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# HOUSE COMMITTEE REPORT

File

(11)

Date Referred: March 8, 1990

FURTHER REFERRALS:

Date of Committee Action: 5/1/90

The FINANCE Committee considered:

HB 286

HOUSE BILL NO. 286

PENALTIES FOR OSHA VIOLATIONS

"An Act relating to penalties for violation of workplace safety laws."

### RECOMMENDATIONS:

- [  ] be replaced with CS HB 286 (JUD) [  ] the same title
- [  ] a new title
- [  ] have attached amendment(s)
- [  ] do pass
- [  ] do not pass
- [  ] no recommendation
- [  ] individual recommendations
- [  ] additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of intent

ATTACHES NEW FISCAL NOTE(S):  
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- [  ] fiscal impact \_\_\_\_\_
- [  ] zero fiscal note HFC
- [  ] zero with analysis \_\_\_\_\_

- [  ] fiscal note(s) \_\_\_\_\_
- [  ] zero fiscal note(s) \_\_\_\_\_
- [  ] zero fn/analysis \_\_\_\_\_

### SIGNING DO PASS:

### SIGNING:

(Check approp. column)

Do Not Pass No Rec Amend

<u>Ronald J. Larson</u> Larson	<u>Dick Shultz</u> Shultz	<input checked="" type="checkbox"/>		
<u>Ed Swackhammer</u> Swackhammer	<u>ROD E. PHILLIPS</u> Phillips	<input checked="" type="checkbox"/>		
<u>Fan Brown</u> Brown	<u>R. Barnes</u> Barnes	<input checked="" type="checkbox"/>		
<u>W. Koponen</u> Koponen				
<u>J. Ullmer</u> Ullmer				

Chairman's Signature

Ronald J. Larson Larson

**FISCAL NOTE**

**REQUEST:**

Revision Date: \_\_\_\_\_  
Title: An Act relating to penalties for violation of workplace safety laws  
Sponsor: Rep. Koponen, et al  
Requestor: House Finance Committee

Agency Affected: Labor  
BRU: Labor Standards and Safety  
Components: Occupational Safety & Health

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>REVENUE</b>	-0-	-0-	-0-	-0-	-0-	-0-

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

**POSITIONS:**

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary)

Prepared by: House Finance Committee Phone: 465-3727  
Division: Co-Chairman Ron Larson Date: 5/1/90

Approved by Commissioner: Co-Chairman Lyman Hoffman Date: 5/1/90  
Agency: [Signature]

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)

Adopted

Original sponsor(s): REP. KOPONEN, Donley, Navarre, Brown, Spoinholz,  
Goll, Ellis, M.Davis, Menard

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 286 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to penalties for violation of work-  
7 place safety laws; and assessing costs for an em-  
8 ployer's failure to appear at certain hearings of the  
9 OSHA Review Board."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 \* Section 1. AS 18.60.093 is amended by adding a new subsection to  
12 read:

13 (f) If an employer fails without good cause to appear at a  
14 hearing held under this section after receiving proper notice of the  
15 hearing, the OSHA Review Board may order the employer to pay all  
16 reasonable expenses incurred by the board for the hearing, including  
17 the board's actual travel expenses and per diem.

18 \* Sec. 2. AS 18.60.095(a) is amended to read:

19 (a) An employer who knowingly [WILFULLY] or repeatedly violates  
20 a provision of AS 18.60.010 - 18.60.105 that is applicable to the  
21 employer or a standard or regulation adopted under AS 18.60.010 -  
22 18.60.105 may be assessed by the commissioner a civil penalty of not  
23 more than \$30,000 [\$10,000] for each violation.

24 \* Sec. 3. AS 18.60.095(b) is amended to read:

25 (b) An employer who receives a citation for a serious violation  
26 of a provision of AS 18.60.010 - 18.60.105 that is applicable to the  
27 employer or of a standard or regulation adopted under AS 18.60.010 -  
28 18.60.105 shall be assessed by the commissioner a civil penalty of up  
29 to \$3,000 [\$1,000] for each violation. For purposes of this

1 by both.

2 \* Sec. 7. AS 18.60.095(f) is amended to read:

3 (f) A person who knowingly makes a false statement, representa-  
4 tion, or certification in an application, record, report, plan or  
5 other document filed or required to be maintained under AS 18.60.010 -  
6 18.60.105, upon conviction, is punishable by a fine of not more than  
7 \$30,000 [\$10,000], or by imprisonment for not more than six months, or  
8 by both.

9 \* Sec. 8. AS 18.60.095(g) is amended to read:

10 (g) An employer who violates the posting requirements of this  
11 chapter shall be assessed by the commissioner a civil penalty of up to  
12 \$3,000 [\$1,000] for each violation.

# Alaska State Legislature




## House of Representatives House Judiciary Committee

P. O. Box V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-4990  
(907) 465-4712

### M E M O R A N D U M

**TO:** Representative Lyman Hoffman, Co-Chair  
Representative Ron Larson, Co-Chair  
House Finance Committee

**FROM:** Representative Peter Goll, Co-Chair   
House Judiciary Committee

**DATE:** March 7, 1990

**SUBJECT:** CSHB 286 (JUD)

The House Judiciary Committee respectfully requests careful review of the justification for the fiscal note submitted by the Department of Labor in the amount of \$40.0.

**Alaska State Legislature  
Representative Niilo Koponen**

Pouch V  
Juneau, Alaska 99811  
(907) 465-4992

House District 21

119 N. Cushman, Suite 207  
Fairbanks, Alaska 99701  
(907) 456-8172

\* **Position Paper** \*  
**HB 286**

This legislation would reinforce the legislative findings in AS 18.60.010 which state that "...personal injuries and illnesses arising out of work situations impose a substantial burden upon, and are a hindrance to, the people of the state in terms of loss of production, wage loss, medical expenses and disability compensation payments."

According to the latest available statistics, Alaska has the third highest rate of occupational injuries in the nation. House Bill 286 is designed to reduce the incidence of work related hazards by increasing penalties for serious workplace safety violations. At present, the maximum amount that can be levied for a serious violation is \$1,000. The same violation in the state of Washington carries a \$50,000 fine.

Alaska's already small penalty is further reduced by the federal Occupational Safety and Health Administration (OSHA), taking into consideration such factors as the size of the employer's business, good faith of the employer and previous history of violations. Last year's average fine after such adjustments was \$192. This penalty structure has been unchanged for 18 years.

This bill will triple the allowable level of fines. In addition, it makes the fines applicable to those who knowingly violate the law. Current statutes require the state to prove willful violation.

HB 286 is intended to encourage businesses to conform to workplace safety laws and regulations. As businesses adjust to a tight economic environment, it is important that worker health and safety not be sacrificed. There is no reason why an employer cannot abide by the standards established by federal and state statutes.

It is my sincere hope that this legislation will result in fewer injuries, fewer fines and lower workers' compensation insurance cost. The rising number of injuries and fatalities to Alaskan workers testifies to the insufficiency of our present statutes. So long as it is cheaper to pay the fine than to correct a dangerous situation we cannot expect improvement.

COMPARISON OF 1987 ALASKA AND NATIONAL  
OCCUPATIONAL INJURY AND ILLNESS INCIDENCE RATES

	<u>Alaska Rate</u>	<u>National Rate</u>
Oil and Gas Extraction	9.0	8.3
General Building Construction	17.5	14.2
Heavy Construction	19.4	14.5
Special Trade Construction	15.0	15.0
Canned and Cured Fish Processing	35.2	26.4
Fresh/Frozen Fish Processing	35.3	18.8
Logging Camps and Contractors	51.8	19.3
Trucking and Warehousing	17.7	12.3
Water Transportation	13.2	12.9
Tranportation by Air	13.9	14.3
All Private Industries	10.9	8.3

TABLE A-11  
Incidence rates of Occupational Injuries and Illnesses  
Comparison of all States - Private Sector  
1983 to 1987

	1983	1984	1985	1986	1987
USA	7.6	8.0	7.9	7.9	8.3
Alabama	7.9	8.3	8.4	8.7	
Alaska	10.6	10.3	10.7	10.2	10.9
Arizona	9.3	9.5	9.2	8.9	9.0
Arkansas	8.1	8.0	8.0	8.4	
California	9.1	9.3	9.1	8.9	8.8
Colorado	--	--	--	--	--
Connecticut	8.0	8.3	8.3	8.2	
Delaware	5.3	5.5	5.6	6.0	
Florida	8.7	8.9	8.8	8.8	
Georgia	--	--	--	--	--
Hawaii	10.6	10.0	9.6	9.5	9.8
Idaho	--	--	--	--	--
Illinois	--	--	--	--	--
Indiana	7.3	7.7	7.7	8.2	
Iowa	7.8	8.1	8.2	8.4	
Kansas	7.5	7.7	7.7	7.6	
Kentucky	7.6	8.3	8.3	8.4	
Louisiana	7.4	7.9	7.3	7.0	
Maine	11.0	13.2	12.5	12.9	
Maryland	7.6	7.8	7.9	7.8	
Massachusetts	--	--	--	--	--
Michigan	6.8	7.6	8.0	8.2	
Minnesota	7.3	7.7	7.6	7.3	
Mississippi	--	8.0	7.8	8.0	
Missouri	7.5	8.0	7.9	8.5	
Montana	--	8.5	8.0	8.2	
Nebraska	8.4	8.8	7.9	8.1	
Nevada	9.0	9.0	8.5	8.4	9.4
New Hampshire	--	--	--	--	--
New Jersey	--	--	--	--	--
New Mexico	7.8	8.7	8.4	7.7	
New York	--	--	--	--	--
North Carolina	6.8	7.2	7.4	7.2	
North Dakota	--	--	--	--	--
Ohio	--	--	--	--	--
Oklahoma	8.9	9.8	9.5	8.1	
Oregon	9.8	10.6	10.5	10.7	10.9
Pennsylvania	--	--	--	--	--
Rhode Island	8.3	8.4	8.9		
South Carolina	6.7	6.9	7.1	6.9	
South Dakota	--	--	--	--	--
Tennessee	7.9	8.6	8.2		
Texas	--	--	--	--	--
Utah	8.5	9.2	8.5	9.1	
Vermont	9.2	10.0	9.1	8.9	
Virginia	7.0	7.6	7.3	7.6	
Washington	9.7	9.9	9.4	9.8	10.6
West Virginia	6.7	7.2	7.2	7.7	
Wisconsin	--	--	--	--	--
Wyoming	7.9	8.6	7.4	7.6	
American Samoa	2.5	3.0	3.6	3.2	2.6
Guam	2.7	2.8	3.6	3.7	3.6
Puerto Rico	4.2	3.9	3.8	3.9	
Virgin Islands	2.8	2.4	2.4	2.4	

SOURCE: Bureau of Labor Statistics.

