

HB

401



HB 401

Shop: 2225 Van Horn Road
Telephone: 452-1831

**WESTERN
MECHANICAL, INC.**

P.O. BOX 60067, AIRPORT ANNEX

FAIRBANKS, ALASKA 99706-0067

March 8, 1990

Representative Dave Donley
P.O. Box V
Juneau, AK 99811

Subject: House Bill 401 - An Act Establishing a Workplace Safety
Education and Training Program

Dear Representative Donley,

We are appreciative that the House Labor and Commerce Committee
has deleted the workers compensation insurance premium tax from
House Bill 401.

The question that remains now is, "Do we need this proposed
legislation at all?" Western Mechanical is a union employer
performing construction work for various government entities.
We already have in place a stringent Safety Program, as required
by our federal contracts and our workers compensation insurance
carrier.

We do not need more State bureaucracy. Instead, the Department
of Labor and the workers' comp board should enforce (and streng-
then if necessary) the insurers' safety program requirements. It
appears that the mechanism for workplace safety education and
training is already in place.

Yours truly,
WESTERN MECHANICAL, INC.

Mike Desmond
Michael C. Desmond
Vice President

KENT DAWSON
MINER'S / OPERATORS
Phil Holdsworth
586-1383
3/19/90

Re: House Bill No. 401, "An Act establishing a workplace safety education and training program...."

Sec. 18.60.071. add:

(d) Industries with existing federal or privately funded workplace safety education or training programs that meet the requirements of this section are exempted from the compensation insurance premium tax.

This AMENDMENT Deletes
The premium TAX SURCHARGE
for workers - compensation

go230hAa
Cramer

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HB 401

Page 1, line 7, following "program;":

Delete "providing for funding the program through the workers'
compensation insurance premium tax;"

Page 2, line 15:

Delete "new sections"

Insert "a new section"

Page 2, line 23, after "Alaska", through line 24:

Delete all material except "."

Page 3, line 17 through page 4, line 19:

Delete all material.

Renumber the following bill section accordingly.

ORDER
IN
FINAL

go0230hE
Cramer
2/16/90

Original sponsor(s): Rules/Governor

1 IN THE HOUSE

BY THE LABOR & COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 401 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a workplace safety education and
7 training program; and providing for an effective
8 date."

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

10 * Section 1. POLICY AND FINDINGS. The legislature declares that it is
11 the public policy of this state to promote safe and healthful conditions in
12 the workplace. Further, it is the public policy of this state to encourage
13 voluntary compliance with safety and health regulations and to encourage
14 the prevention of illness and injury through education and training. The
15 legislature finds that this education and training policy is necessary
16 because

17 (1) Alaska's occupational safety and health injury and illness
18 incidence rate was 31 percent higher than the national average in 1987;

19 (2) eleven out of every 100 Alaska workers suffered a work-
20 related injury or illness in 1987;

21 (3) many of the injuries and illnesses suffered by the state's
22 workers have resulted in loss of time at work, as demonstrated by a time-
23 loss rate for Alaska that was 26 percent higher than the national average
24 in 1987;

25 (4) Alaska's proportion of injuries in high-risk industries is
26 greater than that of many of its sister states; for example, the Alaska
27 injury and illness rate for logging is 174 percent higher than the national
28 average; and

29 (5) in Alaska, the worker fatality rate during the period 1980 -

1 1984 was almost four times the national rate; the Alaska worker fatality
2 rate was 33.5 cases per 100,000 workers as compared to the national rate of
3 8.8 cases per 100,000 workers.

4 * Sec. 2. LEGISLATIVE INTENT. It is the intent of the legislature to
5 encourage the full benefits of illness and injury prevention measures by
6 creating an education and training program on workplace safety and health
7 which will operate in part through grants to public and private employers,
8 trade associations, nonprofit organizations, labor organizations or their
9 federations, and educational institutions, to provide education, training,
10 and other effective prevention measures. Furthermore, it is the intent of
11 the legislature to foster voluntary preventive activities on the part of
12 employers and employees through effective statewide education and training
13 on workplace safety and health.

