



# 30<sup>th</sup> Alaska State Legislature

## House Labor and Commerce Committee

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Rep. Sam Kito  
State Capitol 403  
907-465-4766

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Rep. Colleen Sullivan-  
Leonard

**Committee Aide:**  
Tally Teal  
State Capitol 403  
907-465-4875**Committee Contact:**  
[hlac@akleg.gov](mailto:hlac@akleg.gov)  
907-465-4954

### Sponsor Statement

#### House Bill 121

*An Act relating to occupational safety and health enforcement penalties.*

House Bill 121 brings Alaska's Occupational Safety and Health (AKOSH) state plan into compliance with federal requirements, ensuring continued eligibility for federal grant funds and helping to protect workers from workplace injuries, illnesses, and fatalities.

In 2015, Congress passed the Federal Civil Penalties Inflation Adjustment Act Improvements Act, requiring many federal agencies to adjust penalties for inflation going back to 1990, and requiring subsequent yearly adjustments according to changes in the Consumer Price Index. Occupational Safety and Health Administration complied by adjusting their maximum penalties in July 2016, including a six-month grace period for states to comply. In order to comply with federal program requirements, AKOSH must have at least equivalent maximum and minimum penalties. AKOSH fell out of compliance with this requirement on January 1, 2017, when the six-month buffer period expired.

Maximum and minimum penalties for violations of Alaska's occupational safety and health laws are specified in AS 18.60.095, the Penalties section of Prevention of Accident and Health Hazards. House Bill 121 allows the Department of Labor and Workforce Development to set penalty amounts by regulation, and limits the penalties to corresponding federal maximums for each violation type. This enables the department to adjust to federally required changes while placing a cap on increases.

Please join me in supporting House Bill 121 to maintain over \$2 million in yearly federal grant funds that serve working Alaskans by reducing workplace injuries, illnesses, and fatalities.