ACTION: Correcting Amendment.

SUMMARY: This document contains corrections to final regulations (TD 9612) that were published in the Federal Register on Tuesday, February 5, 2013 (78 FR 7997) relating to the tax treatment of noncompensatory options and convertible instruments issued by a partnership. The final regulations generally provide that the exercise of a noncompensatory option does not cause the recognition of immediate income or loss by either the issuing partnership or the option holder. The final regulations also modify the regulations under section 704(b) regarding the maintenance of the partners’ capital accounts and the determination of the partners’ distributive shares of partnership items. The final regulations also contain a characterization rule providing that the holder of a noncompensatory option is treated as a partner under certain circumstances.

DATES: This correction is effective on June 13, 2013 and is applicable on or after February 5, 2013.

FOR FURTHER INFORMATION CONTACT: Benjamin Weaver, at (202) 622–3050 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The final regulations that are the subject of this document are under sections 171, 704, 721, 761, 1272, 1273, and 1275 of the Internal Revenue Code.

Need for Correction

As published, the final regulations (TD 9612) contains an error that may prove to be misleading and is in need of clarification.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Correction of Publication

Accordingly, 26 CFR part 1 is corrected by making the following correcting amendments:

PART 1—INCOME TAXES

Paragraph 1. The authority citation for part 1 continues to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

Par. 2. Section 1.704–1 is amended by revising the third sentence of paragraph (b)(5) Example 32(v) to read as follows:

§ 1.704–1 Partner’s distributive share. * * * * * * * * * * * * (b) * * * * * Example 32. * * * *

(v) * * Under paragraph (b)(4)(x)(c) of this section, LLC must allocate the book gross income of $3,000 equally among A, B, and C, but for tax purposes, however, LLC must allocate all of its gross income ($3,000) to C. * * * * * * * *

Martin Franks, Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel (Procedure and Administration).

[FR Doc. 2013–13970 Filed 6–12–13; 8:45 am]
BILLING CODE 4830–01–P
DATES: This direct final rule will become effective on September 11, 2013 unless OSHA receives a significant adverse comment to this direct final rule or the companion proposal by July 15, 2013. If OSHA receives a significant adverse comment, the Agency will publish a timely withdrawal of the direct final rule in the Federal Register.

Submit comments on this direct final rule (including comments on the information-collection (paperwork) determination described under the section titled Procedural Determinations, hearing requests, and other information by July 15, 2013. All submissions must bear a postmark or provide other evidence of the submission date (the following section titled ADDRESSES describes the available methods of making submissions).

The Director of the Federal Register approved the incorporation by reference of specific publications listed in this direct final rule as of September 11, 2013.

ADDRESSES: Submit comments, hearing requests, and other information as follows:

• Electronic. Submit comments electronically to http://www.regulations.gov, which is the Federal eRulemaking Portal. Follow the instructions online for submitting comments.

• Facsimile. OSHA allows facsimile transmission of comments and hearing requests that are 10 pages or fewer in length (including attachments). Send these documents to the OSHA Docket Office at (202) 693–1648; OSHA does not require hard copies of these documents. Instead of transmitting facsimile copies of attachments that supplement these documents (e.g., studies, journal articles), commenters must submit these attachments to the OSHA Docket Office, Technical Data Center, Room N–2625, OSHA, U.S. Department of Labor, 200 Constitution Ave. NW., Washington, DC 20210. These attachments must clearly identify the sender’s name, date, subject, and docket number (i.e., OSHA–2013–0005) so that the Agency can attach them to the appropriate document.

• Regular mail, express delivery, hand delivery, and messenger (courier) service. Submit comments and any additional material (e.g., studies, journal articles) to the OSHA Docket Office, Docket No. OSHA–2013–0005 or RIN 1218–AC77, Technical Data Center, Room N–2625, OSHA, U.S. Department of Labor, 200 Constitution Ave. NW., Washington, DC 20210; telephone: (202) 693–2350. (OSHA’s TTY number is (877) 889–5627.) Note that security procedures may result in significant delays in receiving comments and other written materials by regular mail.

Contact the OSHA Docket Office for information about security procedures for delivery of materials by express delivery, hand delivery, and messenger service. The hours of operation for the OSHA Docket Office are 8:15 a.m. to 4:45 p.m., e.t.

• Instructions. All submissions must include the Agency name and the OSHA docket number (i.e., OSHA Docket No. OSHA–2013–0005). OSHA will place comments and other material, including any personal information, in the public docket without revision, and these materials will be available online at http://www.regulations.gov. Therefore, the Agency cautions commenters about submitting statements they do not want made public, or submitting comments that contain personal information (either about themselves or others) such as Social Security numbers, birth dates, and medical data.

