

ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE

January 26, 2010

2:03 p.m.

MEMBERS PRESENT

Senator Joe Paskvan, Chair
Senator Joe Thomas, Vice Chair
Senator Bettye Davis
Senator Kevin Meyer
Senator Con Bunde

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 97

"An Act relating to the licensing of crane operators; and providing for an effective date."

MOVED CSSB 97(L&C) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 97

SHORT TITLE: CRANE OPERATOR LICENSES

SPONSOR(s): LABOR & COMMERCE

02/04/09	(S)	READ THE FIRST TIME - REFERRALS
02/04/09	(S)	L&C, FIN
03/19/09	(S)	L&C AT 1:30 PM BELTZ 211
03/19/09	(S)	Heard & Held
03/19/09	(S)	MINUTE(L&C)
01/26/10	(S)	L&C AT 2:00 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

GRAY MITCHELL, Director
Division of Labor Standards and Safety
Department of Labor and Workforce Development (DOLWD)
POSITION STATEMENT: Supported SB 97.

JERRY ANDREWS
Pipeline Training Administrator
Department of Labor and Workforce Development (DOLWD)

POSITION STATEMENT: Supported SB 97.

ROB PETERSON, District Representative
Operating Engineers

POSITION STATEMENT: Supported SB 97.

PAULA SCAVARA, Legislative Liaison
Department of Labor and Workforce Development (DOLWD)

POSITION STATEMENT: Suggested changing the effective date of SB 97.

ACTION NARRATIVE

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CHAIR JOE PASKVAN called the Senate Labor and Commerce Standing Committee meeting to order at 1:35 p.m. All members were present at the call to order.

SB 97-CRANE OPERATOR LICENSES

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CHAIR PASKVAN announced SB 97 to be up for consideration. He said this bill was advanced by the Department of Labor and Workforce Development (DOLWD), but was introduced as a Labor and Commerce Committee bill.

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GRAY MITCHELL, Director, Division of Labor Standards and Safety, Department of Labor and Workforce Development (DOLWD), said he had a resident expert in cranes with him and introduced Mr. Andrews.

JERRY ANDREWS, Pipeline Training Administrator, Department of Labor and Workforce Development (DOLWD), said in a past position he was a training coordinator for the operating engineers Local 302 and currently carries an National Commission for the Certification of Crane Operators (NCCCO) certification for all levels.

MR. MITCHELL updated the committee that crane accident reports continue to come in from across the country with an average of 60-80 fatalities per year. Alaska has avoided a fatal crane incident over the last year, but in the 10 years prior to 1997, it had 15 crane accidents with 10 serious injuries and 9 fatalities.

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In general, accidents with smaller equipment can be deadly as well, he said, and related how two workers suffered severe injuries when a small, powered, industrial, platform truck outside the capital building fell over this summer. The state has alleged that the operator didn't have enough experience or training and wasn't properly certified to operate that piece of equipment. This is a prime example of what can happen when non-qualified people get behind the controls.

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He said the federal Occupational Safety and Health Administration (OSHA) is in the process of revising its crane standards, a large package of regulations that apply across the industry. This process has been going on since 2002 and is expected to be finished by July of 2010. If that happens, crane operators will have a four-year window to become certified. Alaska can't wait that long and that is where SB 97 comes into play. This bill goes beyond OSHA regulations that only apply to protection of employees; SB 97 is designed to protect general public safety and covers anyone who gets behind the controls of a crane. Since last year two more states, Maryland and North Carolina, have established a requirement for crane operator certification. Studies have shown this certification does make a difference.

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MR. MITCHELL said that more crane training is becoming more accessible. Just two weeks ago the Crane Institute of America provided a four-day training course in Anchorage, and the Alaska Crane Consultants in Kenai provides routine training throughout the state. Alaska does have licensing laws for various occupations. For example, a person has to have 1650 hours of accredited training at a cost of \$6,000 (in Alaska), pass a test, pay \$205 in fees and obtain a license in order to cut hair. Alaska should not wait for a long string of accidents to establish crane operator licensing.

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SENATOR BUNDE asked him how much the crane training costs and to walk them through a training program.

MR. MITCHELL replied that in order to sit for the crane exam, a minimum experience of 1,000 hours of crane operator time is required. The pre-exam training is an intensive four-day course.

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MR. ANDREWS added that becoming a crane operator is not unlike becoming a truck driver by passing the commercial drivers license (CDL) test. People do not have to be a member of any local union, although the unions offer that training through their apprenticeship programs. Crane operator is not an "apprenticable" occupation; it is 8,000 hours of work experience and covers all areas of the occupation that the NCCCO would test on. Currently, as long as an individual is healthy and can pass a medical examination and a written and practical test, they can take the test in Anchorage, Fairbanks, Kenai, and Juneau. The operating engineers in Juneau provide the book work training only for its members. North Slope employers have taken this training to the North Slope and the Training Institute of American does training throughout the state.