-- = Publishable Rate Unavailable.

X = 1987 data not available at time of publication.

TABLE A-3  
Incidence Rates of Recordable Occupational Injuries and Illnesses  
Industry Data Time Series, Alaska 1978 to 1987

Industry	SIC Code	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
TOTAL PRIVATE AND PUBLIC SECTOR.....		9.4	9.2	9.1	9.2	9.5	9.9	9.7	10.1	9.6	10.1
TOTAL PRIVATE SECTOR.....		10.0	10.1	10.4	10.0	10.3	10.6	10.3	10.7	10.2	10.9
MINING.....		15.2	14.0	12.1	15.4	14.8	11.5	10.5	9.4	8.1	8.9
Oil and Gas Extraction.....	13	15.7	13.7	12.4	15.8	15.3	11.8	10.6	9.7	8.2	9.0
Petroleum & Gas Production.....	131	--	--	2.5	7.3	6.7	5.1	2.8	2.6	2.1	3.5
Oil & Gas Field Services.....	138	22.6	23.0	23.8	24.9	24.6	19.6	22.0	17.4	14.8	15.2
CONSTRUCTION.....		16.4	16.4	16.5	17.2	19.4	17.6	16.9	19.4	16.2	17.1
General Building Contractors.....	15	17.1	14.3	16.5	19.8	19.6	21.6	17.7	19.5	17.6	17.5
Residential Buildings.....	152	16.5	11.9	15.1	15.6	16.5	17.7	13.4	15.4	18.0	17.0
Nonresidential Buildings.....	154	18.0	15.8	18.0	23.7	21.9	26.0	22.0	22.9	17.3	17.7
Heavy Construction Contractors.....	16	14.2	16.6	17.3	15.1	20.9	14.9	15.7	18.9	16.5	19.4
Highway and Street Construction... 161		9.7	18.8	19.2	17.8	27.6	19.0	19.8	16.6	20.8	14.4
Heavy Construction, Except Hwy... 162		16.4	15.1	16.4	14.0	16.8	12.9	13.9	20.3	14.3	22.8
Special Trade Contractors.....	17	17.6	17.4	15.9	17.8	17.9	17.7	17.1	19.8	14.9	15.0
Plumbing, Heating & Air Condit... 171		14.6	14.8	16.7	17.8	17.0	25.6	23.3	18.9	16.0	14.4
Electrical Work.....	173	17.0	10.8	16.5	15.4	16.6	13.2	14.3	16.4	15.9	15.4
Misc Special Trade Contractors... 179		--	23.1	16.3	21.6	18.6	14.6	20.6	23.6	15.9	12.6
MANUFACTURING.....		21.4	26.1	23.3	19.1	17.9	23.2	23.0	26.3	28.3	29.5
Food and Kindred Products.....	20	21.8	25.7	26.7	22.2	20.2	29.5	25.0	32.5	33.3	34.5
Misc Food Prep & Kindred Prod.... 209		22.3	26.0	26.9	22.5	20.8	30.1	25.7	32.9	33.4	35.3
Canned & Cured Fish & Seafoods... 2091		18.7	23.5	21.4	19.9	18.6	21.4	25.0	30.3	34.3	35.2
Fresh/Froz Pkgd Fish & Seafoods... 2092		27.4	29.2	31.7	24.6	21.8	32.9	26.1	33.9	33.0	35.3
Lumber & Wood Prod Except Furniture 24		31.8	31.0	32.5	26.8	26.9	31.2	43.0	38.6	50.9	48.5
Logging Camps & Contractors..... 241		38.6	39.1	37.3	27.2	30.8	35.7	45.6	45.0	56.6	51.8
Printing, Publishing & Allied Ind... 27		--	--	2.5	3.1	5.7	6.3	6.2	5.1	6.5	5.8
TRANSPORTATION AND PUBLIC UTILITIES... 41		11.4	11.4	12.2	11.6	10.7	11.4	12.1	11.3	11.3	10.9
Local & Interurban Passenger Transit 41		--	5.1	4.8	6.7	4.9	--	7.1	6.3	11.3	12.8
Trucking and Warehousing.....	42	21.4	20.6	21.7	17.8	14.0	20.7	24.2	17.4	19.5	17.7
Trucking, Local and Long Distance... 421		21.3	21.0	22.1	18.0	13.8	19.8	23.9	17.5	19.7	17.9
Water Transportation.....	44	18.6	16.0	16.2	16.6	11.7	11.9	10.8	16.2	10.7	13.2
Transportation by Air.....	45	15.2	12.4	13.2	13.6	12.7	10.7	14.2	14.0	13.3	13.9
Communication.....	48	3.0	6.9	9.1	8.4	8.6	9.6	5.7	6.7	6.2	4.5
Electric, Gas and Sanitary Services... 49		15.5	14.6	14.6	13.9	14.8	16.4	19.4	16.0	16.2	15.5
WHOLESALE AND RETAIL TRADE.....		8.2	7.9	7.7	8.0	9.3	10.2	9.9	10.0	8.9	9.3
WHOLESALE TRADE.....		12.2	11.4	10.9	9.8	9.6	12.3	11.7	10.9	8.0	9.4
Durable Goods.....	50	12.2	11.6	8.5	7.9	7.4	8.9	9.7	8.9	5.8	7.7
Non-durable Goods.....	51	8.1	11.0	15.4	12.8	13.4	18.0	15.1	14.4	11.5	11.5
RETAIL TRADE.....		7.4	6.9	6.8	7.4	9.3	9.6	9.5	9.8	9.2	9.3
Building Materials & Garden Supplies 52		8.9	6.2	9.4	12.3	13.7	20.5	17.7	17.6	11.3	12.7
Lumber & Bldg Materials.....	521	--	--	--	--	17.2	25.5	22.6	21.3	12.4	--
General Merchandise Stores.....	53	9.2	8.8	6.0	7.1	8.2	12.3	10.4	9.3	10.7	10.8
Food Stores.....	54	9.5	8.9	10.1	8.5	11.8	9.7	15.8	15.5	18.0	15.6
Auto Dealers and Service Stations... 55		10.2	8.5	9.5	8.9	8.1	10.4	10.5	10.8	8.3	8.7
Apparel and Accessory Stores..... 56		3.4	2.7	2.1	2.4	1.0	1.0	1.5	2.5	0.4	3.3
Furniture, Home Furnishings..... 57		--	--	--	--	4.8	3.5	4.4	5.2	6.4	5.8
Eating and Drinking Places.....	58	6.6	7.2	6.5	8.1	11.2	9.8	6.6	8.5	8.3	8.9
Miscellaneous Retail.....	59	4.7	3.9	2.9	5.1	5.5	6.4	6.6	5.9	4.3	3.6
FINANCE, INSURANCE AND REAL ESTATE 60		0.7	1.4	1.3	1.5	1.5	2.0	1.7	2.1	3.3	2.8
Banking.....	60	1.1	2.1	1.9	2.2	1.8	2.9	2.1	2.6	2.6	3.3
Credit Agencies.....	61	--	--	--	--	1.5	1.1	1.6	0.7	1.7	3.2
Real Estate.....	65	0.8	0.1	2.8	1.9	2.3	2.1	2.4	4.1	4.9	2.7
Holding & Other Investment Offices.. 67		0.3	1.8	0.0	1.2	0.7	1.3	1.3	2.3	--	3.5
SERVICES.....		4.3	4.0	4.3	4.3	4.4	4.7	5.1	5.5	5.4	6.5
Hotels and Other Lodging Places..... 70		5.5	7.9	9.3	6.8	7.0	9.9	11.0	10.0	13.4	13.6
Personal Services.....	72	0.6	1.3	2.5	2.8	1.7	4.1	5.3	6.3	1.7	3.7
Business Services.....	73	7.2	3.8	6.7	3.7	6.7	3.9	3.4	2.6	4.5	5.0
Automotive Services.....	75	--	--	--	7.5	8.4	8.2	6.6	9.9	6.3	11.2
Health Services.....	80	4.0	3.7	3.6	5.4	4.1	5.5	7.9	8.9	6.3	8.0
Legal Services.....	81	0.5	1.0	0.2	--	0.3	0.1	0.1	0.8	1.1	0.7
Social Services.....	83	4.3	4.9	3.5	3.9	3.7	4.2	3.5	7.3	3.0	3.7
Membership Organizations.....	86	2.9	2.9	3.1	3.0	2.8	3.0	0.7	1.8	4.0	5.8
Miscellaneous Services.....	89	2.9	1.8	2.8	3.0	2.0	1.1	2.6	2.6	2.8	2.7
STATE AND LOCAL GOVERNMENT.....		7.1	6.3	4.9	6.5	6.7	7.3	7.7	8.1	7.7	7.3
STATE GOVERNMENT.....		6.2	3.8	3.3	4.7	4.6	5.5	5.5	5.2	6.0	6.0
LOCAL GOVERNMENT.....		8.1	8.7	6.3	8.1	8.6	8.7	9.5	10.5	9.0	8.4

See footnotes at end of section.  
-- = Publishable rate unavailable.

