

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Trujillo, L ORIGINAL DATE 2/14/17
 LAST UPDATED 3/6/17 HB 257/aHBIC

SHORT TITLE Crane Operators Safety Act SB _____

ANALYST Fernandez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications	See Fiscal Implications			Crane Operators Safety Act Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of HBIC Amendment

The House Business and Industry Committee amendment makes the title of the bill conform with all changes made in the amendment; expands the definition of a crane to define a hydraulic crane as one which is equipped with a winch, cable and hook with over one ton lifting capacity; adds another exemption to the new section that provides certain exemptions from the Crane Operators Safety Act when operating a crane during construction, demolition or excavation – “the installation and maintenance of propane tanks.”

Synopsis of Original Bill

House Bill 257 amends the “Hoisting Operators Safety Act” to change the name to the “Crane Operators Safety Act”, updates and expands the definition of various terms in the Act, updates licensure requirements and updates other sections of the Act to reflect the name change.

FISCAL IMPLICATIONS

The analysis provided by RLD indicates there may be an increase in the number of applicants seeking an upgrade from a class II crane operator to a class I crane operator once the number of hours is changed from the current requirement of 500 hours to 50 of seat time logged as a crane operator. This may result in an increase of funds going into the Crane Operators Safety Act fund.

SIGNIFICANT ISSUES

According to RLD, this bill would correct flaws in the current law pertaining to the definition of cranes and providing a license path for operators to seek an upgrade to a higher level. The changes this bill proposes would also bring the current law into compliance with the new federal Occupational Safety and Health Administration (OSHA) regulations regarding the lifting capacity of cranes which must be in place by November 2017. The current Hoisting Operators Licensure Examining Council recommended these changes to the Superintendent of Regulation and Licensing Department.

A “class I crane operator would now mean a person authorized to operate a crane of any size or weight.”

Seat time means the actual hands-on operation of a crane.

The section defining “crane or “hoisting equipment” which provides certain exemptions when using any crane or hoisting equipment in certain circumstances is deleted from this bill and replaces with a new section that provides certain exemptions from the Crane Operators Safety Act when operating a crane during construction, demolition or excavation in the following circumstances:

- Natural gas gather lines;
- Interstate transmission facilities and interstate natural gas facilities subject to the federal Natural Gas Pipeline Safety Act of 1968 and its amendments;
- Interstate pipeline facilities and carbon dioxide pipeline facilities subject to the federal Hazardous Liquid Pipeline Safety Act of 1979;
- Gas and oil pipeline facilities subject to the Pipeline Safety Act;
- Mining, milling or smelting operations subject to mine safety and health administration regulations or occupational safety and health administration regulations;
- Prefabricated control rooms of natural gas, oil or carbon dioxide pipeline transmission facilities;
- Oil and gas exploration, production or drilling;
- Rural electric cooperative and electric, gas and water utility operations;
- Commercial sign operations;
- The construction or operation of railroads; or
- The installation and maintenance of telephone or television cable.

OTHER SUBSTANTIVE ISSUES

RLD indicates that the council shall adopt rules necessary to carry out the provisions of the Act, meet the OSHA crane certification requirements and reclassify the requirements of a class II crane operator who seeks to become licensed as a class I crane operator.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The current law may not be in compliance with the new federal OSHA regulations regarding the lifting capacity of cranes which must be in place by November 2017.

CF/al/jle