OSHA invites comments on all issues related to this direct final rule. The Agency also welcomes comments on its findings that this direct final rule would have no negative economic, paperwork, or other regulatory impacts on the regulated community. This direct final rule is the companion document of a notice of proposed rulemaking published in the “Proposed Rules” section of today’s Federal Register. If OSHA receives no significant adverse comment on this direct final rule, the Agency will publish a Federal Register notice confirming the effective date of the final rule and withdrawing the companion proposed rule. The final rule may include minor stylistic or technical corrections of the direct final rule. For the purpose of judicial review, OSHA considers the date that the Agency confirms the effective date of the final rule to be the date of issuance. If, however, OSHA receives a significant adverse comment on the direct final rule or proposal, the Agency will publish a timely withdrawal of this direct final rule and proceed with the proposed rule, which addresses the same revisions of its signage standards.

• Docket. The electronic docket for this direct final rule established at http://www.regulations.gov lists most of the documents in the docket. Some information (e.g., copyrighted material), however, cannot be read or downloaded through this Web site. All submissions, including copyrighted material, are accessible at the OSHA Docket Office. Contact the OSHA Docket Office for assistance in locating docket submissions.


SUPPLEMENTARY INFORMATION: Copies of this Federal Register notice.

Electronic copies of this Federal Register notice are available at http://www.regulations.gov. This Federal Register notice, as well as news releases and other relevant information, also are available at OSHA’s Web page at http://www.osha.gov.

Availability of Incorporated Standards. With the approval of the Director of the Federal Register under 5 U.S.C. 552(a) and 1 CFR part 51, OSHA incorporates by reference under 29 CFR 1910.6, and 1926.6 the American National Standards Institute (“ANSI”) standards cited in 29 CFR 1910.97(a)(3)(ii); 1910.145(d)(2), (d)(4), and (d)(6); 1910.97(a)(3)(ii); 1910.261(c)(16); and 1926.200(b)(1). (c)(1), (c)(3), (g)(2), (b)(2), and (l). OSHA also is incorporating by reference under 29 CFR 1926.6 Part VI of the MUTCD, 1988 Edition. Revision 3. To enforce any other version of the cited ANSI standards other than the editions specified by 29 CFR 1910.97(a)(3)(ii); 1910.145(d)(2), (d)(4), and (d)(6); 1910.97(a)(3)(ii); 1910.261(c)(16); and 1926.200(b)(1), (c)(1), (c)(3), (g)(2), (h)(2) and (l), or to enforce any other version of the cited edition of the MUTCD specified by 29 CFR 1926.200(g)(2); 1926.201(a); and 1926.202, OSHA must publish a notice of change in the Federal Register, and must make the material available to the public. All approved material is available for inspection at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, telephone (202) 741–6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html. Also, the material is available for inspection at any OSHA Regional Office or the OSHA Docket Office (U.S. Department of Labor, 200 Constitution Ave. NW., Room N–2625, Washington, DC 20210; telephone: (202) 693–2350 (TTY number: (877) 889–5627)).
I. Direct Final Rulemaking

In a direct final rulemaking, an agency publishes a direct final rule in the Federal Register along with a statement that the rule will become effective unless the agency receives a significant adverse comment within a specified period. The agency also publishes concurrently with the direct final rule an identical proposed rule. If the agency receives no significant adverse comment, the direct final rule will become effective. However, should the agency receive a significant adverse comment, the agency will withdraw the direct final rule and treat the comments as submissions on the proposed rule. OSHA uses direct final rules because it expects the rulemaking to be noncontroversial; provide protection to employees that is at least equivalent to the protection afforded to them by the previous standard-development organization standard; and impose no significant new compliance costs on employers (69 FR 62823, 62825 (2004)). OSHA used direct final rules previously to update or, when appropriate, revoke references to previous national consensus standards in OSHA rules (see, e.g., 69 FR 62823 (2004); 70 FR 76979 (2006), 76 FR 75782 (2011); and 77 FR 37587 (2012)). For the purposes of this direct final rule, a significant adverse comment is one that “explains why the rule would be inappropriate, including challenges to the rule’s underlying premise or approach, or why it would be ineffective or unacceptable without a change” (see 60 FR 43108, 43111 (1995)). In determining whether a comment necessitates withdrawal of the direct final rule, OSHA will consider whether the comment raises an issue serious enough to warrant a substantive response in a notice and comment process. OSHA will not consider a comment recommending additional revisions to a rule to be a significant adverse comment unless the comment states why the direct final rule would be ineffective without the revisions. If OSHA receives a timely significant adverse comment, it will publish a Federal Register notice withdrawing the direct final rule no later than 90 days after the publication date of this current notice.