45 H.E.S

TABLE B-1  
Incidence Rates of Recordable Occupational Injuries and Illnesses  
U.S. Private Sector, Select Industries, 1978 to 1987

Industry	SIC Code	Incidence Rate for Total Cases (per 100 workers) %									
		1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
<b>TOTAL PRIVATE SECTOR</b> .....		9.4	9.5	8.7	8.3	7.7	7.6	8.0	7.9	7.9	8.3
<b>AGRICULTURE</b> .....		11.6	11.7	11.9	12.3	11.8	11.9	12.0	11.6	11.2	11.2
<b>MINING</b> .....		11.5	11.6	11.2	11.6	10.1	8.6	9.7	8.4	7.4	8.5
Oil and Gas Extraction..... 13		13.9	13.6	13.0	14.1	12.1	9.8	11.8	10.1	8.1	8.3
Petroleum & Gas Production..... 131		4.4	5.4	3.8	4.1	4.3	3.5	3.0	2.7	2.6	2.5
Oil & Gas Field Services..... 138		20.0	18.9	19.3	19.7	16.8	14.3	18.2	15.8	12.8	16.0
<b>CONSTRUCTION</b> .....		16.0	16.2	15.7	15.1	16.8	16.8	15.5	15.2	15.2	16.7
General Building Contractors..... 15		15.9	16.3	15.5	15.1	14.1	14.4	15.4	15.2	14.9	16.3
Residential Buildings..... 152		13.3	13.0	11.9	11.9	10.8	11.9	12.6	12.3	12.5	10.9
Nonresidential Buildings..... 154		19.2	19.7	19.4	18.5	17.1	17.3	18.9	18.7	17.9	18.5
Heavy Construction Contractors..... 16		16.6	16.6	16.3	16.9	15.1	15.4	14.9	14.9	14.7	14.5
Highway and Street Construction... 161		15.2	15.5	15.0	18.0	13.4	18.3	14.6	13.8	13.9	14.2
Heavy Construction, Except Hwy... 162		17.2	17.1	16.4	15.3	15.7	15.9	18.1	14.8	15.1	14.7
Special Trade Contractors..... 37		15.8	16.0	15.5	15.2	14.7	14.8	15.8	15.4	15.6	15.0
Plumbing, Heating & Air Condit.... 171		16.9	17.0	16.3	15.7	15.3	15.7	15.4	15.7	16.1	16.0
Electrical Work..... 173		14.0	14.0	14.2	14.0	13.9	13.7	14.6	14.3	15.2	13.8
Misc. Special Trade Contractors... 179		16.9	17.5	16.3	17.1	15.9	15.1	15.8	18.5	15.7	18.8
<b>MANUFACTURING</b> .....		13.2	13.3	12.2	11.5	10.2	10.0	10.6	10.4	10.4	11.9
Food and Kindred Products..... 20		19.6	19.9	18.7	17.8	16.7	16.5	16.7	16.7	16.5	17.7
Misc. Food Prep. & Kind. Prod.... 209		16.3	16.0	15.3	15.0	14.2	14.1	14.3	14.7	14.1	15.1
Canned & Cured Fish & Seafoods.. 2091		27.3	24.4	20.2	22.4	17.8	17.1	--	--	19.1	26.4
Fresh/Pres. Pkgd. Fish & Seafoods.. 2092		20.4	22.0	19.4	18.4	17.1	17.9	17.9	19.2	18.2	18.8
Lumber & Wood Prod. except Furniture 24		22.6	20.7	18.4	17.6	16.9	18.3	19.6	18.5	18.9	18.9
Logging Camps & Contractors..... 201		25.9	24.2	22.7	19.3	20.4	21.5	21.7	20.0	19.1	19.3
Paper and Allied Products..... 26		13.3	13.5	12.7	11.6	10.6	10.0	10.8	10.2	10.5	12.8
Printing, Publishing & Allied Ind... 27		6.9	7.1	6.9	6.7	6.6	6.6	6.5	6.3	6.5	6.7
<b>TRANSPORTATION AND PUBLIC UTILITIES</b> ...		10.1	10.0	9.4	9.0	8.5	8.2	8.4	8.6	8.2	8.4
Local & Interurban Passenger Transit 41		8.7	9.3	9.5	9.3	9.3	9.7	9.0	9.4	9.3	9.2
Trucking and Warehousing..... 42		16.2	15.8	14.9	14.7	14.2	13.3	14.5	13.9	13.1	12.3
Trucking, Local and Long Distance.. 421		16.9	15.7	14.8	14.7	14.2	13.3	14.6	14.0	13.2	12.3
Water Transportation..... 44		14.4	14.1	14.2	12.5	13.4	10.8	13.2	13.0	12.7	12.9
Transportation by Air..... 45		13.4	13.7	13.3	13.5	13.6	12.7	13.1	13.1	13.0	14.3
Communication..... 48		2.7	2.8	2.8	2.7	2.8	2.9	2.7	2.9	2.7	2.8
Electric, Gas and Sanitary Services.. 49		9.0	8.9	8.6	8.3	7.6	7.2	7.4	6.9	6.8	7.6
<b>WHOLESALE &amp; RETAIL TRADE</b> .....		7.9	8.0	7.4	7.3	7.2	7.2	7.4	7.4	7.7	7.7
<b>WHOLESALE TRADE</b> .....		8.9	8.6	8.2	7.7	7.1	7.0	7.2	7.2	7.3	7.4
Durable Goods..... 50		8.6	8.6	7.8	7.3	6.7	6.4	6.7	6.5	6.3	6.7
Nondurable Goods..... 51		9.3	9.1	8.7	8.3	7.8	7.9	8.0	8.2	8.7	8.6
<b>RETAIL TRADE</b> .....		7.5	7.7	7.1	7.1	7.2	7.3	7.5	7.5	7.8	7.8
Building Materials & Garden Supplies 52		9.8	9.5	8.4	8.3	8.4	8.5	9.6	9.8	10.2	10.2
General Merchandise Stores..... 53		9.1	9.8	9.3	9.0	9.2	9.7	9.4	10.0	10.4	10.6
Food Stores..... 54		10.7	11.7	10.6	10.4	10.3	10.4	10.8	10.4	10.7	10.9
Auto Dealers and Service Stations... 55		8.0	7.9	7.2	6.8	6.9	6.8	7.0	6.9	7.1	6.8
Apparel and Accessory Stores..... 56		2.3	2.6	2.2	2.2	2.5	2.4	2.4	2.6	2.9	3.2
Furniture, Home Furnishings..... 57		5.1	4.7	4.7	4.3	3.9	3.7	4.3	4.2	4.9	4.6
Eating and Drinking Places..... 58		7.5	7.6	6.9	7.1	7.6	7.8	7.8	8.2	8.2	8.3
Miscellaneous Retail..... 59		3.8	3.8	3.5	3.5	3.7	3.6	3.9	3.7	4.2	4.3
<b>FINANCE, INSURANCE AND REAL ESTATE</b> ....		2.1	2.1	2.0	1.9	2.0	2.0	1.9	2.0	2.0	2.0
Banking..... 60		1.9	1.7	1.5	1.6	1.7	1.6	1.6	1.6	1.6	1.4
Credit Agencies..... 61		1.1	1.3	1.1	1.3	1.3	1.3	1.4	1.2	1.2	1.3
Insurance..... 63		1.9	2.0	1.7	1.8	1.9	1.8	1.7	1.8	1.9	1.8
Real Estate..... 65		4.9	4.7	4.4	4.0	4.4	4.4	4.5	4.2	4.8	4.7
Holding & Other Investment Offices.. 67		--	--	1.7	1.8	1.9	1.7	--	2.2	--	1.5
<b>SERVICES</b> .....		5.5	5.5	5.2	5.0	4.9	5.1	5.2	5.4	5.3	5.9
Hotels and Other Lodging Places..... 70		9.2	9.1	8.9	8.8	9.0	9.2	9.8	10.0	10.0	10.6
Personal Services..... 72		3.5	3.2	2.9	2.8	3.1	2.9	2.9	2.9	3.2	3.1
Business Services..... 73		6.9	5.8	4.6	4.6	4.4	4.7	4.9	4.7	4.9	4.6
Automotive Services..... 75		8.2	8.0	7.5	7.6	7.6	7.1	6.9	6.5	6.8	6.7
Health Services..... 80		6.8	6.8	6.4	6.1	5.9	6.3	6.3	7.1	6.4	7.2
Legal Services..... 81		--	--	0.4	0.4	0.5	0.5	0.5	0.6	0.5	0.6
Social Services..... 83		6.0	5.9	5.1	5.2	5.0	5.3	5.3	6.0	5.4	5.9
Membership Organizations..... 86		--	--	3.0	3.3	--	2.6	--	--	--	--
Miscellaneous Services..... 89		1.9	2.2	1.6	1.6	1.3	1.3	1.4	1.7	1.6	1.6

**Bill No:** Committee Substitute for  
House Bill 286(JUD)

**Date:** March 26, 1990

**Title:** "An Act relating to penalties for violation of workplace safety laws; and assessing costs for an employer's failure to appear at certain hearings of the OSH Review Board."

**Contact:** Richard Arab  
465-4855  
Eileen Plate  
465-2700

Committee Substitute for House Bill No. 286(JUD) proposes that the penalties the Department of Labor may assess for violations of Alaska's Occupational Safety and Health law and regulations be increased to keep pace with inflation. The bill also provides for the OSH Review Board to require an employer who fails to appear for a board hearing to reimburse the Board for all reasonable expenses incurred to conduct the hearing.

Specifically, the provisions of this bill relating to penalties will:

- (1) increase the maximum penalty for willful or repeat violations from \$10,000 to \$30,000;
- (2) increase the maximum penalty for a serious or non-serious violation from \$1,000 to \$3,000;
- (3) increase the daily penalty for not correcting a violation from \$1,000 to \$3,000;
- (4) increase the maximum penalty for a willful or repeat violation which results in the death of a worker from \$10,000 to \$30,000; and increase from \$20,000 to \$60,000 the maximum penalty for a second conviction of a willful or repeat violation causing death;
- (5) increase from \$10,000 to \$30,000 the maximum penalty for falsifying or otherwise misrepresenting occupational safety and health records or documents; and
- (6) increase the maximum penalty for a violation of occupational safety and health posting requirements from \$1,000 to \$3,000.