14 * Sec. 3. AS 18.60 is amended by adding a new section to read:

15 Sec. 18.60.071. WORKPLACE SAFETY EDUCATION AND TRAINING PROGRAM.

16 (a) The department shall administer a workplace safety education and
17 training program. In administering the program, the department shall
18 award grants to public and private employers, trade associations,
19 nonprofit organizations, labor organizations or their federations, and
20 educational institutions to provide effective workplace safety educa-
21 tion and training and other illness and injury prevention measures in
22 the state.

23 (b) The functions of the workplace safety education and training
24 program are to

25 (1) develop and implement statewide workplace safety educa-
26 tion and training measures to familiarize employers, supervisors,
27 employees, and union leaders with techniques of accident prevention
28 and investigation;

29 (2) develop and implement consultative educational

1 techniques to achieve long-range solutions to workplace safety prob-
2 lems;

3 (3) acquire, develop, and distribute workplace safety
4 pamphlets, booklets, brochures, and other appropriate safety media
5 that might be useful in providing workplace safety education and
6 training;

7 (4) provide technical and educational assistance regarding
8 workplace safety to employers in the state, with special emphasis on
9 small business employers;

10 (5) educate and train department staff engaged in adminis-
11 tering the program; and

12 (6) conduct other activities necessary for the implementa-
13 tion of an effective program.

14 * Sec. 4. This Act takes effect July 1, 1990.
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FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Commerce & Economic Dev.
 Title: An Act est. a work place safety BRU: Insurance
ed. and training program; providing funding
 Sponsor: Rules Committee Components: Operations
 Requestor: House Labor & Commerce

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						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
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REVENUE	1,220.2	1,220.2	1,220.2	1,220.2	1,220.2	1,220.2
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	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) No fiscal impact in FY 90.

The 1988 direct written workers' compensation was \$162,693,000.
 $\$162,693,000 \times .0075 = \$1,220,197.$

Prepared by: Joan Brown, Administrative Officer Phone: 465-2597
 Division: Insurance Date: 2/27/90

Approved by Commissioner: Larry Merculieff Date: 5/7
 Agency: Department of Commerce & Economic Development

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

HOUSE COMMITTEE REPORT

(7)

Date Referred: January 8, 1990

FURTHER REFERRALS: FINANCE

Date of Committee Action: 3/20/90

The LABOR & COMMERCE Committee considered:

HB 401

HOUSE BILL NO. 401

WORKPLACE SAFETY

"An Act establishing a workplace safety education and training program; providing for funding the program through the workers' compensation insurance premium tax; and providing for an effective date."

RECOMMENDATIONS:

- be replaced with CSHB 401 (L+C) 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 _____

fiscal note(s) Labor 1/8/90

zero fiscal note _____

zero fiscal note(s) _____

zero with analysis admin

zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(check approp. column)

Do Not Pass No Rec Ameny

David Donley Donley
Bob Boyer Boyer
David Finnelstein Finnelstein

	Do Not Pass	No Rec	Ameny
<u>David Donley</u> Collins		X	

David Donley

Chairman's Signature

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: CSHB 401 (L&C)
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Labor
Title: "An Act establishing a workplace
safety education & training program..." BRU: Labor Standards & Safety
Sponsor: Rules Committee Components: _____
Requestor: House Labor & Commerce Occupational Safety & Health

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	262.4	262.4	262.4	262.4	262.4	262.4
TRAVEL	30.0	30.0	30.0	30.0	30.0	30.0
CONTRACTUAL	65.0	65.0	65.0	65.0	65.0	65.0
SUPPLIES	7.5	7.5	7.5	7.5	7.5	7.5
EQUIPMENT	10.0					
LAND&STRUCTURES						
GRANTS,CLAIMS	975.1	985.1	985.1	985.1	985.1	985.1
MISCELLANEOUS						
TOTAL OPERATING	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0
FEDERAL FUNDS						
OTHER						
TOTAL	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0

POSITIONS:

FULL-TIME	5.0	5.0	5.0	5.0	5.0	5.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

see attached

Prepared by: Tom Stuart, Director Phone: 465-2712
Division: Labor Standards & Safety Date: 3/21/90
Approved by Commissioner: Jim Sampson Date: 3/21/90
Agency: Department of Labor

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

Fiscal Note Analysis for:

"An Act establishing a workplace safety education and training program..."