This direct final rulemaking furthers the objectives of Executive Order 13563, which requires that the regulatory process “promote predictability and reduce uncertainty” and “identify and use the best, most innovative and least burdensome tools for achieving regulatory ends.” As described below, the revisions will make the requirements of OSHA’s signage standards consistent with the most recent national consensus standards, thereby eliminating confusion and clarifying employers’ obligations (for the purposes of this rulemaking, the term “signage standards” refers to standards that regulate both signs and tags). Therefore, OSHA believes that these revisions will not compromise the safety of employees, but will instead enhance employee protection. Accordingly, the Agency concludes that updating the references to the national consensus standards in its signage standards is consistent with, and promotes the objectives of, Executive Order 13563.

II. Background


At present, employers continue to use the old signs and tags not only because they are long-lasting and rarely need replacing, but also because they comply with OSHA’s current signage standards, which incorporate the old ANSI standards by reference. Both NEMA and ANSI contend that incorporating the new ANSI standards by reference is necessary to encourage employers to buy and use signs and tags that comply with these standards without receiving a de minimis notice for failure to comply with the old ANSI standards.2 Pitsor letter (Ex. OSHA–2013–0005–0003, p. 1); Peckham letter (Ex. OSHA–2013–0005–0003, p. 3). NEMA and ANSI further assert that signs and tags meeting the latest version of the consensus standards would not be insignificant without a change (see Table 1). OSHA’s new and revised signage standards do not impose any significant change in the enforcement policy with regard to ANSI signs; see, e.g., ATA Safety, describing OSHA’s de minimis enforcement policy with regard to ANSI signs; available at http://www.osha.gov/pls/oshaweb/owsdisp.show_document?table=INTERPRETATIONS&p id=27641.

1 The terms “old” and “older,” as used in this Federal Register notice, refer specifically to signs or tags that comply with ANSI Z53.1–1967, Z53.1–1968 and Z53.2–1968. The terms “old,” as used in this Federal Register notice, refer specifically to signs or tags that comply with ANSI Z53.1–1967, Z53.1–1968 and Z53.2–1968.

2 According to OSHA’s Field Operations Manual (FOM), a de minimis condition occurs when “[a]n employer has implemented a measure different than the one specified in a standard, that has no direct or immediate relationship to safety or health.” FOM, CPL 02–06–150, Ch. 4, §§ 8, 11, at 4–16 to 4–37 (Apr. 22, 2011), available on OSHA’s Web page. OSHA issues no citations or penalties for these conditions, but compliance officers will document the condition during an inspection. Id. at 4–36. See, also, Letter of Interpretation dated February 22, 2011, from Thomas Galassi, Director, Directorate of Enforcement Programs, OSHA, to Richard A. Eichel, ATA Safety, describing OSHA’s de minimis enforcement policy with regard to ANSI signs; available at http://www.osha.gov/pls/oshaweb/owsdisp.show_document?table=INTERPRETATIONS&id=27641.
of the ANSI standards, the Z535 series, provide an equal or greater level of protection than the currently required signs that comply with the old ANSI standards, Z35.1, Z35.2, and Z35.1, cited in OSHA’s standards. Peckham letter (Ex. OSHA–2013–0005–0003, p. 1); Peckham letter (Ex. OSHA–2013–0005–0003, p. 3). In its letter, ANSI provides an exhibit demonstrating why it believes the new Z535.2–2007 signs are at least as protective as the old Z35.1 signs (Peckham letter, Ex. OSHA–2013–0005–0003, p. 10 (Peckham’s Ex. 6)). The exhibit, which compares the information contained in the two sets of signs, shows that the new Z535.2 signs typically have at least as much information as the Z35.1 signs. Moreover, the new ANSI safety-color standard, ANSI Z535.1–2006(2011), includes two safety colors, brown and gray, that were not in Z35.1–1967. See ANSI Z535.1–2006(2011), pp. vi–vi (ANSI also added safety blue in the 1979 revision after deleting this color in the 1971 revision).