**POSITION PAPER/Department of Labor**

The provision that will allow the OSH Review Board to require an employer who, without good cause, fails to appear at a hearing is designed to discourage employers from filing frivolous contests with the Board. An employer who contests a citation issued by the Department for an occupational safety and health violation does not have to correct the hazard or pay the assessed penalty until the Board hears the case and makes a decision. Some employers request Board hearings simply to avoid paying the penalty with no intention of appearing at the hearing.

The increase in penalties is required because the penalties currently in effect have not been increased since Alaska's occupational safety and health law was initially enacted in 1973. The state's penalty structure is based on the federal OSH Act that was adopted in 1970. Since 1970, the rate of inflation has increased by 300 percent. This bill, therefore, reflects the inflationary increase that has occurred since the penalty amounts were established in 1970.

More important than providing for an overdue inflationary increase in the penalty structure, however, the increased penalties would serve as an effective deterrent to workplace safety and health violations. This, of course, will translate into safer workplaces, and a reduced risk of injury and illness to Alaska's workers. Alaska's occupational injury and illness rate is one of the highest in the nation. The latest available information indicates that the Alaska rate stands at 10.8 injuries and illnesses per 100 full-time workers. Only Maine had higher rates in 1987. In addition, there are some industries in Alaska with some of the highest rates in the nation. For example in 1987, the injury and illness rate for logging was 51.8 which means that one out of two workers in this industry suffered an injury.

The need for increasing the penalty amount for occupational safety and health violations is becoming evident throughout the nation. The states of Washington, Oregon, California, Arizona, Utah, and Vermont have passed legislation to increase penalties, and legislation has been introduced in the U.S. Congress this year to increase federal OSH penalties to the same amounts as proposed by HB 286.

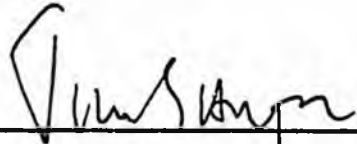
CS HB 286(JUD)

March 26, 1990

Page 3

The Department of Labor supports the increased penalties for violations of Alaska's occupational safety and health laws and regulations as provided in this bill.

APPROVED:

A handwritten signature in cursive script, appearing to read "Jim Sampson", written over a horizontal line.

Jim Sampson, Commissioner  
Department of Labor

POSITION PAPER  
A.G.C. OF ALASKA

ON  
HB 286

AN ACT RELATING TO PENALTIES FOR VIOLATIONS OF WORK PLACE  
SAFETY LAWS.



THANK YOU MR. CHAIRMAN. FOR THE RECORD, MY NAME IS RESA JERREL AND I AM THE DIRECTOR OF GOVERNMENTAL RELATIONS FOR THE ASSOCIATED GENERAL CONTRACTORS OF ALASKA (A.G.C.). ON BEHALF OF OUR OVER 600 MEMBER FIRMS WE APPRECIATE THE OPPORTUNITY TO TESTIFY ON HB 286 - PENALTIES FOR VIOLATIONS OF WORK PLACE SAFETY LAWS.

WHILE A.G.C. OF ALASKA IS A STRONG ADVOCATE FOR SAFETY IN THE WORK PLACE, WE DO HAVE SOME SERIOUS CONCERNS REGARDING THIS LEGISLATION. THERE IS NO EVIDENCE INDICATING THAT HIGHER OSHA FINES BRINGS ABOUT BETTER WORK PLACE SAFETY OR FEWER ON THE JOB INJURIES.

A.G.C. WOULD SUGGEST TWO WAYS TO IMPROVE WORK PLACE SAFETY: FINDING WAYS TO AVOID EMPLOYEE INADVERTENT OR CARELESS ACCIDENTS AND ASSIGNING THE PENALTY FOR A VIOLATION TO THE RESPONSIBLE PARTY.

FIRST: A 1986 NATIONAL SURVEY OF EMPLOYEE ATTITUDES BY SIROTA AND ALPER ASSOCIATED, INC. OF NEW YORK FOUND THAT:

"ONE IN FIVE EMPLOYEES SAY WORKPLACE DRUG USE SERIOUSLY AFFECTS THEIR ORGANIZATIONS ABILITY TO GET THE JOB DONE . . . MORE THAN TWO-THIRDS OF THOSE SURVEYED SUPPORT DRUG TESTING FOR NEW JOB APPLICANTS AND FOR SUSPECTED USERS."

IN RESPONSE TO THE INCREASED CONCERN REGARDING THE ISSUES OF POTENTIAL SAFETY HAZARDS, INCREASING ABSENTEEISM, LOWER PRODUCTIVITY, RISING HEALTH CARE COSTS AND DECLINING EMPLOYEE MORALE THE FEDERAL GOVERNMENT AND STATES HAVE PASSED LEGISLATION TO MINIMIZE THE NEGATIVE EFFECTS OF DRUG AND ALCOHOL ABUSE IN THE WORK PLACE. THE STATUTES VARY BUT SOME OF THE PROVISIONS REQUIRE WRITTEN ALCOHOL AND DRUG TESTING POLICY, NOTIFICATION OF COMPANY'S DRUG POLICY, JOB APPLICANT

TESTING, RANDOM TESTING, REASONABLE SUSPICION TESTING,  
DISCIPLINE AND DRUG AWARENESS PROGRAMS.

SECONDLY: IN BRITISH COLUMBIA THE PERSON THAT CAUSES A  
VIOLATION IS ASSIGNED THE PENALTY. THE EMPLOYER, SUPERVISOR,  
WORKER OR PERSON THAT IS NEITHER AN EMPLOYER NOR A WORKER IS  
LIABLE FOR THE PENALTY. A COPY OF THE BRITISH COLUMBIA  
STATUTE HAS BEEN GIVEN TO STAFF FOR YOUR REVIEW.

IN CONCLUSION, MR. CHAIRMAN, A.G.C. OF ALASKA WOULD URGE  
THIS COMMITTEE TO TAKE INTO ACCOUNT THAT THERE ARE NUMEROUS  
VARIABLES ON A CONSTRUCTION JOB SITE AND CONSIDER SOME OF THE  
ALTERNATIVES WE SUGGESTED IN INSTEAD OF RAISING THE PENALTIES  
IMPOSED UPON THE EMPLOYER.

**INDUSTRIAL HEALTH & SAFETY REGULATIONS**

**INDUSTRIAL HEALTH & SAFETY**

(3) No appeal in itself shall operate as a stay in respect of any order or directive or penalty assessment.

**"NOTICE TO WORKERS"**

Posting of "Notice to Workers" placards  
2.18. Every employer shall cause conspicuous placard at each place of work or notice issued by the Board in words "Notice to Workers".

**INSPECTION REPORTS**

**PUBLISHED REGULATIONS**

Posting of inspection reports

Availability to employees  
2.20. Every employer shall keep a copy readily available at each place of work by all employees.

2.14. (1) Where an inspection report is given or sent to an employer for posting at a place of employment, it shall be posted forthwith by the employer at the place of employment covered by the report in a location conspicuous to workers engaged at that place.

Period of posting

(2) An inspection report shall remain posted for a minimum of 7 days.

Transient operations

(3) Where, as in transient operations, the posting of an inspection report is not feasible, the employer shall adopt other measures, appropriate to the circumstances, to bring the contents of the report to the attention of the affected workers.

Distribution of inspection reports

(4) Where an Industrial Health & Safety Committee is required at the place of employment, the employer shall produce for the committee the inspection report or a copy thereof at or before the next meeting of the Committee.

**CONTRAVENTION OF REGULATIONS**

Contravention by persons subject to regulations

2.16 (1) Contravention of a regulation shall be deemed to be a contravention by the employer and shall make that employer liable for the penalty prescribed by the Workers' Compensation Act, but nothing in this clause shall relieve the supervisor or worker.

(2) Contravention of a regulation by a supervisor or a worker shall be deemed to be a contravention by the supervisor and shall make that supervisor liable for the penalty prescribed, but nothing in this clause shall relieve the worker.

\*

(3) Contravention of a regulation by a worker shall make that worker liable for the penalty prescribed.

(4) Contravention of a regulation by a person working in or contributing to the production of an industry within the scope of Part I of the Workers' Compensation Act, being neither an employer nor a worker, shall make that person liable for the penalty prescribed.

