

First, the Agency computed compliance costs on a per establishment basis, which required consideration of the number of potentially affected establishments. As indicated earlier in this analysis (see Table 6),

approximately 66 establishments are potentially affected by this proposal. For the purpose of conducting the regulatory flexibility screening analysis, OSHA estimated that small firms will not bear the cost associated with

performing VTLs. These costs may be incurred by the larger establishments in the industry, particularly the high volume ports.

TABLE 7.—ESTIMATED ECONOMIC IMPACTS FOR AFFECTED SECTORS

NAICS	Description	Compliance cost per establishment	Compliance cost as a percentage percentage of revenues	Compliance cost as a of pre-tax profits
488310	Port and Harbor Operations	\$233	0.00	0.01
483111	Deep Sea Freight Transportation	4,000	0.00	0.04
483113	Coastal & Great Lakes Freight Transportation	4,000	0.01	0.14

Source: Office of Regulatory Analysis.

The economic impacts outlined in Table 7 of this analysis are based on using the lowest estimate of revenues and costs from either the 100 to 499 size class or the >500 size class (see Table 2). The costs of the proposal are extremely small, and the proposed standard is economically feasible.

Regulatory Flexibility Analysis

According to the Small Business Administration (SBA), a small business

in NAICS 483111 or 483113 is any firm with less than 500 employees (see references below). However, for NAICS 488310, SBA defines a small business by total sales of less than \$21.5 million. Using the average sales per establishment, OSHA found that the firms with less than 250 employees earned less than \$21.5 million in sales annually, while establishments with more than 250 employees exceeded that sales figure. For reasons discussed in

the Industry Profile, establishments with less than 20 employees are unlikely to perform VTLs because of the size and kind of ships they service. Table 8 shows even under a worst-case scenario, the proposed requirements would have minimal impacts on small firms. Accordingly, OSHA certifies that this standard will not have significant impact on a substantial number of small entities.

TABLE 8.—ESTIMATED SMALL FIRM IMPACTS

NAICS	Number of small firms potentially affected	Compliance cost per firm	Compliance cost as a percentage of revenues	Compliance cost as a percentage of profits
488310—Port & Harbor Operations	3	\$233	0.01	0.18
483111—Deep Sea Freight Transportation	36	4,000	0.00	0.06
483113—Coastal & Great Lakes Freight Transportation	15	4,000	0.11	1.62

Source: Office of Regulatory Analysis.

References

- Dunn & Bradstreet [D&B, 2002]. *Market Profile Database*. 2002
- Office of Management and Budget [OMB, 1997]. *North American Industry Classification System Manual*. 1997
- Occupational Safety and Health Administration [OSHA, 1997]. *Final Economic Analysis for the Longshoring and Marine Terminals Standards*. 1997 (Ex. L-91)
- Pacific Maritime Association [PMA, 2003]. *Report: Hours with Wages Paid to Registered Work Force*. 2003
- Robert Morris Associates [RMA, 1998–1999]. *Annual Statement Studies*. 1998
- Small Business Administration [SBA, 2002]. *Table of Size Standards Matched to North American Industry Classification System Codes*. 2002

V. Environmental Impact

Finding of No Significant Impact. OSHA has reviewed the proposed rule

according to the requirements of the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321 *et seq.*), the Guidelines of the Council on Environmental Quality (40 CFR parts 1500 through 1517), and the Department of Labor's (DOL) NEPA Procedures (29 CFR part 11). Based on this review, the Assistant Secretary for OSHA finds that the proposed rule will have no significant environmental impact.

The revisions and additions to 29 CFR parts 1917 and 1918 focus on the reduction of employee death and injury. OSHA will achieve this reduction through the updating of its regulations for longshoring and marine terminal operations to provide safe practices for employers who choose to perform VTLs. The new language of these rules does not affect air, water, or soil quality, plant or animal life, the use of land, or other aspects of the environment. Therefore, the new rules are categorized

as “excluded actions” according to § 11.10(a)(1), of the DOL NEPA regulations.

VI. OMB Review Under the Paperwork Reduction Act of 1995

The proposed rule for VTLs for longshoring and marine terminals contains two new collections of information (paperwork) that are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (PRA 95), 44 U.S.C. 3501 *et seq.*, and its regulation at 5 CFR part 1320. In addition, the proposal redesignates a currently approved collection of information, § 1917.71(f)(4) to § 1917.71(f)(5). The collection of information is approved under OMB control number 1218–0196. PRA 95 defines collection of information to mean, “the obtaining, causing to be obtained, soliciting, or requiring the disclosure to third parties or the public of facts or opinions by or