Review of ANSI and NEMA also claim that the new signs provide additional information, including the specific identity of the hazard, a description of how serious the hazard is, how to avoid the hazard, and the probable consequences of not avoiding the hazard. Peckham letter (Ex. OSHA–2013–0005–0003, pp. 7–9, and OSHA–2013–0005–0006, pp. 9–11). ANSI further argues that, the old sign formats “lack the ability to contain [the] symbols, more extensive word messages, multiple messages, and additional languages” necessary to communicate critical safety information to an increasingly multicultural workforce. Id., pp. 6 and 9–10. NEMA also submitted an ANSI timeline of the institute’s standards, and the safety signs that complied with those standards, for the years 1914 to 2011; this timeline illustrates additions made to the information contained in these signs during this period. NEMA Signage Materials, pp. 6–8 (Ex. OSHA–2013–0005–0006). Based on the available records, OSHA believes that the new signs are at least as protective as the old ones. Therefore, this direct final rule is incorporating the ANSI Z535 series by reference in the applicable OSHA signage standards so that employers will be able to buy and use the new signs without the prospect of receiving de minimis notices for using noncompliant signs. OSHA invites the public to comment on its conclusion that the new signs are as effective as the old ones.

III. Summary and Explanation of Revisions to the Signage Standards

As discussed in a previous Federal Register notice (69 FR 68283 (2004)), OSHA is undertaking a series of projects to update its standards to incorporate the latest versions of national consensus and industry standards. These projects include updating or removing national consensus and industry standards cited in existing OSHA standards, updating the text of standards that OSHA adopted directly from previous national consensus standards, and, when appropriate, replacing specific references to previous national consensus and industry standards with performance requirements.

This direct final rule updates the references to ANSI consensus standards in four provisions of OSHA’s general industry and construction standards: 29 CFR 1910.97, Nonionizing radiation; § 1910.145, Specifications for accident prevention signs and tags; § 1910.261, Pulp, paper, and paper board mills; and § 1926.200, Accident prevention signs and tags. These provisions incorporate by reference ANSI standards Z35.1–1967, “Safety Colors,” and Z35.2–1968, “Specifications for Accident Prevention Signs”; and Z35.2–1968, “Specifications for Accident Prevention Tags.” The direct final rule will allow employers to comply with either of these ANSI standards or the latest versions of them, Z35.1–2006(R2011), Z35.2–2011, and Z35.5–2011. The latter compliance option will allow employers to update their signage based on the newest ANSI consensus standards without violating OSHA’s requirements. In addition, since employers will not have to update their signage, there is no additional compliance cost or burden resulting from this rulemaking. The direct final rule will revise the above four provisions in the following ways:


Each of the three cited provisions of § 1910.145(d) specifies the colors employers must use for each type of sign, and requires that the signs meet the specifications in Table 1, “Fundamental Specification of Safety Colors for CIE Standard Source ‘C,’” of ANSI Z35.1–1967. The direct final rule will update each of these sections by referencing Table 1, “Specification of the Safety Colors for CIE Illuminant C and the CIE 1931, 2° Standard Observer,” of ANSI Z35.1–2006(R2011), “Safety Colors,” which it incorporates by reference. This addition will allow employers to comply with the 1967 version or the 2006(R2011) version of the cited ANSI standard.

(2) OSHA’s general industry standard on pulp, paper, and paper board mills at § 1910.261 refers to ANSI Z35.1–1968, “Specifications for Accident Prevention Signs,” which § 1910.6(e)(59) incorporates by reference in two places. First, § 1910.261(c)(16) refers to this 1968 ANSI standard. The direct final rule will update § 1910.261(c)(16) by incorporating ANSI Z35.1–2011, “Fundamental and Facility Safety Signs,” by reference in § 1910.6(e)(60). This addition will allow
employers to comply with the 1968 version or the 2011 version of the cited ANSI standard.


The first reference to one of these old ANSI standards is in § 1926.200(b)(1), Danger signs, which refers to Figure G–1, which is identical to Figure 1 in ANSI Z35.1–1968, “Specifications for Accident Prevention Signs.” The second reference is in § 1926.200(c)(1), Caution signs, which refers to Figure G–2, which is identical to Figure 4 in the same ANSI standard. The direct final rule will remove Figures G–1 and G–2 from § 1926.200(b)(1) and (c)(1), and update these provisions by referencing the appropriate figures from ANSI Z35.1–1968 and ANSI Z35.2–2011, “Environmental and Facility Safety Signs.” These revisions, therefore, will give employers the option of using the figures from either ANSI standard.