*Workers  
Compensation  
Board of British  
Columbia  
Industrial Health &  
Safety Regulations*

COMPARISON OF 1987 ALASKA AND NATIONAL  
OCCUPATIONAL INJURY AND ILLNESS INCIDENCE RATES

	<u>Alaska Rate</u>	<u>National Rate</u>
Oil and Gas Extraction	9.0	8.3
General Building Construction	17.5	14.2
Heavy Construction	19.4	14.5
Special Trade Construction	15.0	15.0
Canned and Cured Fish Processing	35.2	26.4
Fresh/Frozen Fish Processing	35.3	18.8
Logging Camps and Contractors	51.8	19.3
Trucking and Warehousing	17.7	12.3
Water Transportation	13.2	12.9
Transportation by Air	13.9	14.3
All Private Industries	10.9	8.3

TABLE A-11  
Incidence rates of Occupational Injuries and Illnesses  
Comparison of all States - Private Sector  
1983 to 1987

	1983	1984	1985	1986	1987
USA	7.6	8.0	7.9	7.9	8.3
Alabama	7.9	8.3	8.4	8.7	
Alaska	10.6	10.3	10.7	10.2	10.9
Arizona	9.3	9.5	9.2	8.9	9.0
Arkansas	8.1	8.0	8.0	8.4	
California	9.1	9.3	9.1	8.9	8.8
Colorado	--	--	--	--	--
Connecticut	8.0	8.3	8.3	8.2	
Delaware	5.3	5.5	5.6	6.0	
Florida	8.7	8.9	8.8	8.8	
Georgia	--	--	--	--	--
Hawaii	10.6	10.0	9.6	9.5	9.8
Idaho	--	--	--	--	--
Illinois	--	--	--	--	--
Indiana	7.3	7.7	7.7	8.2	
Iowa	7.8	8.1	8.2	8.4	
Kansas	7.5	7.7	7.7	7.6	
Kentucky	7.6	8.3	8.3	8.4	
Louisiana	7.4	7.9	7.3	7.0	
Maine	11.0	13.2	12.5	12.9	
Maryland	7.6	7.8	7.9	7.8	
Massachusetts	--	--	--	--	--
Michigan	6.8	7.6	8.0	8.2	
Minnesota	7.3	7.7	7.6	7.3	
Mississippi	--	8.0	7.8	8.0	
Missouri	7.5	8.0	7.9	8.5	
Montana	--	8.5	8.0	8.2	
Nebraska	8.4	8.8	7.9	8.1	
Nevada	9.0	9.0	8.5	8.4	9.4
New Hampshire	--	--	--	--	--
New Jersey	--	--	--	--	--
New Mexico	7.8	8.7	8.4	7.7	
New York	--	--	--	--	--
North Carolina	6.8	7.2	7.4	7.2	
North Dakota	--	--	--	--	--
Ohio	--	--	--	--	--
Oklahoma	8.9	9.8	9.5	8.1	
Oregon	9.8	10.6	10.5	10.7	10.9
Pennsylvania	--	--	--	--	--
Rhode Island	8.3	8.4	8.9		
South Carolina	6.7	6.9	7.1	6.9	
South Dakota	--	--	--	--	--
Tennessee	7.9	8.6	8.2		
Texas	--	--	--	--	--
Utah	8.5	9.2	8.5	9.1	
Vermont	9.2	10.0	9.1	8.9	
Virginia	7.0	7.6	7.3	7.6	
Washington	9.7	9.9	9.4	9.8	10.6
West Virginia	6.7	7.2	7.2	7.7	
Wisconsin	--	--	--	--	--
Wyoming	7.9	8.6	7.4	7.6	
American Samoa	2.5	3.0	3.6	3.2	2.6
Guam	2.7	2.8	3.6	3.7	3.6
Puerto Rico	4.2	3.9	3.8	3.9	
Virgin Islands	2.8	2.4	2.4	2.4	

SOURCE: Bureau of Labor Statistics.

-- = Publishable Rate Unavailable.

X = 1987 data not available at time of publication.

1 ALASKA

TABLE A-3  
Incidence Rates of Recordable Occupational Injuries and Illnesses  
Industry Data Time Series, Alaska 1978 to 1987

Industry	SIC Code	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
TOTAL PRIVATE AND PUBLIC SECTOR.....		9.4	9.2	9.1	9.2	9.5	9.9	9.7	10.1	9.6	10.1
TOTAL PRIVATE SECTOR.....		10.0	10.1	10.4	10.0	10.3	10.6	10.3	10.7	10.2	10.9
MINING.....		15.2	14.0	12.1	15.4	14.8	11.5	10.5	9.4	8.1	8.9
Oil and Gas Extraction.....	13	15.7	13.7	12.4	15.8	15.3	11.8	10.6	9.7	8.2	9.0
Petroleum & Gas Production.....	131	..	..	2.5	7.3	6.7	5.1	2.8	2.6	2.1	3.5
Oil & Gas Field Services.....	138	22.6	23.0	23.8	24.9	24.6	19.6	22.0	17.4	14.8	15.2
CONSTRUCTION.....		16.4	16.4	18.5	17.2	19.4	17.6	16.9	19.4	16.2	17.1
General Building Contractors.....	15	17.1	14.3	16.5	19.8	19.6	21.6	17.7	19.5	17.6	17.5
Residential Buildings.....	152	18.5	11.9	15.1	15.6	16.5	17.7	13.4	15.4	18.0	17.0
Nonresidential Buildings.....	154	18.0	16.8	18.0	23.7	21.9	26.0	22.0	22.9	17.3	17.7
Heavy Construction Contractors.....	16	14.2	16.6	17.3	15.1	20.9	14.9	15.7	18.9	16.5	19.4
Highway and Street Construction... 161	9.7	18.8	19.2	17.8	27.6	19.0	19.8	16.6	20.8	14.4	
Heavy Construction, Except Hwy.... 162	16.4	15.1	16.4	14.0	16.8	12.9	13.9	20.3	14.3	22.8	
Special Trade Contractors.....	17	17.6	17.4	15.9	17.8	17.9	17.7	17.1	19.8	14.9	15.0
Plumbing, Heating & Air Condit.... 171	14.6	14.8	16.7	18.8	17.0	25.6	23.3	18.9	18.9	16.0	14.4
Electrical Work.....	173	17.0	10.8	16.5	15.4	16.6	13.2	14.3	16.4	15.9	15.4
Misc Special Trade Contractors.... 179	..	23.1	16.2	21.6	18.6	14.6	20.6	23.6	15.9	12.6	
MANUFACTURING.....		21.4	24.1	23.3	19.1	17.9	23.2	23.0	26.3	28.3	29.5
Food and Kindred Products.....	20	21.8	25.7	26.7	22.2	20.2	29.5	25.0	32.5	33.3	34.5
Misc Food Prep & Kindred Prod.... 209	22.3	26.0	26.9	22.5	20.8	30.1	25.7	32.9	33.4	35.3	
Canned & Cured Fish & Seafoods.. 2091	18.7	23.5	21.4	19.9	18.6	21.4	25.0	30.3	34.3	35.2	
Fresh/Froz Pkgd Fish & Seaids... 2092	27.4	29.2	31.7	24.6	21.8	32.9	26.1	33.9	33.0	35.3	
Lumber & Wood Prod Except Furniture 24	31.8	31.0	32.5	26.8	26.9	31.2	43.0	38.6	50.9	48.5	
Logging Camps & Contractors..... 241	38.6	39.1	37.3	27.2	30.8	35.7	45.6	45.0	56.6	51.8	
Printing, Publishing & Allied Ind... 27	..	..	2.5	3.1	5.7	6.3	6.2	5.1	6.5	5.8	
TRANSPORTATION AND PUBLIC UTILITIES... 41	11.4	11.4	12.2	11.6	10.7	11.4	12.1	11.3	11.3	10.9	
Local & Interurban Passenger Transit 41	..	5.1	4.8	6.7	4.9	..	7.1	6.3	11.3	12.8	
Trucking and Warehousing.....	42	21.4	20.6	21.7	17.8	14.0	20.7	24.2	17.4	19.5	17.7
Trucking, Local and Long Distance. 421	21.3	21.0	22.1	18.0	13.8	19.8	23.9	17.5	19.7	17.9	
Water Transportation.....	44	18.6	16.0	16.2	16.6	11.7	11.9	10.8	16.2	10.7	13.2
Transportation by Air.....	45	15.2	12.4	13.2	13.6	12.7	10.7	14.2	14.0	13.3	13.9
Communication.....	48	3.0	6.9	9.1	8.4	8.6	9.6	5.7	6.7	6.2	4.5
Electric, Gas and Sanitary Services. 49	15.5	14.6	14.6	13.9	14.8	16.4	19.4	16.0	16.2	15.5	
WHOLESALE AND RETAIL TRADE.....		8.2	7.9	7.7	8.0	9.3	10.2	9.9	10.0	8.9	9.3
WHOLESALE TRADE.....		12.2	11.4	10.9	9.8	9.6	12.3	11.7	10.9	8.0	9.4
Durable Goods.....	50	12.2	11.6	8.5	7.9	7.4	8.9	9.7	8.9	5.8	7.7
Non-durable Goods.....	51	8.1	11.0	15.4	12.3	13.4	18.0	15.1	14.4	11.5	11.5
RETAIL TRADE.....		7.4	6.9	6.8	7.4	9.3	9.6	9.5	9.8	9.2	9.3
Building Materials & Garden Supplies 52	8.9	6.2	9.4	12.3	13.7	20.5	17.7	17.6	11.3	12.7	
Lumber & Bldg Materials.....	521	..	..	..	..	17.2	25.5	21.3	12.4	..	
General Merchandise Stores.....	53	9.2	8.8	6.0	7.1	8.2	12.3	10.4	9.3	10.7	10.8
Food Stores.....	54	9.5	8.9	10.1	8.5	11.8	9.7	15.8	15.5	18.0	15.6
Auto Dealers and Service Stations... 55	10.2	8.5	9.5	8.9	8.1	10.4	10.5	10.8	8.3	8.7	
Apparel and Accessory Stores.....	56	3.4	2.7	2.1	2.4	1.0	1.0	1.5	2.5	0.4	3.3
Furniture, Home Furnishings.....	57	..	..	..	..	4.8	3.5	4.4	5.2	6.4	5.8
Eating and Drinking Places.....	58	6.6	7.2	6.5	8.1	11.2	9.8	6.6	8.5	8.3	8.9
Miscellaneous Retail.....	59	4.7	3.9	2.9	5.1	5.5	6.4	6.6	5.9	4.3	3.6
FINANCE, INSURANCE AND REAL ESTATE		0.7	1.4	1.3	1.5	1.5	2.0	1.7	2.1	3.3	2.8
Banking.....	60	1.1	2.1	1.9	2.2	1.8	2.9	2.1	2.6	2.6	3.3
Credit Agencies.....	61	..	..	..	..	1.5	1.1	1.6	0.7	1.7	3.2
Real Estate.....	65	0.8	0.1	2.8	1.9	2.3	2.1	2.4	4.1	4.9	2.7
Holding & Other Investment Offices.. 67	0.3	1.8	0.0	1.2	0.7	1.3	1.3	2.3	..	..	3.5
SERVICES.....		4.3	4.0	4.3	4.3	4.4	4.7	5.1	5.5	5.4	6.5
Hotels and Other Lodging Places..... 70	5.5	7.9	9.3	6.8	7.0	9.9	11.0	10.0	13.4	13.6	
Personal Services.....	72	0.6	1.3	2.5	2.8	1.7	4.1	5.3	6.3	1.7	3.7
Business Services.....	73	7.2	3.8	6.7	3.7	6.7	3.9	3.4	2.6	4.5	5.0
Automotive Services.....	75	..	..	..	7.5	8.4	8.2	6.6	9.9	6.3	11.2
Health Services.....	80	4.0	3.7	3.6	5.4	4.1	5.5	7.9	8.9	6.3	8.0
Legal Services.....	81	0.5	1.0	0.2	..	0.3	0.1	0.1	0.8	1.1	0.7
Social Services.....	83	4.3	4.9	3.5	3.9	3.7	4.2	3.5	7.3	3.0	3.7
Membership Organizations.....	86	2.9	2.9	3.1	3.0	2.8	3.0	0.7	1.8	4.0	5.8
Miscellaneous Services.....	89	2.9	1.8	2.8	3.0	2.0	1.1	2.6	2.6	2.8	2.7
STATE AND LOCAL GOVERNMENT.....		7.1	6.3	6.9	6.5	6.7	7.3	7.7	8.1	7.7	7.3
STATE GOVERNMENT.....		6.2	3.8	3.3	4.7	4.6	5.5	5.5	5.2	6.0	6.0
LOCAL GOVERNMENT.....		8.1	8.7	6.3	8.1	8.6	8.7	9.5	10.5	9.0	8.4