SENATOR BUNDE said if this bill gets passed and operator trainees can't get the 1,000 hours unless they are certified, that creates a catch-22 situation.

MR. MITCHELL replied that a provision in the bill allows for a trainee to become licensed without the full journeyman certification. But it requires direct and continuous supervision by a licensed crane operator.

SENATOR BUNDE said he didn't oppose the safety factor in the bill, but he was thinking about the practical impact. If a person has a contract and needs a crane operator, to apprentice someone they would have to hire two people - the certified operator and the person who is being trained. So becoming an operator will not be easy or inexpensive.

MR. MITCHEL replied that might be the case in some circumstances, but it is hard to imagine that some business is just going to automatically need a crane and an operator "out of the blue." They will be in the business, use them on a regular basis and have operators in place. Alaska already has a significant number of operators.

CHAIR PASKVAN remarked that last year's fiscal note estimated 1,000 licenses per year and this year's fiscal note predicts 700. "What has changed?"

MR. MITCHELL replied that he didn't know exactly, but the department went through more evaluations this year than last year on developing the final numbers for the fiscal note; that could have changed expectations.

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CHAIR PASKVAN asked if it is more accurate this year.

MR. MITCHELL responded that the current fiscal note is accurate.

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CHAIR PASKVAN asked if the department would have problems implementing the requirements if this bill passed.

MR. MITCHELL replied that he didn't think they would have a problem and implementing the program would take six months to a year.

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MR. ANDREWS referred back to Senator Bunde's question on a training program. Many cranes that are operating in the 17.5 ton classification have a crane operator and probably a crane oiler as well. The crane oiler would be "an apprentice operator." He would maintain the crane, make sure it is safe and "look over the shoulder" of the operator. That operator would on occasion when it is safe enough allow the oiler to operate the crane. The operator then looks over his shoulder to make sure he is operating safely.

CHAIR PASKVAN asked if he saw this licensing process as a barrier to work in the field.

MR. ANDREWS replied no; employers realize the crane standards were written in 1971 and have not been updated since then. American National Standards Institute (ANSI) regulations have been consistently updated every year or every other year as need. So the industry has evolved and the operators that are safe in the industry are evolving with; what has lagged is the OSHA standard. So to say that ANSI standards should be the standard of the industry should not be an encumbrance to the industry - and this is only one facet of the over-arching standard to be presented in July.

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CHAIR PASKVAN wondered if about seven years ago the American Society of Mechanical Engineers became the body that sets the standard.

MR. ANDREWS explained that the 17.5 ton standard comes from the industry, and that in 1994 the Specialized Carriers and Riggers Association realized a huge number of crane accidents were happening with loss of life and property. So their casualty

group decided that if they were going to address craning in America, similar to what the Canadians did in Ontario in the 70s, that they needed to get their arms around the issue. Through interviewing national crane houses and organizations they decided that under 17.5 tons would be one classification and the NCCCO would be the organization qualified to set it.

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CHAIR PASKVAN asked if the standard in SB 97 is consistent with industry practices as he described.

MR. ANDREWS answered yes.

CHAIR PASKVAN asked if another crane certification organization exists.

MR. ANDREWS answered that the Crane Institute of America (that has come to Alaska) is the only other nationally recognized crane program that he knows of. The owner has made sure that he meets the NCCCO qualification.

CHAIR PASKVAN asked if crane operators in both training organizations are able to comply with this language.

MR. ANDREWS replied that NCCCO only offers tests, but the Crane Institute of America will train and test. So, NCCCO that doesn't endorse any training becomes more like the federal standard.

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MR. MITCHELL said one other organization has nationwide accreditation out of Southern California. He said operating cranes is a growing area, and entities like the Crane Institute of American and the NCCCO are providing approvals to local training providers. That is what the Alaska crane consultant's business is - an arm of the Crane Institute of America. They have approved this local business in Alaska to provide their curriculum. He expects if this bill passes, that other businesses would develop in order to provide this training.

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SENATOR THOMAS asked if the exemption for electrical line work from 5 tons to 17.5 tons was the only exemption.

MR. MITCHELL replied that this exemption is for electrical line work performed by a licensed electrician with a certificate of fitness as a lineman who is using a crane that is up to 17.5 tons in capacity. Once the crane goes over that amount it would

require certification. The 5 ton threshold is the standard in the bill.