The third reference to an old ANSI standard is in § 1926.200(c)(3), which refers to ANSI Z35.3–1967, “Safety Color Code for Marking Physical Hazards and the Identification of Certain Equipment.” This OSHA provision specifies the colors employers must use in caution signs, and requires that the signs meet the specifications in Table 1 of ANSI Z35.1–1967. This direct final rule will update § 1926.200(c)(3) by adding a reference to Table 1 of ANSI Z35.1–2006(R2011). “Safety Colors,” the latest version of Z35.1–1967. This addition, therefore, will allow employers to use either Table 1 of Z35.1–1967 or Table 1 of Z35.3–2006(R2011).

The fourth reference to an old ANSI standard is in § 1926.200(b)(2), Accident prevention tags, which says that specifications for accident-prevention tags similar to the specifications in Table G–1 apply; OSHA based Table G–1 on Figures 1 to 4 in ANSI Z35.2–1968, “Specifications for Accident Prevention Tags.” The direct final rule will remove Table G–1 from § 1926.200(b)(2), and update this provision by referencing Figures 1 to 4 of ANSI Z35.2–1968 and Figures 1 to 8 of Z35.5–2011, “Safety Tags and Barricade Tapes (for Temporary Hazards).” These revisions, therefore, will give employers the option of using the figures from either ANSI standard.

The fifth reference to the old ANSI standards is in § 1926.200(i), which refers to ANSI Z35.1–1968, “Specifications for Accident Prevention Signs,” and Z35.2–1968, “Specifications for Accident Prevention Tags,” or Z3.1–1967, “Safety Color Code for Marking Physical Hazards and the Identification of Certain Equipment,” in five places discussed below. In addition, as discussed earlier, § 1926.200(i) requires employers to follow these two ANSI standards with respect to OSHA rules not specifically prescribed in 29 CFR 1926, subpart G. This direct final rule will update § 1926.200(i) by adding Z35.3–2011, “Environmental and Facility Safety Signs,” and Z35.5–2011, “Safety Tags and Barricade Tapes (for Temporary Hazards),” the latest versions of the cited ANSI standards, as references. These additions will allow employers to comply with Z35.1–1968 or Z35.2–11 for signs, and Z35.2–1968 or Z35.5–11 for tags.

This direct final rule also will update paragraph (g)(2) of § 1926.200 by removing the language referring to the Director of the Federal Register’s approval for incorporation by reference of Part VI of the MUTCD, 1988 Edition, Revision 3, of the MUTCD, and adding a reference to § 1926.6 instead (i.e., this reference indicates such approval). Additionally, in an earlier rulemaking (see 75 FR 47906, 48132 (2010)), OSHA inadvertently removed Part VI of the MUTCD from § 1926.6. This direct final rule will correct this oversight by returning the reference to Part VI of the MUTCD to § 1926.6; it also will remove the reference to § 1926.200[g](2) as the incorporation-by-reference provision in § 1926.201(a) and § 1926.202, and replace it with a reference to § 1926.6.

In summary, OSHA believes, based on the discussion above under Background, that many general industry and construction employers currently comply with existing standards’ signage requirements incorporated by reference in its existing signage standards, i.e., ANSI Z35.1–1968, Z35.2–1968, and Z53.1–1967. Therefore, OSHA is retaining these requirements in its signage standards. OSHA also determined that the latest editions of the ANSI signage standards, i.e., Z35.5–2006(R2011), Z35.2–2011, and Z35.5–2011, provide at least as effective protection to employees as the old ANSI standards incorporated by reference in the Agency’s signage standards. Accordingly, OSHA is giving employers the option of complying with the old or the new ANSI standards. Since employers can choose to comply with OSHA’s existing signage standards, incorporating the new ANSI standards by reference will not increase the cost or burden of compliance.

IV. Procedural Determinations

A. Legal Considerations

The purpose of the Occupational Safety and Health Act of 1970 (OSH Act), 29 U.S.C. 65–78, is to achieve to the extent possible safe and healthful working conditions for all employees. 29 U.S.C. 651(b). To achieve this goal, Congress authorized the Secretary of Labor to promulgate and enforce occupational safety and health standards, 29 U.S.C. 654(b), 655(b). A safety or health standard is a standard that “requires conditions, or the adoption or use of one or more practices, means, methods, operations, or processes reasonably necessary or appropriate to provide safe or healthful employment and places of employment.” 29 U.S.C. 652(8). A standard is reasonably necessary or appropriate within the meaning of Section 652(8) of the OSH Act when a significant risk of material harm exists in the workplace and the standard would substantially reduce or eliminate that workplace risk. See Industrial Union Department, AFL–CIO v. American Petroleum Institute, 448 U.S. 607 (1980). OSHA already determined that requirements specified by signage standards, including design and use requirements, are reasonably necessary or appropriate within the meaning of Section 652(8) (see, e.g., 49 FR 49726, 49737 (1978); 51 FR 33251, 33251–33259 (1986)).