See footnotes at end of section.  
.. = Publishable rate unavailable.

15 4.5

TABLE A-8  
Incidence Rates of Recordable Occupational Injuries and Illnesses  
U.S. Private Sector, Select Industries, 1978 to 1987

Industry	SIC Code	Incidence Rate for Total Cases (per 100 workers) 5/									
		1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
<b>TOTAL PRIVATE SECTOR.....</b>		9.4	9.5	8.7	8.3	7.7	7.6	8.0	7.9	7.9	8.3
<b>AGRICULTURE.....</b>		11.6	11.7	11.9	12.3	11.8	11.9	12.0	12.4	11.2	11.2
<b>MINING.....</b>		11.5	11.4	11.2	11.6	10.5	8.4	9.7	8.4	7.4	8.5
Oil and Gas Extraction.....	13	13.9	13.6	13.6	14.1	12.1	9.0	11.8	10.1	8.1	8.3
Petroleum & Gas Production.....	131	4.4	5.4	3.8	4.1	4.3	3.5	3.0	2.7	2.6	2.5
Oil & Gas Field Services.....	138	20.0	18.9	19.3	19.7	16.8	14.3	18.2	15.8	13.6	14.0
<b>CONSTRUCTION.....</b>		16.0	16.3	15.7	15.1	14.6	14.8	15.5	15.2	15.2	14.7
General Building Contractors.....	15	15.9	16.3	15.5	15.1	14.1	14.4	15.4	15.2	14.9	14.3
Residential Buildings.....	152	17.3	13.0	11.9	11.9	10.8	11.9	12.6	12.3	12.5	10.9
Nonresidential Buildings.....	154	19.2	19.7	19.4	18.5	17.1	17.3	18.9	18.7	17.9	18.5
Heavy Construction Contractors.....	16	16.6	16.6	16.3	14.9	15.1	15.4	14.9	14.5	14.7	14.5
Highway and Street Construction.....	162	15.1	15.5	15.6	14.0	13.4	16.3	14.6	13.8	13.9	14.2
Heavy Construction, Except Hvy.....	162	17.2	17.1	16.6	15.3	15.7	15.9	15.1	14.8	15.1	14.7
Special Trade Contractors.....	17	15.8	16.0	15.5	15.2	14.7	14.8	15.8	15.4	15.6	15.0
Plumbing, Heating & Air Condit.....	171	16.9	17.0	16.2	15.7	15.3	15.7	16.4	15.7	16.1	16.4
Electrical Work.....	173	18.0	14.0	14.2	14.0	13.9	13.7	14.6	14.3	15.2	13.8
Hisc. Special Trade Contractors... 179	16.9	17.5	16.2	17.1	15.9	15.1	15.8	16.5	15.7	15.8	
<b>MANUFACTURING.....</b>		13.2	13.3	12.2	11.5	10.2	10.0	10.6	10.4	10.6	11.9
Food and Kindred Products.....	20	19.4	19.9	18.7	17.8	16.7	16.5	16.7	16.7	16.5	17.7
Hisc. Food Prep. & Kind. Prod.....	209	16.3	16.8	15.3	15.0	14.2	14.1	14.3	14.7	14.1	15.1
Canned & Cured Fish & Seafoods.. 2091	22.3	24.4	20.2	22.4	17.8	17.1	--	--	19.1	26.4	
Fresh/Froz. Pkgd. Fish & Seafoods.. 2092	10.4	22.0	19.4	18.6	17.1	17.9	17.3	19.2	18.2	19.8	
Leather & Prod. except Furniture 20	22.6	20.7	18.6	17.8	16.9	18.3	19.6	18.5	18.9	18.9	
Luggage Cases & Contractors.....	241	25.9	24.2	22.7	19.3	20.4	21.5	21.7	20.0	19.1	19.3
Paper and Allied Products.....	26	13.3	13.5	12.7	11.6	10.6	10.0	10.4	10.2	10.5	12.8
Printing, Publishing & Allied Ind... 27	6.9	7.1	6.9	6.7	6.6	6.6	6.5	6.3	6.5	6.7	
<b>TRANSPORTATION AND PUBLIC UTILITIES...</b>		10.1	10.0	9.4	9.0	8.5	8.2	8.1	8.6	8.2	8.4
Local & Interurban Passenger Transit 41	8.7	9.3	9.5	9.3	9.3	9.7	9.0	9.4	8.3	9.2	
Trucking and Warehousing.....	42	16.2	15.8	14.9	14.7	14.2	13.3	14.5	13.9	13.1	12.3
Trucking, Local and Long Distance. 421	16.3	15.7	14.8	14.7	14.2	13.3	14.6	14.0	13.8	12.3	
Water Transportation.....	44	14.4	14.1	14.2	12.5	11.4	10.8	11.2	13.0	12.7	12.9
Transportation by Air.....	45	13.4	13.7	13.3	13.5	13.6	12.7	13.2	13.1	13.9	14.3
Communication.....	48	2.7	2.4	2.8	2.7	2.8	2.9	2.7	2.9	2.7	2.8
Electric, Gas and Sanitary Services. 49	9.0	8.9	8.6	8.3	7.6	7.2	7.4	6.9	6.8	7.6	
<b>RETAIL &amp; WHOLE TRADE.....</b>		7.9	8.0	7.4	7.3	7.2	7.2	7.4	7.4	7.7	7.7
<b>RETAIL TRADE.....</b>		8.9	8.8	8.2	7.7	7.1	7.0	7.2	7.2	7.2	7.4
Durable Goods.....	50	8.6	8.6	7.8	7.3	6.7	6.4	6.7	6.5	6.3	6.7
Non-durable Goods.....	51	9.3	9.1	8.7	8.3	7.8	7.9	8.9	8.2	7.7	8.5
<b>WHOLE TRADE.....</b>		7.5	7.7	7.1	7.1	7.2	7.3	7.5	7.5	7.8	7.8
Building Materials & Garden Supplies 52	9.8	9.5	8.4	8.3	8.4	8.5	9.6	9.8	10.2	10.2	
General Merchandise Stores.....	53	9.1	9.8	9.3	9.0	9.3	9.7	9.8	10.0	10.4	10.0
Food Stores.....	54	10.7	11.7	10.6	10.4	10.1	10.4	10.8	10.4	10.7	10.9
Auto Dealers and Service Stations... 55	8.0	7.9	7.2	6.8	6.9	6.8	7.0	6.9	7.1	6.8	
Apparel and Accessory Stores.....	56	2.3	2.6	3.2	2.2	2.5	2.4	2.8	2.6	2.9	3.2
Furniture, Home Furnishings.....	57	5.1	4.7	4.7	4.3	3.9	3.7	4.3	4.2	4.9	4.6
Cutting and Drapery Places.....	58	7.5	7.6	6.9	7.3	7.6	7.8	7.8	8.2	8.2	8.3
Miscellaneous Retail.....	59	3.8	3.8	3.5	3.5	3.7	3.6	3.9	3.7	4.2	4.3
<b>FINANCE, INSURANCE AND REAL ESTATE...</b>		2.1	2.1	2.0	1.9	2.0	2.0	1.9	2.0	2.0	2.0
Banking.....	60	1.5	1.7	1.5	1.6	1.7	1.6	1.6	1.6	1.6	1.4
Credit Agencies.....	61	1.1	1.2	1.1	1.3	1.3	1.4	1.4	1.2	1.2	1.3
Insurance.....	63	1.9	2.0	1.7	1.8	1.9	1.8	1.7	1.8	1.9	1.8
Real Estate.....	65	4.9	4.7	4.4	4.0	4.4	4.4	4.5	4.2	4.8	4.7
Holding & Other Investment Offices.. 67	--	--	1.7	1.8	1.9	1.7	--	2.2	--	1.3	
<b>SERVICES.....</b>		5.5	5.5	5.2	5.0	4.9	5.1	5.2	5.4	5.3	5.5
Hotels and Other Lodging Places.....	70	9.2	9.1	8.9	8.8	9.0	9.2	9.8	10.0	10.3	10.6
Personal Services.....	72	3.5	3.2	2.9	2.8	3.1	2.9	2.9	2.9	3.2	3.1
Business Services.....	73	4.9	5.0	4.4	4.4	4.4	4.7	4.9	4.7	4.9	6.6
Automotive Services.....	75	8.2	8.0	7.5	7.6	7.6	7.1	6.9	6.5	6.8	6.7
Health Services.....	80	6.8	6.8	6.4	6.1	5.9	6.3	6.3	7.1	6.4	7.2
Legal Services.....	81	--	--	0.4	0.4	0.5	0.5	0.5	0.6	0.5	0.6
Social Services.....	83	6.0	5.9	5.1	5.2	5.0	5.3	5.3	6.0	5.4	5.9
Membership Organizations.....	86	--	--	3.4	2.3	--	2.6	--	--	--	--
Miscellaneous Services.....	89	1.9	2.2	1.6	1.6	1.3	1.3	1.4	1.7	1.6	1.6

# Repetitive-motion disorders account for increase in U.S. workers' injuries

By JOHN KING  
The Associated Press

WASHINGTON — The number of injuries and illnesses reported in American workplaces was up significantly last year, with nearly half of the problems blamed on repetitive-motion disorders, according to Labor Department data.