Expenditures:

In order to carry out the provisions of this bill the department would hire five new staff positions. These would be safety consultants in Anchorage & Fairbanks, an industrial health consultant in Juneau, a data processing clerk in Anchorage, and an assistant chief position in Anchorage. They would perform the following duties:

1. *Publicize the availability of grants.* This would be accomplished by mass mailing of informational materials, media advertisements including television and radio spots, and meeting with employer and employee organizations to inform them of the program and to offer assistance.
2. *Administration of grants.* This will require review and approval of grant requests and follow up as necessary to assure that the grant conditions are being followed.
3. *Review safety and health programs.* There will be a need for the department to determine with an on-site visit whether or not a program for which a grant is requested meets the department's guidelines.
4. *Assist employers on occupational safety and health matters.* There will be a need to provide occupational safety and health consultation and training to employers who may not be able to develop a program that would qualify for a grant but may want to improve work place safety for their employees.

Associated with these new positions would be travel of \$30.0 for travel to employer work sites, normal per employee contractual services, \$65.0, and commodities, \$7.5, and one time equipment expense of \$10.0. The amount available for grants is estimated to be \$975.1.

Position Title Assistant Chief of Occupational Safety & Health			No. of Positions 1	Range/Step 20/A	Barg. Unit Supervisory
Time Status Full Time	Staff Months 12		Location Anchorage		Election District 8
Type of Expenditure			Justification		
		Amount	<p>This position will supervise the field personnel who will assist employers to develop safety programs and will review safety programs to determine if they qualify for a grant under this proposed legislation. The Assistant Chief will also be the grants administrator and make sure that the proper procedures are followed in awarding the grant and conduct any follow up necessary to assure that the terms of the grant are being kept by the grantee.</p> <p>Travel is to determine with on-site visits whether or not a program for which a grant is requested meets the Department's guidelines.</p> <p>Contractual is for indirect costs associated with the position, space, legal services with the Department of Law, printing and advertising, postage, and miscellaneous contractual services.</p> <p>Commodities are normal office supplies.</p>		
1	2	3			
Salary	\$43,100				
Benefits	\$14,200				
Premium Pay					
Other					
Total Personal Services		\$57,300			
Travel		\$3,900			
Contractual		\$22,900			
Commodities		\$1,500			
Equipment					
Other					
Total Cost		\$84,700			
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004	\$84,700			
GF Program Receipts	1005				
Other					

**Request For
New Position**

Agency Department of Labor
 BRU Labor Standards & Safety
 Component Occupational Safety & Health

Page 3 of 7
 Revised Date

FY 90

Position Title Occupational Safety Compliance Officer (Safety Consultant)			No. of Positions 1	Range/Step 50B	Barg. Unit I.TC	
Time Status Full Time	Staff Months 12	Location Anchorage		Election District 8		
Type of Expenditure			Justification			
			<p>This position will respond to requests for help in developing safety programs for organizations and employers which may qualify for grants.</p> <p>Travel is to determine with on-site visits whether or not a program for which a grant is requested meets the Departments guidelines.</p> <p>Contractual is for indirect costs associated with the position, space, postage, and miscellaneous contractual services.</p> <p>Commodities are normal office supplies.</p> <p>Equipment is office furniture and technical and scientific equipment required for conducting inspections, and is a one time item.</p>			
1		2				3
Salary		\$44,200				
Benefits		\$14,400				
Premium Pay						
Other						
Total Personal Services						\$58,600
Travel						\$9,000
Contractual						\$11,300
Commodities						\$1,500
Equipment						\$1,600
Other						
Total Cost						\$82,000
Funding Source for Total Cost						
Federal Receipts	1002					
G. F. Match	1003					
General Fund	1004		\$82,000			
GF Program Receipts	1005					
Other						