This direct final rule neither reduces employee protection nor alters an employer’s obligations under the existing standards. Under this direct final rule, employers will be able to continue to use the same signs and tags they are using currently to meet their compliance obligations under the existing standards’ signage requirements. This direct final rule provides employers with additional
options for meeting the design-criteria requirements for signage protection. Therefore, this direct final rule does not alter the substantive protection that employers must provide to employees or impose a new compliance burden on employers. Accordingly, OSHA need not, in this rulemaking, determine significant risk or the extent to which this direct final rule will reduce that risk, as typically required by Industrial Union Department.

B. Final Economic Analysis and Regulatory Flexibility Act Certification

This direct final rule is not economically significant within the context of Executive Order 12866, or a major rule under the Unfunded Mandates Reform Act or Section 801 of the Small Business Regulatory Enforcement Fairness Act. In addition, this direct final rule complies with Executive Order 13563. The rulemaking imposes no additional costs on any private-sector or public-sector entity, and does not meet any of the criteria for an economically significant or major rule specified by the Executive Order or relevant statutes.

This rulemaking allows employers increased flexibility in choosing signage for the protection of their employees. This direct final rule, however, does not require an employer to update or replace its signage solely as a result of this rule if the employer’s current signage protection meets the revised standards. Because the rule imposes no costs, OSHA certifies that it will not have a significant economic impact on a substantial number of small entities.

C. OMB Review Under the Paperwork Reduction Act of 1995

This rulemaking does not impose new information-collection requirements for purposes of the Paperwork Reduction Act of 1995, 44 U.S.C. 3501–30. Accordingly, the Agency does not have to prepare an Information Collection Request in association with this rulemaking.

Members of the public may respond to this paperwork determination by sending their written comments to the Office of Information and Regulatory Affairs, Attn: OSHA Desk Officer (RIN 1218–AC77), Office of Management and Budget, Room 10235, 725 17th Street NW., Washington, DC 20503. The Agency encourages commenters to submit these comments to the rulemaking docket, along with their comments on other parts of this direct final rule. For instructions on submitting these comments and accessing the docket, see the sections of this Federal Register notice titled DATES.

and ADDRESSES. OSHA, however, will not consider any comment received on this paperwork determination to be a “significant adverse comment” as specified above under the section titled Direct Final Rulemaking.

To make inquiries, or to request other information, contact Mr. Todd Owen, Directorate of Standards and Guidance, OSHA, Room N–3609, U.S. Department of Labor, 200 Constitution Ave. NW., Washington, DC 20210; telephone (202) 693–2222.

D. Federalism

OSHA reviewed this direct final rule in accordance with the Executive Order on Federalism (Executive Order 13132, 64 FR 43255, August 10, 1999), which requires that agencies, to the extent possible, refrain from limiting state policy options, consult with states prior to taking any actions that would restrict state policy options, and take such actions only when clear constitutional authority exists and the problem is national in scope. Executive Order 13132 provides for preemption of state law only with the expressed consent of Congress. Agencies must limit any such preemption to the extent possible.

Under Section 18 of the OSH Act, 29 U.S.C. 667, Congress expressly provides that states may adopt, with Federal approval, a plan for the development and enforcement of occupational safety and health standards (29 U.S.C. 667); OSHA refers to states that obtain Federal approval for such a plan as “State-Plan states.” Occupational safety and health standards developed by State-Plan states must be at least as effective in providing safe and healthful employment and places of employment as the Federal standards. Subject to these requirements, State-Plan states are free to develop and enforce under state law their own requirements for occupational safety and health standards.

While OSHA drafted this direct final rule to protect employees in every state, Section 18(c)(2) of the OSH Act permits State-Plan states and U.S. territories to develop and enforce their own standards for signage protection provided these requirements are at least as effective in providing safe and healthful employment and places of employment as the requirements specified in this direct final rule.

In summary, this direct final rule complies with Executive Order 13132. In states without OSHA-approved state plans, this rulemaking limits state policy options in the same manner as other OSHA standards. In State-Plan states, this rulemaking does not significantly limit state policy options because, as explained in the following section, State-Plan states do not have to adopt this direct final rule.