Department and labor union analysts said the reported jump in injuries and illnesses from 6 million in 1987 to 6.4 million last year is at least partly attrib-

able to improved reporting by employers.

About 3,300 workplace deaths were reported by the department's Bureau of Labor Statistics.

Margaret Seminario, the AFL-CIO's associate safety director, said Thursday that improved reporting stems from more aggressive enforcement of reporting requirements by the Labor Department's Occupational Safety and Health Administration.

"OSHA's heavy hand has

employers more thoroughly reporting data," Seminario said.

Still, she said that even considering the impact of improved reporting on the numbers the data still indicated that safety problems in American workplaces were getting worse.

The Bureau of Labor Statistics said in a report released Wednesday that the reported increases last year brought the rate of injuries

Please see Back Page, **STUDY**

## STUDY: Job injuries up

Continued from Page A-1

and illnesses to 8.6 for every 100 full-time workers, up from 8.3 in 1987. The number of incidents that resulted in lost workdays rose to 4 for every 100 workers in 1988, up from 3.8 percent in 1987.

The number of reported injuries and illnesses was up in every sector of the economy, with more than 200,000 of the increase in reported injuries coming in manufacturing, which reported 2.46 million on-the-job injuries and illnesses last year.

The highest incidence of injuries came in automobile manufacturing, where 19.5 injuries were reported for every 100 full-time workers last year.

Of 240,000 illnesses reported by employers for 1988, 115,400 — 48 percent — were associated with repeated trauma, the department's term for illnesses blamed on ergonomic problems such as



repetitive motion.

The number of reported cases in that category was up 58 percent, a factor interpreted by analysts as evidence that repetitive motion problems are being clearly identified in manufacturing, meatpacking, construction and other sectors of the economy where they are most common.

Labor Secretary Elizabeth Dole has promised to encourage OSHA to take an aggressive stance in seeking to eliminate repetitive-motion problems, and the agency has entered into agreements designed to do just that with several companies in recent months.

ADW 10/10/89

## Mill worker dies

The Associated Press

SITKA — A worker died early Wednesday in an accident at the Alaska Pulp Corp. mill, the company reported.

Joseph E. Lau, 28, of Sitka was killed at 6 a.m. as he was changing a 16-foot-wide pulp roll. Police said Lau was killed when he fell or got caught on rollers.

He is survived by his wife, Sheila, and two children.

get info on

# Pilot, mill worker die in separate accidents

By BARBARA ROGERS  
Times Writer

9/28/89 - Times

Separate accidents killed two men as an Anchorage pilot in a homebuilt airplane crashed in Palmer and a sawmill employee was crushed in a Ketchikan industrial accident Wednesday.

The pilot, whose name was not released this morning pending notification of his family, took off from Anchorage International Airport about 8 p.m. Wednesday en route to the Birchwood Airstrip, Palmer and then back to Anchorage, said Paul Steucke of the Federal Aviation Administration.

He was reported overdue by his wife at 10 p.m. and a helicopter search was begun by Alaska State Troopers this morning, Steucke said.

The wreckage of his homebuilt Long-Eze was found spread over a swampy area of the Matanuska River Park about 8:30 a.m. today after searchers picked up a signal from the aircraft's emergency locator transmitter, said Palmer Police Department Sgt. Greg Carpenter.

The body of the pilot was found in the cockpit of the single-seater, Carpenter said. He was pronounced dead at the scene.

In Ketchikan, a 60-year-old man died Wednesday afternoon when he was crushed between a gate and an upper structural bar at Ketchikan Sawmill, troopers report.

Dead is Francis K. Glover, who was leaning on a hydraulically operated gate when the gate lifted him, crushing his body, troopers and a Ketchikan Pulp Co. spokesman said.

Also Wednesday, in a traffic accident on Minnesota Drive just south of Tudor Road, two small boys were injured when the station wagon they were riding in was struck from the rear by another car.

Michael Nichols, 5, was in fair condition this morning while Justin Bushre, 7, was in serious condition at Providence Hospital, a spokeswoman said today. Both received head injuries in the accident, said Sgt. Greg Stewart of the Anchorage Police Department.

Stewart said the station wagon was southbound on Minnesota Drive when its engine quit as the car was about halfway up the bridge over the Alaska Railroad tracks.

Driver Terry Risinger, 32, turned on the emergency flashers and was trying to restart the car when it was struck from behind by a car driven by Afualo Uatisona, Stewart said.

The force of the accident collapsed the rear of the station wagon, pinning the seatbelted boys inside, Stewart said. Rescue workers got them from the car and took them to the hospital, where they originally were listed in critical condition.

# American sailors world over brush up on safety

By D.W. PAGE  
The Associated Press

NORFOLK, Va. — In Navy wardrooms and engine compartments, flight decks and hangars, sailors around the world were busy Thursday in lectures and training in an unprecedented, two-day "stand-down" to brush up on safety.

The Navy ordered the halt to normal operations Tuesday after an unmatched string of accidents over the last three weeks killed 10 people and injured at least 71.

Aboard the guided missile cruiser USS Josephus Daniels docked at the Norfolk Naval Station, Petty Officer Mike Ballard instructed seamen in damage control.

Again and again, Ballard walked sailors through the proper way to wear fire-fighting equipment and the necessary checks for each safety device.

Every sailor is trained in damage control, according to Lt. j.g. Paul Ward, the ship's assistant damage control officer. He said the ship runs a

daily fire or rescue drill. Ward saw the stand-down as a good way to stress safety to all hands.

"Our job is to carry out our mission while sustaining damage. Everyone here has to be a capable firefighter.

When there is a fire on board, you can't just run away. ... There is nowhere to run," Ward said.

Throughout the ship, sailors gathered in compartments for talks about electrical safety, fire aid and

weapons handling.

While sailors were going to school aboard the Daniels, 30 miles away at the Oceana Naval Air Station the pilots of Squadron VF-41 were in

their ready room going over data on the flight performance of the F-14 Tomcat.

The squadron already had been scheduled for a safety inspection today by the Na-

val Safety Center, so the stand-down did not affect the flight schedule. One pilot characterized the exercise as a "two-day stand-around."

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## STUDY: Job injuries up

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# HOUSE LABOR AND COMMERCE COMMITTEE

ALASKA STATE LEGISLATURE


P.O. BOX Y, JUNEAU 99811

(907) 465-3892



September 26, 1989

To: David Teal, Director  
House Research Agency

From: Representative Dave Donley, Chair   
House Labor and Commerce Committee

Re: Research request - Workplace Safety information

In preparation for consideration of legislation dealing with workplace safety issues, I'm writing to ask that your agency gather information on the following:

1. Los Angeles, California criminally prosecutes executives of companies where workplace safety violations have occurred that resulted in the death of a worker and the number of workplace deaths has subsequently dropped. I would like any information you can find on this issue, including copies of legislation, articles, publications, and background information for any other state where such prosecutions occur.
2. Scandinavian countries are highly industrialized with many hazardous occupations such as shipbuilding and iron work. Historically they have far fewer workplace deaths or serious injuries than their American counterparts. I would like any information you can find as to what is unique about the way these countries deal with workplace safety that may account for their excellent record and any articles, studies, publications or model legislation that may be useful to Alaska in trying to develop workplace safety programs.
3. Is there a "model" workplace safety program that is recognized by 1) Alaska, 2) any other state, or 3) the federal government, that could be used by Alaska businesses? In working with the workers' compensation reform package last year, we considered mandating a five percent rate decrease for any company that instituted a workplace safety program. The problem is we couldn't find a "model" program that was recognized by insurers or easily adopted into various workplace situations. If you can not find an existing program, please forward to me any articles, publications or studies you locate that could help us develop a model program.

Please contact Ginger Baim at 561-7629 if you have any questions or need additional information.

## The Job Safety and Health Act of 1989

### Title One: Joint Worker/Management Committees

- A. Worker/Management Committees must be authorized to:
  - 1. Stop work until hazardous conditions are abated.
  - 2. Review appointment and employment of safety and health personnel.
  - 3. Conduct monthly inspections.
  - 4. Obtain employer's information concerning safety and health practices.
  - 5. Investigate accidents.
- B. Worker participation must be legitimate.
- C. Committee members must receive sufficient training.
- D. All businesses with eleven or more employees must designate a safety and health officer.

### Title Two: Rights of Victims and Whistleblowers

- A. Victims must have:
  - 1. The right to obtain copies of OSHA investigative files and citations quickly and free of charge.
  - 2. The right to participate in appropriate deliberations and adjudicative processes, personally or through their representatives, as proposed in the Construction Safety and Health Improvement Act, S. 2518.
- B. Whistleblowers must have:
  - 1. The right to disclose hazards which violate federal law or threaten health and safety.
  - 2. The right to participate in a federal agency proceeding relating to the dangerous activities of an employer.
  - 3. The right to refuse to perform dangerous work, as proposed in the Uniform Health and Safety Whistleblower Act, S. 2095.

