State Of The Construction Industry:

At the time of the proposed regulation for wheel and crawler tractors and the identification of pavement breakers and rock drills in 1977, the construction industry in the U.S. was healthy and thriving. In 1978, construction equipment companies saw a peak in business. Since that time, a dramatic downturn in the industry has occurred due to the decline in home and road building. Unit shipment of construction machinery dropped 10% in 1979, 25% in 1980 and is foreseen as dropping 15% in 1981. The loss in sales has resulted in tens of thousands of unemployed workers.

Pre-regulatory studies in 1977 indicated a potential increase in annualized costs to the construction industry, through the year 2000, of about $228 million due to the wheel and crawler tractor regulation (as proposed). Compared to available construction receipts at that time, the $228 million represented a possible increase in National construction costs of about 0.12 percent. The cost of compliance with the regulation (as proposed) was not thought to be unreasonable when compared with an estimated 10% reduction in the severity and extensive of construction site noise by the year 1991.

Similar pre-regulatory cost studies conducted in 1977 to evaluate the
economic effects from possible Federal regulatory options for pavement break-
ers and rock drills indicated a potential annual cost increase of $3 to $29
million in return for potential health/welfare impact reductions of 0.1 to 2.5
percent. Again, in a healthy, thriving economy, the cost versus benefit would
probably be deemed not unreasonable.

In view of the problems in the construction industry today, however, an
increase in the cost of doing business is likely to have an adverse impact.
Therefore, under current market and industry economic circumstances the cost
of compliance with Federal noise emission regulations for wheel and crawler
tractors and pavement breakers and rock drills does not seem justifiable at
this time.

**Diminished Need for a National Uniform Standard:**

Underlying the identification of wheel and crawler tractors and pavement
breakers and rock drills as major sources of noise was the potential jeopardy
of health/welfare of persons throughout the Nation exposed to noise from the
devices. Federal action was essential, at the time of identification, to
effect a uniform set of standards to both protect the Nation's population from
the noise of the products and prevent an undue burden to the commerce of the
products by multiple, and possibly conflicting, standards established by the
50 states and/or their local governments.

Since the time of identification, State and local governments have been
availing themselves of options to control wheel/crawler tractor and pavement
breaker/rock drill noise through the market place and by in-use controls.
Currently, over 100 State/local governments are purchasing quieter models of
equipment through the Buy Quiet concept whereby quiet performance features of
the products are specified by the purchasers of goods and services\(^1\).

\(^1\) *National Institute of Governmental Purchasing, bq reports, January through
December 1981.*
Nationally, in-use methods to control construction site noise have been on the rise. Surveys\(^3\) show 47 cities with construction noise ordinances in 1974, 127 cities in 1977 with such ordinances, and an increase to 175 cities in 1980. The ordinances usually contain one or more of the following:

a. Controls on the time of day during which products may be operated.

b. Controls on the places or zones in which products may be used.

c. Controls on the noise emission level of products during use and operation that are enforceable against the consumer.

d. Controls on the number of products which may be operated at the same time.

e. Controls on noise emission levels from the properties on which products are used.

f. Controls on the licensing of products.

g. Controls on the manner of operation of products.

With an increasing level of State/local government activity to control construction noise by means other than new product performance standards, the need to impose Federal regulations is not essential at this time.