E. State-Plan States

When Federal OSHA promulgates a new standard or amends an existing standard to be more stringent than it was previously, the 27 states or U.S. territories with their own OSHA-approved occupational safety and health plans must revise their standards to reflect the new standard or amendment, or show OSHA why such action is unnecessary, e.g., because an existing state standard covering this area is at least as effective in protecting workers as the new Federal standard or amendment. 29 CFR 1953.5(a). In this regard, the state standard must be at least as effective as the final Federal rule. State-Plan states must adopt the Federal standard or complete their own standard within six months of the publication date of the final Federal rule. When OSHA promulgates a new standard or amends an existing standard, State-Plan states need not amend their standards, although OSHA may encourage them to do so. The following 21 states and territories have OSHA-approved occupational safety and health plans that apply only to private-sector employers: Alaska, Arizona, California, Hawaii, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Nevada, New Mexico, North Carolina, Oregon, Puerto Rico, South Carolina, Tennessee, Utah, Vermont, Virginia, Washington, and Wyoming. In addition, Connecticut, Illinois, New Jersey, New York, and the Virgin Islands have OSHA-approved State Plans that apply only to state and local government employees. This direct final rule will not impose any additional or more stringent requirements on employers compared to existing OSHA standards. Through this rulemaking, OSHA is incorporating by reference three recent editions of the applicable national consensus standards in its existing signage protection standards. This direct final rule does not require employers to update or replace their signage solely as a result of this rulemaking if their current signage meets the requirements of this direct final rule. OSHA believes that adding the new references to ANSI Z35.1–2006(R2011), ANSI Z35.2–2011, and ANSI Z35.5–2011, while retaining the current references to ANSI Z35.1–1968, Z35.2–1968, and Z35.3–1967, will impose no additional compliance obligations on employers because employers can continue using their
existing signage and, when necessary, update their signage and not be out of compliance.

Therefore, this direct final rule does not require action under 29 CFR 1953.5(a), and State-Plan states do not need to adopt this rule or show OSHA why such action is unnecessary. However, to the extent these State-Plan states have the same standards as the OSHA standards affected by this direct final rule, OSHA encourages them to adopt the amendments.

F. Unfunded Mandates Reform Act of 1995

OSHA reviewed this direct final rule according to the Unfunded Mandates Reform Act of 1995 (UMRA), 2 U.S.C. 1501–1571, and Executive Order 12875, 58 FR 58093 (1993). 75 FR 48130; 2010. As discussed above in Section IV.B (“Final Economic Analysis and Regulatory Flexibility Certification”) of this preamble, OSHA determined that this direct final rule imposes no additional costs on any private-sector or public-sector entity. Accordingly, this direct final rule requires no additional expenditures by either public or private employers.

As noted above under Section IV.E (“State-Plan States”) of this preamble, OSHA standards do not apply to state or local governments except in states that elected voluntarily to adopt an OSHA-approved state plan. Consequently, this direct final rule does not meet the definition of a “Federal intergovernmental mandate” (see Section 421(5) of the UMRA, 2 U.S.C. 658(5). Therefore, for the purposes of the UMRA, OSHA certifies that this direct final rule does not mandate that state, local, or tribal governments adopt new, unfunded regulatory obligations, or increase expenditures by the private sector of more than $100 million in any year.

G. Consultation and Coordination With Indian Tribal Governments

OSHA reviewed this direct final rule in accordance with Executive Order 13175, 65 FR 67249 (2000), and determined that it does not have “tribal implications” as defined in that order. This direct final rule does not have substantial direct effects on one or more Indian tribes, on the relationship between the Federal government and Indian tribes, or on the distribution of power and responsibilities between the Federal government and Indian tribes.

H. Consultation With the Advisory Committee on Construction Safety and Health

Under 29 CFR parts 1911 and 1912, OSHA must consult with the Advisory Committee on Construction Safety and Health (“ACCSH” or “the Committee”), established pursuant to Section 107 of the Contract Work Hours and Safety Standards Act, 40 U.S.C. 3701–3708, in setting standards for construction work. Specifically, §1911.10(a) requires the Assistant Secretary to provide ACCSH with a draft proposed rule (along with pertinent factual information) and give the Committee an opportunity to submit recommendations. See, also, §1912.3(a) (“[W]henever occupational safety or health standards for construction activities are proposed, the Assistant Secretary [for Occupational Safety and Health] shall consult the Advisory Committee”).

