	29,259	40,235
81 .....	Legal services .....	10,263	13,361	2,246	8,969	12,509	22,329	42,821	76,119	30,313	53,790
82 .....	Educational services .....	1,878	2,412	14,052	40,243	15,930	42,655	155,178	275,844	139,248	233,189
83 .....	Social services .....	12,637	16,039	9,438	21,396	22,075	37,435	12,498	22,216	-9,577	-15,219
84 .....	Museums, art galleries, & botanical & zoological gardens.	455	574	294	858	749	1,432	1,009	1,794	260	362
86 .....	Membership organizations .....	4,425	5,701	1,396	9,151	5,821	14,851	8,252	14,668	2,430	-183
87 .....	Engineering, accounting, research, management, & related services.	20,847	26,721	7,828	23,332	28,675	50,053	71,813	127,656	43,138	77,602
89 .....	Services, not elsewhere classified <sup>4</sup> .	1,080	1,405	206	488	1,286	1,892	1,205	2,143	-81	251
.....	Services Subtotal .....	183,651	232,645	147,933	414,307	331,584	646,952	567,471	1,008,736	235,887	361,784
.....	Private Industry .....	521,396	660,266	327,832	871,621	849,228	1,531,887	1,061,273	1,886,519	212,045	354,632
.....	State & Local Government .....	14,033	19,695	7,012	23,911	21,045	43,606	48,495	86,205	27,450	42,599
.....	Total .....	535,429	679,961	334,844	895,532	870,273	1,575,493	1,109,768	1,972,724	239,495	397,231

Note: Unless otherwise noted, data are from USDOC (2001a).

Na: Data not available.

Nc: Not calculable.

<sup>1</sup> Number of employers are derived from the U.S. Department of Commerce, Bureau of Census, 1992 Enterprise Statistics.<sup>2</sup> Employment is estimated when data suppression occurs.<sup>3</sup> Sales data for industries 07, 08, 09, and 89 are from the D&B (2001a) database.<sup>4</sup> Number of establishments, number of employees, and annual payroll are derived from the USDOC (1999) database. Sales data are derived from the D&B (2001a) database.<sup>5</sup> Only includes Railroad Switching and Terminal Establishments (SIC 4013).<sup>6</sup> All data for the U.S. Postal Service are from USPS (1997).<sup>7</sup> Data do not include large certificated passenger carriers that report to the Office of Airline Statistics, U.S. Department of Transportation.

Sources: CONRAD Research Corporation and the U.S. Department of Labor; U.S. Department of Commerce, Bureau of the Census (USDOC, 2001a), 1997 Economic Census: Comparative Statistics, downloaded from <http://www.census.gov/epcd/ec97sic/index.html#download>; U.S. Department of Commerce, Bureau of the Census (USDOC (1999), 1997 County Business Patterns; Dun & Bradstreet (D&B, 2001a) National Profile of Businesses Database for Fiscal Year 2000; Dun & Bradstreet (D&B, 2001b), Industry Norms and Key Business Ratios for Fiscal Year 2000/2001; U.S. Department of the Treasury, Internal Revenue Service (IRS, 2000) Corporate Tax Returns for Active Corporations for 1997; and U.S. Postal Service (USPS, 1997), 1997 Annual Report.

### Small Business Cost Estimates

The upper bound small business cost estimate for the proposed rule ranges from \$502.4 million to \$835.9 million. This includes one-time implementation costs ranging from \$349.3 million to \$451.7 million and recurring payroll costs ranging from \$153.1 million to \$384.2 million. The recurring payroll

costs as a percentage of total payroll range from 0.02 percent to 0.04 percent, and from 0.07 percent to 0.16 percent of total pre-tax profits.

The lower bound small business benefit estimate for the proposed rule ranges from \$629.8 million to \$1,119.4 million. These estimates do not include significant, but difficult to quantify,

benefits such as the reduced human resource and legal costs for classifying workers under the proposed rule, and improved management productivity from reduced investigations and litigation.

The largest recurring payroll costs are incurred by the Personal Services industry (\$17.6 million to \$46.6