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ROB PETERSON, District Representative, Operating Engineers, said he also serves on the Alaska Safety Advisory Council. He supported SB 97 saying he had been a heavy equipment operator and mechanic in Alaska for 28 years. He supports this bill for several reasons, but most importantly because of the safety of the unsuspecting trade workers, equipment operators and public that work around cranes in the State of Alaska every day.

He related that in 2008 there were 58 crane deaths and 126 injuries reported, but there is obviously a lot more. The causes of construction worker crane related incidents in that 12-month period by percentage were 1. crane collapses, 2. overhead power line contacts, 3. crane loads and other crane parts falling on people, and 4. 23 percent other causes.

In summary, the U.S. had a total of 97 reported crane incidents involving 57 deaths and 127 injuries. The two states with the most incidents are Florida and Texas, and out of the 15 states that now have NCCCO or crane licensing certification for operators, those two states do not.

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MR. PETERSON said from 1992-2006 there were 632 crane-related deaths, an average of 42 a year; now it has gone up to 70-75 a year. In that time there were also 18 multiple death incidents involving a total of 40 deaths. The main causes were overhead power line electrocutions (157 deaths), struck by crane loads (132 deaths), crane collapses (89 deaths), struck by crane parts (78 deaths), falls (56 deaths), struck by falling crane parts (47 deaths), caught in between loads (30 deaths), and other causes (43 deaths).

He said the main types of cranes used in Alaska in construction are mobile cranes. In that period of time 71 percent of all the crane-related incidents involved mobile cranes. With these mobile cranes, 84 percent were power line incidents, 63 percent were of crane collapses, and 60 percent were people being stuck by parts of the crane coming down. First causes in Alaska are mobile cranes tipping over and power lines.

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MR. PETERSON said the main cause of worker deaths from 1992-2006 by frequency is electrocution at 157 deaths. However, he said,

it's usually not the operator that gets killed, but someone on the ground when the electricity passes through the machine. One hundred and thirty-two workers were struck by crane loads and that includes flaggers, directors and guides; 32 percent were workers who weren't even involved with the crane. From 1992-2006 there were 81 crane collapses and the death rate from those was 89.

He explained that back in 1982 someone could stand a crane up on its outriggers and "sort of feel" if it was going to tip, but now in 2010 everything is designed lighter. Load charts in cranes today have very few tipping points; most of it has to do with structural failure. So, if you're picking a heavy load and go above that rate in the load chart, the crane is going to collapse before it will tip over.

One hundred and ninety-one construction laborers died from 1992-2006; heavy equipment operators had 100 deaths, supervisors had 86 deaths, iron workers had 42 deaths, and mechanics had 41 deaths. Other trades had 171 deaths.

MR. PERTERSON felt that crane operators should be certified for their safety as well as that of the general public. He reasoned that you need a license to drive a car and to be a private pilot, but not to operate a crane that could be working around 50-60 at a site. He felt that crane riggers and signal people should be adequately trained and that crane inspectors should be certified also.

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SENATOR BUNDE said his data was from states that require certified operators, but asked if he have data from states that don't require that. He didn't want people to think that just because this bill is passed there won't be any accidents.

MR. PETERSON responded that was true, some things can't be eliminated. The only data he has is about the two states that don't have licensed operators that have the two highest mortality and accident rates in the United States - those being Florida and Texas.

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CHAIR PASKVAN asked him to comment on the 17.5 ton classification.

MR. PETERSON said 17.5 tons is a good compromise number and it's fair. It has been proven that most of the accidents are happening with the large cranes.

SENATOR MEYER asked if the cranes over 17.5 tons are all commercial.

MR. PETERSON answered yes; all cranes are commercial.

SENATOR MEYER asked if you can rent a crane from an equipment rental place.

MR. PETERSON replied no; you can rent a crane with an operator in Fairbanks. But if the rental company rented one to you, and you could get the insurance, you probably could. He didn't think they would be rented to the general public like a back hoe, for instance.

CHAIR PASKVAN closed public testimony.

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SENATOR BUNDE suggested passing SB 97.

SENATOR MEYER commented that he didn't have any major objections to it. He didn't hear any opposition today, but he had seen some in previous minutes.

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SENATOR THOMAS said he had no objection to moving it.

SENATOR BUNDE said the 17.5 ton standard took some of Spenard Builders' concerns away.

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PAULA SCAVARA, Legislative Liaison, Department of Labor and Workforce Development (DOLWD), said that section 8 needs a technical amendment. It says this bill takes effect January 1, 2010.

CHAIR PASKVAN moved conceptual Amendment 1 to change the effective date to January 1, 2011. There were no objections and it was so ordered.

SENATOR MEYER moved to report SB 97, version R, as amended from committee. There were no objections and CSSB 97(L&C) moved from committee.

There being no further business to come before the committee,
CHAIR PASKVAN adjourned the meeting at 2:49.