On March 18, 2013, OSHA presented to the ACCSH a draft of the proposed rule accompanying this direct final rule, as well as a table comparing the current regulatory text with the proposed regulatory text for the provisions of 29 CFR 1926.200 subject to this rulemaking. OSHA explained that it was proposing to update these provisions by allowing employers to comply with either the older ANSI standards, Z35.1–1968, Z35.2–1968, and Z35.1–1967, or the latest ANSI standards, Z353.1–2006(R2011), Z353.2–2011, and Z353.5–2011. The ACCSH subsequently recommended that OSHA proceed with the proposed rule to update §1926.200 (a transcript of these proceedings is available at Docket No. OSHA–2013–0005–0007, pp. 41–46). ACCSH members also suggested that OSHA consider replacing the illustrations of the old signs and tags it is removing from §1926.200(b)(1), (c)(1), and (h)(2) with the new ones, or a combination of the old ones and the new ones. Id. at 21–23. OSHA will consider this suggestion.

V. Authority and Signature


List of Subjects in 29 CFR Parts 1910 and 1926

Construction, General industry, Incorporation by reference, Occupational safety and health, Safety, Signs, Tags.

Signed at Washington, DC, on June 5, 2013.

David Michaels,
Assistant Secretary of Labor for Occupational Safety and Health.

Amendments to Standards

For the reasons stated above in the preamble, the Occupational Safety and Health Administration is amending 29 CFR parts 1910 and 1926 as follows:

PART 1910—[AMENDED]

Subpart A—[Amended]

1. The authority citation for subpart A of part 1910 continues to read as follows:


2. Amend §1910.6 as follows:

a. Revise paragraphs (e)(59) and (e)(65); and

b. Redesignate paragraphs (e)(66) through (e)(77) as paragraphs (e)(68) through (e)(79); and

c. Add paragraphs (e)(66) and (e)(67).

§1910.6 Incorporation by reference.


Subpart G—[Amended]

§ 1910.145 Specifications for accident prevention signs and tags.


(4) Caution signs. The standard color of the background shall be yellow; and the panel, black with yellow letters. Any letters used against the yellow background shall be black. The colors shall be those of opaque glossy samples as specified in Table 1 of ANSI Z53.1–1967 or Table 1 of ANSI Z535.1–2006 (R2011), incorporated by reference in § 1910.6.

Subpart J—[Amended]

§ 1910.97 Nonionizing radiation.

(6) Safety instruction signs. The standard color of the background shall be white; and the panel, green with white letters. Any letters used against the white background shall be black. The colors shall be those of opaque glossy samples as specified in Table 1 of ANSI Z53.1–1967 or in Table 1 of ANSI Z535.1–2006 (R2011), incorporated by reference in § 1910.6.

Subpart R—[Amended]

§ 1910.261 Pulp, paper, and paperboard mills.

(16) Signs. When conveyors cross walkways or roadways in the yards, the employer must erect signs reading “Danger—Overhead Conveyor” or an equivalent warning, in accordance with ANSI Z53.1–1968 or ANSI Z535.2–2011, incorporated by reference in § 1910.6.

PART 1926—[AMENDED]

Subpart A—[Amended]

§ 1926.6 Incorporation by reference.


§ 1926.200 Accident prevention signs and tags.


Subpart G—[Amended]

11. Revise the authority citation for subpart G of part 1926 to read as follows:


12. Amend § 1926.200 by revising paragraphs (b)(1), (c)(1), (c)(3), (g)(2), (h)(2), and (i) to read as follows:

§ 1926.200 Accident prevention signs and tags.

(b) Danger signs. (1) Danger signs shall be used only where an immediate hazard exists, and shall follow the specifications provided in Figure 1 of ANSI Z35.1–1968 or in Figure 2 of ANSI Z353.2–2011, incorporated by reference in § 1926.6.

(c) Caution signs. (1) Caution signs shall be used only to warn against potential hazards or to caution against unsafe practices, and shall follow the specifications provided in Figure 4 of ANSI Z35.1–1968 or in Figure 2 of ANSI Z353.2–2011, incorporated by reference for the sections specified in § 1926.6.

(3) The standard color of the background shall be yellow; and the panel, black with yellow letters. Any letters used against the yellow background shall be black. The colors shall be those of opaque glossy samples as specified in Table 1 of ANSI Z53.1–1967 or in Table 1 of ANSI Z535.1–2006(R2011), incorporated by reference in § 1926.6.

13. Amend § 1926.201 by revising paragraph (a) to read as follows:

§ 1926.201 Signaling.


14. Revise § 1926.202 to read as follows:

§ 1926.202 Barricades.


[FR Doc. 2013–13999 Filed 6–12–13; 8:45 am]
BILLING CODE 4510–26–P