

# **State of Alaska FY2003 Governor's Operating Budget**

## **Department of Labor and Workforce Development Occupational Safety and Health Component Budget Summary**

## **Component: Occupational Safety and Health**

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### **Component Mission**

To work in partnership with Alaskan employers and workers toward eliminating workplace injuries, illnesses and deaths and to assist employers in complying with state and federal regulations relating to occupational safety and health.

### **Component Services Provided**

- Provide for the prompt elimination or restraint of imminent danger situations and investigate employee complaints, work-related fatalities and catastrophes.
- Complete compliance inspections in accordance with federal mandates, without advance notice, to assess workplace safety and health, and issue citations if necessary; notify employers and employees when an alleged violation has occurred, including the proposed abatement requirements and correction schedule, and appeals process; affirm abatement of hazards, to ensure safety and health in the workplace; and provide for unbiased review of contested violations, penalties or abatement dates by an independent board appointed by the Governor.
- Prepare, adopt, amend, or repeal general and specific safety and health standards governing the conditions of employment in all workplaces to be "as stringent" as those adopted or recognized by the United States Secretary of Labor under the authority of the Occupational Safety and Health Act of 1970.
- Protect employees against discharge or discrimination for exercising the rights afforded by the Alaska Occupational Safety and Health (AKOSH) standards through training; inform employees on such issues as how to bring possible violations to the attention of inspectors, the notification process of employees concerning the results of complaint related investigations and their related appeal rights; and provide employees access to information and notification concerning exposure to toxic materials or harmful physical agents in their workplace.
- Encourage voluntary compliance by employers and employees in reducing the number of safety and health hazards at their work places through consultative on-site visits.
- Process employer requests for variances from AKOSH standards.
- Compile and disseminate statistical information on program activity for department and state administrators and the federal Occupational Safety and Health Administration (OSHA).
- Issue certificates of fitness for validating the qualifications of painters, asbestos abatement workers, and explosive handlers.
- Assist the Department of Revenue, Child Support Enforcement Division, in identifying license applicants who are in arrears on child support payments to comply with federal law.

### **Component Goals and Strategies**

IN FY 2003, OCCUPATIONAL SAFETY AND HEALTH WILL BE IN THE FIFTH YEAR OF A FIVE-YEAR STRATEGIC PLAN:

1) REDUCE INJURY AND ILLNESS IN THE THREE TARGETED HIGH-HAZARD INDUSTRIES (LOGGING, CONSTRUCTION AND SEAFOOD PROCESSING).

- Increase programmed enforcement inspections in construction, logging and seafood processing by 5%.
- Increase comprehensive visits in construction, logging and seafood processing by 3%.

- Decrease the Lost Workday Injury & Illness rate by 3% in construction, logging and seafood processing.

2) REDUCE INJURIES AND ILLNESSES IN AT LEAST ONE HIGH-INCIDENT INDUSTRY DETERMINED FROM WORKERS' COMPENSATION DATA (AND NOT INCLUDED IN HIGH-HAZARD INDUSTRIES)

- Increase comprehensive consultation visits using a Special Intervention Program by 3%.

- Increase programmed inspections in the above targeted industry by 3%.

- Verify abatement of all hazards identified during enforcement inspections.

- Verify abatement of all hazards identified through consultation visits.

3) CHANGE WORKPLACE CULTURE TO INCREASE EMPLOYER AND WORKER AWARENESS OF, COMMITMENT TO, AND INVOLVEMENT IN SAFETY AND HEALTH.

- Increase public service announcements and notices.

- Increase student attendance in outreach training sessions by an additional 10%.

- Increase Safety and Health Achievement Recognition Program participation by an additional two employers during the next year.

- Increase Voluntary Protection Program participation by one additional employer during the next year.

4) SECURE PUBLIC CONFIDENCE THROUGH EXCELLENCE IN THE DEVELOPMENT AND DELIVERY OF AKOSH'S PROGRAMS AND SERVICES.

- Continue the development and implementation of the management and information systems necessary to carry out the AKOSH mission and the capacity to measure and analyze AKOSH's performance.

- Continue to ensure AKOSH staff are adequately trained and knowledgeable, and provide services in a fair and consistent manner.

### **Key Component Issues for FY2002 – 2003**

- Congress developed the Government Performance and Results Act of 1993, requiring Federal OSHA to have a 5-year strategic plan and subsequent annual performance plans from each State Plan state. This is a new method for monitoring and evaluating AKOSH performance and we are working toward meeting the agreed-upon objectives in the State's federal fiscal year 2002 Annual Performance Plan and in complying with the 5-year Strategic Plan.

### **Major Component Accomplishments in 2001**

- OSH enrolled three Alaskan employers in the Voluntary Protection Program (VPP); one was reapproved from Merit to Star level and two were new to the program (one Star and one Merit). In the Safety and Health Achievement Recognition Program (SHARP) OSH reapproved one employer and reviewed and approved another for a total of two SHARP awards.

- Enforcement staff performed 471 compliance inspections during FY 2001.

- Consultation staff continued to provide training, resulting in 80 classes offered and 1,587 employees trained in safety and health issues in FY 2001.

- Consultation staff completed 314 visits in FY 2001, maintaining close to the same level as FY 2000, even with field staff vacancies and an acting Assistant Chief for several months.

