

SENATE BILL REPORT

EHB 2232

As Reported By Senate Committee On:
Labor & Workforce Development, April 1, 1999

Title: An act relating to occupational safety and health impact grants.

Brief Description: Addressing occupational safety and health impact grants.

Sponsors: Representatives Conway and Clements.

Brief History:

Committee Activity: Labor & Workforce Development: 3/30/99, 4/1/99 [DP].

SENATE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Franklin, Vice Chair; Hochstatter, Kline, Oke and Wojahn.

Staff: Jill Reinmuth (786-7452)

Background: The recent Workers' Compensation System Performance Audit found that "the incidence rate of occupational injuries and illnesses in Washington is significantly worse than most other states, and has been worse for many years." The audit concluded that "further improvement in the state's loss control and safety efforts is still needed." Grant programs intended to improve workplace safety and health are administered by the federal Occupational Safety and Health Administration and by other states. No grant program exists in Washington.

The audit also noted that the State Fund has reserves in excess of actuarial needs. The State Fund includes the Accident Fund which is financed solely by employers, and the Medical Aid Fund which is financed by employees and employers. Early in 1999, \$200 million in dividends from the Accident Fund were paid to employers. No dividends from the Medical Aid Fund were paid to employees or to employers.

Summary of Bill: A safety and health impact grant program is established to prevent injuries and illnesses, save lives, and educate employees and employers about workplace hazards and safe workplace practices. The grants are awarded to trade associations, business associations, employers, employee organizations, employee groups, and labor unions. The grants are awarded for education and training, technical innovation, best practices for hazard control, and established statewide safety and health priorities.

The program is developed and implemented by a safety and health impact grant review committee and the director of the Department of Labor and Industries. The review committee is appointed by the director, and includes four members representing employees, four members representing employers, and one ex officio member representing the

department. The review committee chair is chosen by the review committee members, and alternates between business and labor.

Annual reviews of program activities are presented to the Washington Industrial Safety and Health Act (WISHA) advisory committee and the workers' compensation advisory committee, and are made available to appropriate legislative committees. A comprehensive review of reported outcomes, injury reduction, and safety awareness is conducted, and a report for the Legislature is issued by December 31, 2004.

The program is funded from Medical Aid Fund reserves. The parts of the act which establish the program are repealed effective July 1, 2005. The act is null and void if not funded in the budget.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This grant program was carefully developed to increase safety and reduce accidents. It will create incentives for employers and employees to reduce on-the-job injuries. It will result in practical, hands-on tools for improving workplace safety. Investment returns have resulted in a surplus in the Medical Aid Fund and a funding source for the grant program.

Testimony Against: None.

Testified: PRO: Representative Jim Clements, Representative Steve Conway, sponsors; Amber Balch, Association of Washington Business; Robert Dilger, Washington State Building and Construction Trades Council; Rick Slunaker, Associated General Contractors; Michael Silverstein, Department of Labor and Industries.