**Request For
New Position**

Agency Department of Labor
 BRU Labor Standards & Safety
 Component Occupational Safety & Health

Page 4 of 7

Revised Date

FY 90

Position Title Occupational Safety Compliance Officer (Safety Consultant)		No. of Positions 1	Range/Step 50B	Barg. Unit I,TC
Time Status Full Time	Staff Months 12	Location Fairbanks		Election District 16
Type of Expenditure		Justification		
1	2	3		
Salary	\$47,800	<p>This position will respond to requests for help in developing safety programs for organizations and employers which may qualify for grants.</p> <p>Travel is to determine with on-site visits whether or not a program for which a grant is requested meets the Departments guidelines.</p> <p>Contractual is for indirect costs associated with the position, space, postage, and miscellaneous contractual services.</p> <p>Commodities are normal office supplies.</p> <p>Equipment is office furniture and technical and scientific equipment required for conducting inspections, and is a one time item.</p>		
Benefits	\$15,200			
Premium Pay				
Other				
Total Personal Services	\$63,000			
Travel	\$9,900			
Contractual	\$10,000			
Commodities	\$1,500			
Equipment	\$1,600			
Other				
Total Cost	\$85,100			
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004	\$85,100		
GP Program Receipts	1005			
Other				

**Request For
New Position**

Agency Department of Labor
 BRU Labor Standards & Safety
 Component Occupational Safety & Health

Page 5 of 7

Revised Date

FY 90

Position Title Industrial Hygienist I (Industrial Health Consultant)			No. of Positions 1	Range/Step 19A	Barg. Unit GGU
Time Status Full Time	Staff Months 12		Location Juneau		Election District 4
Type of Expenditure			Amount		
1			2		3
Salary					\$40,000
Benefits					\$13,500
Premium Pay					
Other					
Total Personal Services					\$53,500
Travel					\$9,000
Contractual					\$12,000
Commodities					\$1,500
Equipment					\$1,600
Other					
Total Cost					\$77,600
Funding Source for Total Cost					
Federal Receipts	1002				
G. P. Match	1003				
General Fund	1004		\$77,600		
GP Program Receipts	1005				
Other					
Justification					
<p>This position will provide health consultation to employers and organizations in Southeast Alaska.</p> <p>Travel is to provide on-site health consultation services.</p> <p>Contractual is for indirect costs associated with the position, space, postage, and miscellaneous contractual services.</p> <p>Commodities are normal office supplies.</p> <p>Equipment is office furniture and technical and scientific equipment required to assist in health consultations, and is a one time item.</p>					

**Request For
New Position**

Agency Department of Labor
 BRU Labor Standards & Safety
 Component Occupational Safety & Health

Page 6 of 7

Revised Date

FY 90

Position Title Data Processing Clerk			No. of Positions 1	Range/Step 9A	Barg. Unit GGU
Time Status Full Time	Staff Months 12		Location Anchorage		Election District 8
Type of Expenditure			Amount		
1			2		3
Salary					\$20,800
Benefits					\$9,300
Premium Pay					
Other					
Total Personal Services					\$30,100
Travel					
Contractual					\$8,800
Commodities					\$1,500
Equipment					\$5,200
Other					
Total Cost					\$45,600
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004		\$45,600		
GF Program Receipts	1005				
Other					
Justification					
<p>This position will provide the clerical support for this program.</p> <p>Contractual is for indirect costs associated with the position, space, postage, and miscellaneous contractual services.</p> <p>Commodities are normal office supplies.</p> <p>Equipment includes office equipment and a personal computer, and is a one time item.</p>					

**Request For
New Position**

Agency Department of Labor
 BRU Labor Standards & Safety
 Component Occupational Safety & Health

Page 7 of 7
 Revised Date

FY 90

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: An Act establishing a workplace BRU: Finance
safety education and training program.
 Sponsor: Rules Committee Components: _____
 Requestor: Governor

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

No additional appropriation for the Division of Finance is anticipated to be required. The only involvement of the Division of Finance is to establish the Workplace Safety Education and Training Account in the General Fund. Required reporting and administration of the fund will be under the control of the Department of Commerce and Economic Development.