### Title Three: Civil and Criminal Penalty Structures

- A. Civil penalty changes.
  - 1. Minimum penalty increases should:
    - a. Adjust all civil penalties for inflation (a maximum willful violation penalty would be increased from \$10,000 to \$29,700).
    - b. Tie future penalties to the cost-of-living index, as proposed in the Federal Civil Penalties Inflation Adjustment Act, S. 1014.
  - 2. NSWI recommends penalty increases of:
    - a. \$50,000 (up from \$10,000) for a willful violation.
    - b. \$10,000 (up from \$1,000) for a serious violation.
- B. Penalty settlement guidelines.
  - 1. Penalty reductions must not exceed 30%.
  - 2. Settlement discussions must not occur until after abatement of hazardous conditions.

3. Written rationalizations for any reduction must be made available to all concerned parties.
  4. Settlements over \$100,000 should be entered into U.S. District Court records.
- C. Criminal penalties.
1. Current maximum fine of \$10,000 and a six month prison sentence for an individual or a corporation are too weak.
  2. An increased fine of \$250,000 for an individual and \$500,000 for a corporation (as proposed by former Assistant Attorney General William Weld) should set the new standard.
- D. Willfulness.
1. The current willfulness standard, requiring an employer to have a history of previous citations, and subsequently to have a repeat violation involving a fatality, makes it very difficult to convict serious offenders.
  2. A new definition of willfulness, based on the California penal code, should be adopted.
- E. Reckless endangerment.
1. A new standard for reckless endangerment should be based on the following criteria:
    - a. Any violator with one serious or willful violation during the previous four years would potentially be liable of reckless endangerment.
    - b. Willfulness would not be considered in applying the reckless endangerment test.
    - c. Reckless endangerment would carry a maximum fine of \$100,000 and a prison sentence of one-to-five years.
- F. Fatalities.
1. Increase penalties for violations involving fatalities to a maximum prison sentence of 20 years, as proposed in S. 2518.

#### **Title Four: Public Welfare Cost Recovery**

- A. In cases where federal funds provide support for victims of job-related injury or illness, the government should litigate to recover costs from employers for standards-related violations.
- B. The Departments of Labor and Justice would litigate under this provision.

#### **Title Five: Rights of Local and State Governments**

- A. Current case law discourages a state or local government from pressing criminal charges against an employer in a federally-regulated OSHA state.
- B. Federal preemption of state or local laws, including criminal laws, which provides more stringent job safety and health standards should be prohibited, as proposed in S. 2518.

#### **Title Six: State-Plan States**

- A. State-Plan States should be encouraged to experiment in developing safer workplaces by providing a grant program for special initiatives.
- B. The Secretary of Labor should develop standard reporting measures for State-Plan States and make reports available to the public.
- C. Workers in State-Plan States should have the right to demand inspections by federal officials when state inspections fail to eliminate hazardous conditions.
- D. The Secretary of Labor should terminate inadequate State-Plan programs.

**Title Seven: Safety and Health Standards**

- A. The revision of existing standards and promulgation of new standards lags far behind sound scientific knowledge.
- B. The Secretary of Labor's responsibility to promulgate standards should be strengthened by:
  - 1. Reasserting the right to propose individual standards.
  - 2. Reasserting the right to promulgating consensus standards.

**Title Eight: Licensed Technicians**

- A. In oversight of all high-risk activities, the law should:
  - 1. Require licensing of all key supervisory personnel.
  - 2. Provide general definitions of the work functions to be supervised by licensed technicians.
- B. An employer's failure to comply with this provision should constitute a serious violation.

**How tough is that doggie in the window?**



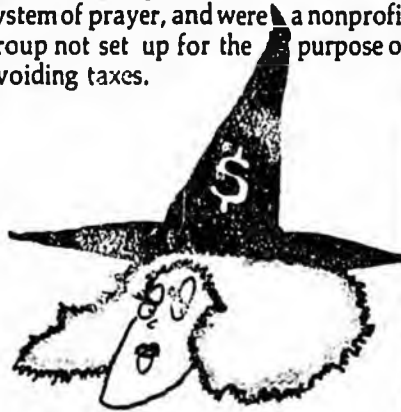
The case of two Cambodian refugees, who were prosecuted in California last spring for killing a German shepherd for food, was dismissed after a judge ruled that there was no law against eating dogs. There is now. Newly enacted California legislation makes it a misdemeanor to possess, sell or give away for the sole purpose of killing for food any animal "commonly kept as a pet or companion." Violators can receive up to six months in jail and a \$1,000 fine. Livestock, poultry, fish and game are exempted; in case hasenpfeffer lovers wonder, rabbits are classified as livestock.

**New ECS report surveys state plans for tuition programs**

A new survey of state programs to help parents pay for their children's college education reports that 11 states (up from nine in 1988) have passed laws giving parents the opportunity to invest with the state a certain sum of money now in exchange for guaranteed payment of their children's tuition in the future. Three of these 11 states—Florida, Michigan and Wyoming—are already selling contracts. The survey is available at \$5 per copy from the Education Commission of the States Distribution Center, 1860 Lincoln St., Suite 300, Denver, CO 80295.

**Rhode Island grants tax exemption to witches' coven**

In Rhode Island, a witches' coven has been granted a state sales tax break on the grounds that it is a church. In a reversal of an earlier ruling, the state exempted the Rosegate Coven, a.k.a. Our Lady of the Roses Church, from the sales tax on equipment and supplies for the church. Tax department officials decided that the witches had specific doctrines and a system of prayer, and were a nonprofit group not set up for the purpose of avoiding taxes.



**Bush administration appoints legislators to executive posts**

The Bush administration has named several state legislators to executive posts, among them John Turner, ex-president of the Wyoming Senate, director of the Fish and Wildlife Service; Deborah Anderson, former speaker of the South Dakota House, director of the Office of Intergovernmental Affairs; Paul Coverdell, ex-minority leader of the Georgia Senate, director, Peace Corps; Susan Engeleiter, ex-minority leader of the Wisconsin Senate, administrator of the Small Business Administration; Tom Stroock, vice president of the Wyoming Senate, ambassador to Guatemala; and Mary McClure of South Dakota, ex-Senate president pro tem, special assistant to the president for intergovernmental affairs. (Senator McClure is currently on leave because of an illness in her family.)

**U.S. Supreme Court allows states to sue on workplace hazards**

The U.S. Supreme Court, by declining in October to review an Illinois court ruling in *Asta vs. State of Illinois*, left the states free to prosecute corporate officials for workplace hazards that are also regulated by the federal Occupational Safety and Health Act (OSHA). The Illinois Supreme Court ruling of a year ago resulted in the reinstatement of criminal charges of aggravated battery against officers of the Chicago Magnet Wire Corporation. The firm and its executives had been indicted by a Chicago grand jury on charges of "knowingly and recklessly" failing to protect workers from hazardous chemicals, allowing injuries to 42 employees. Industry representatives have expressed concern that state criminal prosecution of corporate officers for injuries or deaths resulting from workplace conditions frustrates the operation of OSHA regulations. The state of Illinois, however, argued that federal law does not pre-empt state prosecution for murder or aggravated battery that happens to occur in the workplace and does not "immunize employers as a class from criminal prosecution."

**Fatalities are up since speed limits rose to 65 mph**

After Congress permitted states to raise the speed limit to 65 mph on rural interstate highways in 1987, 40 states did so. And in those 40 states, traffic fatalities on rural interstates have increased 21 percent in two years, according to the National Highway Traffic Safety Administration. Fatality rates on other roads showed only minor changes.

STATE OF ALASKA  
1990 LEGISLATIVE SESSION

BILL VERSION: CSHB 286 (Jud)  
PUBLISH DATE: \_\_\_\_\_

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Labor  
Title: "An Act relating to penalties for  
violation of workplace safety laws." BRU: Labor Standards & Safety  
Sponsor: Koponen, et al. Components: \_\_\_\_\_  
Requestor: House Finance Occupational Safety & Health

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL	10.0	10.0				
CONTRACTUAL	30.0	30.0				
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	40.0	40.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE	104.0	54.0	35.0	15.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	40.0	40.0				
FEDERAL FUNDS						
OTHER						
TOTAL	40.0	40.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Note: There will be no impact on FY 90.

Prepared by: Tom Stuart, Director Phone: 465-2712  
Division: Labor Standards & Safety Date: 3/14/90  
Approved by Commissioner: Jim Sampson Date: 3/14/90  
Agency: Department of Labor

Distribution (by preparer) :  
Legislative Finance  
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Requestor  
Office of Management and Budget  
Impacted Agency,(ies)

Fiscal Note Analysis  
for

"An Act relating to penalties for violation of workplace safety laws."

This bill would increase the penalties charged for the violation of workplace safety laws. Because of the increase in penalties, we expect an increase in the number of contested violations and in the number of requests for informal conferences. This increased workload would result in additional travel for existing staff as well as the OSHA Review Board members. Additional legal support would also be required. The additional costs are summarized as follows:

Travel	\$ 10.0
OSHA Review Board (6.0)	
Existing staff (4.0)	
Contractual	\$ 30.0
Legal support for Review Board (10.0)	
Legal support for department (20.0)	
<u>Total Cost</u>	<u>\$ 40.0</u>

These costs should decrease after the first two years if the bill achieves its goal of providing more incentive for employers to voluntarily correct hazards so that we find fewer serious violations. Therefore we should have no additional costs beyond 1992.

The Department assessed a total of \$272,296 in penalties in FY 1989 of which we collected \$101,394. Given that this bill will increase penalties by 200 percent, it is reasonable to project at least an increase of \$100,000 in actual revenues during the first year and this hopefully would decline as employers voluntarily correct hazards and fewer violations are detected.

This bill would also permit the collection of expense incurred when employers fail to appear at a OSH Review Board Hearing. The average daily cost for the OSHA Review Board to hold hearings is \$800. If it must cancel five days of hearings because employers do not appear at hearings, the Board could ask for \$4,000 in reimbursable expenses from employers. Once employers understand that they may be liable for such costs, the number of cancellations should decrease and therefore, it is expected after the second year, no significant revenue will be raised under this provision.

Total Revenue in FY91 therefore equals \$100,000 + 4,000 or \$104,000.