### **Statutory and Regulatory Authority**

Statutory Authorities:

AS 18.60.010-18.60.105  
AS 18.63.010-18.63.100  
AS 18.31.200-18.31.500  
29 CFR 1910 & 1926&1928 (Federal Regulation adopted by reference)  
AS 8.052.050

Regulatory Authorities:

8AAC 61.010-8AAC 62.070  
40 CFR 763 Appendix C to Subpart E (Federal Regulation adopted by reference)  
8 AAC 61.730(a)  
8 AAC 61.860(a)  
8 AAC 61.640(a)  
8 AAC 62.055(a)(2)  
8 AAC 61.630(a)(7)  
8 AAC 61.670(b)(3)

## Occupational Safety and Health Component Financial Summary

*All dollars in thousands*

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	2,284.2	2,402.7	2,863.1
72000 Travel	218.5	163.3	205.7
73000 Contractual	449.3	499.9	552.7
74000 Supplies	59.0	58.8	78.4
75000 Equipment	20.4	9.1	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>3,031.4</b>	<b>3,133.8</b>	<b>3,699.9</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	1,790.9	1,852.3	1,942.3
1003 General Fund Match	623.5	336.5	0.0
1004 General Fund Receipts	0.0	0.0	222.7
1005 General Fund/Program Receipts	86.7	88.1	89.6
1007 Inter-Agency Receipts	6.8	13.6	217.2
1053 Investment Loss Trust Fund	23.5	0.0	0.0
1157 Workers Safety and Compensation Administration Account	500.0	843.3	1,228.1
<b>Funding Totals</b>	<b>3,031.4</b>	<b>3,133.8</b>	<b>3,699.9</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
<b><u>Unrestricted Revenues</u></b>						
Unrestricted Fund	68515	0.0	280.5	280.5	223.0	223.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>280.5</b>	<b>280.5</b>	<b>223.0</b>	<b>223.0</b>
<b><u>Restricted Revenues</u></b>						
Federal Receipts	51010	1,790.9	1,852.3	1,852.3	1,942.3	1,942.3
Interagency Receipts	51015	6.8	13.6	218.9	217.2	217.2
General Fund Program Receipts	51060	86.7	88.1	88.1	89.6	89.6
Workers Safety & Compensation Admin	51078	500.0	843.3	843.3	1,228.1	1,228.1
Investment Loss Trust Fund	51393	23.5	0.0	0.0	0.0	0.0
<b>Restricted Total</b>		<b>2,407.9</b>	<b>2,797.3</b>	<b>3,002.6</b>	<b>3,477.2</b>	<b>3,477.2</b>
<b>Total Estimated Revenues</b>		<b>2,407.9</b>	<b>3,077.8</b>	<b>3,283.1</b>	<b>3,700.2</b>	<b>3,700.2</b>

## Occupational Safety and Health

### Proposed Changes in Levels of Service for FY2003

As part of the overall five-year strategic plan, the division will continue to expand the new consultative special intervention program for high-incident-rate employers. In addition, the section will continue to expand marketing efforts for the outreach-training program through public service announcements, providing new information, attending public meetings, increased publication of class schedules, and conducting classes statewide.

With the addition of another consultant, the program anticipates a 10% increase in the number of cases handled in the first year, and a 20% increase in the second year, as the new consultant completes the required training.

With implementation of the FY 2003 Oil Safety and Development Initiative, the AKOSH program will take additional responsibility for monitoring and inspection of facilities, such as buildings or other structures which may be used during oil and gas development and production, to ensure that such facilities conform to existing plumbing and electrical codes. In addition, AKOSH will ensure that a safe and healthy work environment is maintained for employees associated with the drilling or remediation activities identified through the initiative.

### Summary of Component Budget Changes

#### From FY2002 Authorized to FY2003 Governor

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2002 Authorized</b>	<b>424.6</b>	<b>1,852.3</b>	<b>856.9</b>	<b>3,133.8</b>
<b>Adjustments which will continue current level of service:</b>				
-Transfer 2 PFT and I/A funding from Mechanical Inspection to Occ Safety & Health ADN 0721032	0.0	0.0	197.8	197.8
-Year 3 Labor Costs - Net Change from FY2002	8.5	40.0	24.1	72.6
-Fund Source Change from GFM to Workers Safety	-343.5	0.0	343.5	0.0
<b>Proposed budget increases:</b>				
-Oil Safety and Development Initiative Positions and Funding	222.7	0.0	0.0	222.7
-Increased Funding for an Industrial Hygienist Position	0.0	50.0	23.0	73.0
<b>FY2003 Governor</b>	<b>312.3</b>	<b>1,942.3</b>	<b>1,445.3</b>	<b>3,699.9</b>

**Occupational Safety and Health****Personal Services Information**

	Authorized Positions		Personal Services Costs	
	<u>FY2002</u> <u>Authorized</u>	<u>FY2003</u> <u>Governor</u>		
Full-time	37	41	Annual Salaries	2,113,995
Part-time	0	0	COLA	64,184
Nonpermanent	0	0	Premium Pay	77,826
			Annual Benefits	719,443
			<i>Less 3.78% Vacancy Factor</i>	(112,348)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>37</b>	<b>41</b>	<b>Total Personal Services</b>	<b>2,863,100</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Administrative Clerk II	2	0	0	0	2
Administrative Clerk III	2	0	0	0	2
Administrative Manager I	1	0	0	0	1
Administrative Manager III	0	0	1	0	1
Administrative Supervisor	1	0	0	0	1
Asst Chief DOSH	2	0	0	0	2
Chief, OS&H	1	0	0	0	1
Division Director	1	0	0	0	1
Dol Safety Liaison	1	0	0	0	1
Industrial Hygienist	8	1	1	0	10
Micro/Network Tech II	1	0	0	0	1
Research Analyst III	1	0	0	0	1
Secretary	0	0	1	0	1
SIC Electrical Inspector	2	0	0	0	2
SIC Occ Safety and Compl	7	2	2	2	13
<b>Totals</b>	<b>30</b>	<b>3</b>	<b>6</b>	<b>2</b>	<b>41</b>