Prepared by: Keith Busch, Director *Keith Busch* Phone: 465-2240
 Division: Finance Date: 2/16/90
 Approved by Commissioner: Frank S. Baxter *Frank S. Baxter* Date: 2/20/90
 Agency: Department of Administration

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

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 8, 1990

The Honorable Sam Cotten
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill to establish a safety education and training program in the Department of Labor for the purpose of promoting safe and healthful conditions in the workplace.

Sections 1 and 2 of the bill set out legislative policy, findings, and intent. The public policy statement in sec. 1 establishes a commitment to encourage the prevention of workplace illness and injury through education and training. The findings set out a number of national statistics that demonstrate that Alaska needs this education and training because of the higher incidence of workplace illness and injury here than in most other states. The legislative intent section establishes that an education and training program is to be administered in part through grants to employers and other entities to provide the education and training and through other effective statewide workplace safety education and training.

Section 3 of the bill establishes the workplace safety education and training program, to be administered by the Department of Labor, outlines the specific functions of the program, and provides grant authority to the Department of Labor for the purpose of administering the grant program. Program functions include the development of statewide safety education and training measures, the development and use of long-range solutions, the development and compilation of reference materials for safety education programs, and the development of training designed for Alaskan employers and department staff. Proposed AS 18.60.071.

Section 3 also establishes a workplace safety education and training account in the general fund, to account for money collected from insurers as a surcharge on workers'

HB401

cc
HB401

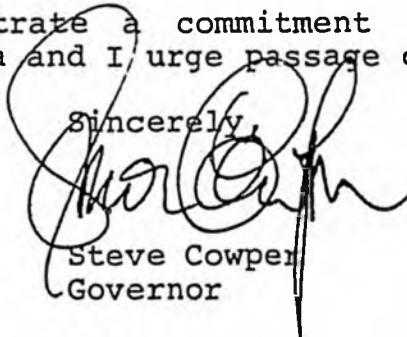
compensation insurance premiums. The Department of Administration will separately account for the .75 percent surcharge collected and the legislature may appropriate that money to the Department of Labor for the implementation of the program. Proposed AS 18.60.072.

Section 4 of the bill amends the insurance tax provisions in AS 21.09.210(b) to establish the .75 percent surcharge on workers' compensation premiums. As a result, the tax due on workers' compensation insurance premiums will be increased from 2.7 percent to 3.45 percent, to provide a funding source for the workplace safety education and training program.

Section 5 of the bill provides for an effective date of July 1, 1990, so that the necessary changes in accounting procedures will coincide with the beginning of a fiscal quarter.

This program will demonstrate a commitment to workplace safety and health in Alaska and I urge passage of this bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Cowper", written over the typed name below.

Steve Cowper
Governor

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: HB 401 No. 1
 PUBLISH DATE: HOUSE 1/8/90

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Labor
 Title: "An Act establishing a workplace
safety education & training program..." BRU: Labor Standards & Safety
 Sponsor: Rules Committee Components: _____
 Requestor: Governor Occupational Safety & Health

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	262.4	262.4	262.4	262.4	262.4	262.4
TRAVEL	30.0	30.0	30.0	30.0	30.0	30.0
CONTRACTUAL	65.0	65.0	65.0	65.0	65.0	65.0
SUPPLIES	7.5	7.5	7.5	.5	7.5	7.5
EQUIPMENT	10.0					
LAND&STRUCTURES						
GRANTS,CLAIMS	975.1	985.1	985.1	985.1	985.1	985.1
MISCELLANEOUS						
TOTAL OPERATING	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0

CAPITAL						
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REVENUE	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0
FEDERAL FUNDS						
OTHER						
TOTAL	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0	1,350.0

POSITIONS:

FULL-TIME	5.0	5.0	5.0	5.0	5.0	5.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

see attached

Prepared by: Tom Stuart, Director Phone: 465-2712
 Division: Labor Standards & Safety Date: 12/5/89

Approved by Commissioner: Jim Sampson Date: 12/5/89
 Agency: Department of Labor

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

Fiscal Note Analysis for:

"An Act establishing a workplace safety education and training program..."

