



Juliann Sum
Department of Industrial Relations
Division of Occupational Safety & Health
1515 Clay St., Ste. 1900
Oakland, CA 94612

June 28, 2019

Dear Ms. Sum:

Thank you for submitting the Standardized Regulatory Impact Assessment (SRIA) and the summary (Form DF-131) for the Division of Occupational Safety and Health proposed regulations to revise Title 8 fall protection standards in the residential construction sector covering framing and roofing activities as required in California Code of Regulations, title 1, section 200(a)(1) for major regulations. As proposed regulations were not submitted with the SRIA, these comments are solely based on the SRIA.

Proposed regulations adopt and extend federal regulations to require employers to provide protective equipment from falls for employees working at least six feet off the ground, raising costs by up to \$1,500 per residential unit. Existing standards call for protection at 15 feet for framing and 20 feet for roofing, the two main subsectors the SRIA estimates would be affected. These two subsectors of construction employed around 30,000 workers in 2015, or around 4 percent of all construction workers, and paid around \$1.1 billion, or around 2.4 percent of total wages. Residential units permitted in 2020 are expected to be 45 percent higher than in 2015, and total costs are expected to reach \$64 million in 2020 and \$106 million by 2030. Fall-related incidents account for half of construction worker fatalities, and revised standards are estimated to reduce these incidents by around 10 percent. The regulations will also avoid non-fatal injuries and the SRIA estimates total annual benefits equal \$64 million.

Finance generally concurs with the methodology used to estimate impacts of proposed regulations, with the following exceptions. First, the benefits from avoided incidents should also increase over time in conjunction with increased permits. The estimates of costs are appropriately scaled by the amount of construction, but the benefits are assumed to be static. Second, the SRIA must add and analyze a second alternative to the proposed standards, as a “no change” alternative is merely the baseline.

These comments are intended to provide sufficient guidance outlining revisions to the SRIA. The SRIA, a summary of Finance’s comments, and any responses must be included in the rulemaking file that is available for public comment. Finance understands that the proposed regulations may change during the rulemaking process. If any significant changes to the proposed regulations result in economic or fiscal impacts not discussed in the SRIA, please note that the revised impacts must be reflected on the Standard Form 399 for the rulemaking file

submittal to the Office of Administrative Law. Please let us know if you have any questions regarding our comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Irena Asmundson".

Irena Asmundson
Chief Economist
Department of Finance

cc: Mr. Lenny Mendonca, Director, Governor's Office on Business and Development
Ms. Debra Cornez, Director, Office of Administrative Law
Ms. Julie A. Su, Secretary, Labor and Workforce Development Agency
Ms. Victoria Hassid, Chief Deputy Director, Department of Industrial Relations
Ms. Christina Shupe, Executive Officer, Dept. of Occupational Standards and Health
Ms. Amy Coombe, Department of Industrial Relations