Expenditures:

In order to carry out the provisions of this bill the department would hire five new staff positions. These would be safety consultants in Anchorage & Fairbanks, an industrial health consultant in Juneau, a data processing clerk in Anchorage, and an assistant chief position in Anchorage. They would perform the following duties:

1. *Publicize the availability of grants.* This would be accomplished by mass mailing of informational materials, media advertisements including television and radio spots, and meeting with employer and employee organizations to inform them of the program and to offer assistance.
2. *Administration of grants.* This will require review and approval of grant requests and follow up as necessary to assure that the grant conditions are being followed.
3. *Review safety and health programs.* There will be a need for the department to determine with an on-site visit whether or not a program for which a grant is requested meets the department's guidelines.
4. *Assist employers on occupational safety and health matters.* There will be a need to provide occupational safety and health consultation and training to employers who may not be able to develop a program that would qualify for a grant but may want to improve work place safety for their employees.

Associated with these new positions would be travel of \$30.0 for travel to employer work sites, normal per employee contractual services, \$65.0, and commodities, \$7.5, and one time equipment expense of \$10.0. The amount available for grants is estimated to be \$975.1.

Revenue:

The bill provides for revenue to be placed in a workplace safety education and training account. The amount of revenue deposited to the account would be .75 percent of workers' compensation premiums paid on a yearly basis. Since the total annual workers' compensation premiums paid in the state is approximately \$180,000.0, the amount deposited each year would be approximately \$1,350.0 (.0075 x \$180,000.0).

Position Title Assistant Chief of Occupational Safety & Health			No. of Positions 1	Range/Step 20/A	Barg. Unit Supervisory	
Time Status Full Time	Staff Months 12		Location Anchorage		Election District 8	
Type of Expenditure			Justification <p>This position will supervise the field personnel who will assist employers to develop safety programs and will review safety programs to determine if they qualify for a grant under this proposed legislation. The Assistant Chief will also be the grants administrator and make sure that the proper procedures are followed in awarding the grant and conduct any follow up necessary to assure that the terms of the grant are being kept by the grantee.</p> <p>Travel is to determine with on-site visits whether or not a program for which a grant is requested meets the Department's guidelines.</p> <p>Contractual is for indirect costs associated with the position, space, legal services with the Department of Law, printing and advertising, postage, and miscellaneous contractual services.</p> <p>Commodities are normal office supplies.</p>			
1		2				3
Salary	\$43,100					
Benefits	\$14,200					
Premium Pay						
Other						
Total Personal Services						\$57,300
Travel						\$3,000
Contractual						\$22,900
Commodities						\$1,500
Equipment						
Other						
Total Cost						\$84,700
Funding Source for Total Cost						
Federal Receipts	1002					
G. P. Match	1003					
General Fund	1004		\$84,700			
GF Program Receipts	1005					
Other						

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Position Title Occupational Safety Compliance Officer (Safety Consultant)		No. of Positions 1	Range/Step 50B	Barg. Unit LTC
Time Status Full Time	Staff Months 12	Location Anchorage		Election District 8
Type of Expenditure		Justification		
1	2	3		
Salary	\$44,200	<p>This position will respond to requests for help in developing safety programs for organizations and employers which may qualify for grants.</p> <p>Travel is to determine with on-site visits whether or not a program for which a grant is requested meets the Departments guidelines.</p> <p>Contractual is for indirect costs associated with the position, space, postage, and miscellaneous contractual services.</p> <p>Commodities are normal office supplies.</p> <p>Equipment is office furniture and technical and scientific equipment required for conducting inspections, and is a one time item.</p>		
Benefits	\$14,400			
Premium Pay				
Other				
Total Personal Services		\$58,600		
Travel		\$9,000		
Contractual		\$11,300		
Commodities		\$1,500		
Equipment		\$1,600		
Other				
Total Cost		\$82,000		
Funding Source for Total Cost				
Federal Receipts	1002			
G. P. Match	1003			
General Fund	1004	\$82,000		
GP Program Receipts	1005			
Other				

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Position Title Occupational Safety Compliance Officer (Safety Consultant)			No. of Positions 1	Range/Step 50B	Barg. Unit LTC
Time Status Full Time	Staff Months 12		Location Fairbanks		Election District 16
Type of Expenditure			Justification		
		Amount	<p>This position will respond to requests for help in developing safety programs for organizations and employers which may qualify for grants.</p> <p>Travel is to determine with on-site visits whether or not a program for which a grant is requested meets the Departments guidelines.</p> <p>Contractual is for indirect costs associated with the position, space, postage, and miscellaneous contractual services.</p> <p>Commodities are normal office supplies.</p> <p>Equipment is office furniture and technical and scientific equipment required for conducting inspections, and is a one time item.</p>		
1	2	3			
Salary	\$47,800				
Benefits	\$15,200				
Premium Pay					
Other					
Total Personal Services		\$63,000			
Travel		\$9,000			
Contractual		\$10,000			
Commodities		\$1,500			
Equipment		\$1,600			
Other					
Total Cost		\$85,100			
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004	\$85,100			
GP Program Rec	as 1005				
Other					

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Position Title Industrial Hygienist 1 (Industrial Health Consultant)			No. of Positions 1	Range/Step 19A	Barg. Unit GGU
Time Status Full Time	Staff Months 12	Location Juneau		Election District 4	
Type of Expenditure			Justification		
		Amount	<p>This position will provide health consultation to employers and organizations in Southeast Alaska.</p> <p>Travel is to provide on-site health consultation services.</p> <p>Contractual is for indirect costs associated with the position, space, postage, and miscellaneous contractual services.</p> <p>Commodities are normal office supplies.</p> <p>Equipment is office furniture and technical and scientific equipment required to assist in health consultations, and is a one time item.</p>		
1	2	3			
Salary	\$40,000				
Benefits	\$13,500				
Premium Pay					
Other					
Total Personal Services		\$53,500			
Travel		\$9,000			
Contractual		\$12,000			
Commodities		\$1,500			
Equipment		\$1,600			
Other					
Total Con.		\$77,600			
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004	\$77,600			
GF Program Receipts	1005				
Other					

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Position Title Data Processing Clerk		No. of Positions 1	Range/Step 9A	Barg. Unit GGU
Time Status Full Time	Staff Months 12	Location Anchorage		Election District 8
Type of Expenditure		Justification		
1	2	3		
Salary	\$20,800	<p>This position will provide the clerical support for this program.</p> <p>Contractual is for indirect costs associated with the position, space, postage, and miscellaneous contractual services.</p> <p>Commodities are normal office supplies.</p> <p>Equipment includes office equipment and a personal computer, and is a one time item.</p>		
Benefits	\$9,300			
Premium Pay				
Other				
Total Personal Services		\$30,100		
Travel				
Contractual		\$8,800		
Commodities		\$1,500		
Equipment		\$5,200		
Other				
Total Cost		\$45,600		
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004	\$45,600		
GF Program Receipts	1005			
Other				

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cc

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act est. a workplace safety ed. & training program; providing funding
Sponsor: Rules Committee
Requestor: Governor
Agency Affected: Commerce & Economic Dev.
BRU: Insurance
Components: Operations

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						
TOTAL OPERATING						

CAPITAL						
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REVENUE	1,220.2	1,220.2	1,220.2	1,220.2	1,220.2	1,220.2
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

The 1988 direct written workers' compensation was \$162,693,000.
\$162,693,000 x .0075 = \$1,220,197.

Prepared by: Joan Brown Phone: 465-2597
Division: Insurance Date: 12/5/89

Approved by Commissioner: Larry Mercurieff *SM* Date: 12/6/89
Agency Commerce & Economic Development

Distribution (by preparer):
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