
Commerce & Labor Committee

HB 2427

Brief Description: Establishing occupational safety and health impact grants.

Sponsors: Representatives Conway, O'Brien, Cody, Dickerson, Ogden, Cooper, Berkey, Reardon, Veloria, Hurst, Hunt, Kirby, Upthegrove, Romero, Kagi, McIntire, Haigh, Wood, Kenney, Simpson and Sullivan; by request of Department of Labor & Industries.

Brief Summary of Bill

- Establishes an occupational safety and health impact grant program.
- Authorizes grants of up to \$250,000 for education and training, technical innovation, and application of hazard controls.
- Appropriates \$5 million from medical aid fund reserves in excess of actuarial needs.

Hearing Date: 1/24/02

Staff: Jill Reinmuth (786-7134).

Background:

In 1999, Engrossed House Bill 2232 passed the Legislature and was signed by the Governor. The bill established a safety and health impact grant program administered by the Department of Labor and Industries. The bill, however, was conditioned on being referenced by bill number in the biennial budget. The biennial budget included \$5 million from the medical aid fund for the grant program, but did not specifically reference the bill number. Thus, the bill was null and void. Since 1999, bills reenacting EHB 2232 have not passed.

Also in 1999, with the funds appropriated to the department in the 1999-2001 biennial budget, the department began administering a grant program in a manner consistent with EHB 2232. A Safety and Health Impact Grant Review Committee was established. Grant applications were requested, reviewed, and recommended for funding. A total of \$4.3 million was awarded to support 30 projects. When the biennium ended, the program also ended. The 2001-2003 biennial budget did not include funding for the grant program.

Summary of Bill:

An occupational safety and health impact grant program is established. The program is administered by the Department of Labor and Industries. It is funded from medical aid fund reserves that are in excess of actuarial needs and that are appropriated to the department.

Purposes. The purpose of the grant program is to prevent injuries and illnesses, protect lives, and provide workplace safety education to employers and employees, especially those in small businesses.

Uses. The department may award grants of up to \$250,000 for education and training, technical innovation, or application of hazard controls. Grant recipients may not use grant funds to support or develop specific legislative or regulatory initiatives, or to fund on-going business operations. Grant recipients also may not charge more than 10 percent of the grant award for administrative expenses.

Grant Recipients. The department may award grants to: trade associations, business associations, employers, employee organizations, and labor unions or groups of employees. The department must make significant efforts to ensure that not less than 20 percent of available funds are used to assist and benefit employers and employees in small businesses. The department may not award grants to educational institutions and self-insured employers, unless a partnership is formed with an eligible grant recipient and the product of the grant will benefit state fund employers and employees.

Grant Review Committee. A nine member Safety and Health Impact Grant Review Committee is created to prepare requests for proposals, develop application procedures and approval criteria, and review and process grant applications. The membership is appointed by the director and includes four employee representatives, four employer representatives, and one non-voting department representative.

Application and Approval. The department must award grants using a competitive process. The committee identifies, by a two-thirds vote, grant applications that merit funding. The director approves those grants unless he or she has a compelling and substantive reason to reject the application. When an application is rejected, certain procedures for reconsideration and review apply.

Revocation and Suspension. The director may suspend or revoke a grant because the recipient is not complying with grant criteria or procedures if either the grant review committee recommends such action by a two-thirds vote, or the director has compelling and substantive reasons. If the director suspends a grant without advice of the grant review committee, the suspension recommendation must be presented to the committee for consideration.

Grant Evaluation. Grants must include methods by which to measure progress toward completion of grant activities and at least one measurable outcome related to injury and illness reduction, hazard reduction, or safety and health awareness. Grant evaluations must address positive and negative impacts and costs.

Program Evaluation. The department and the committee must annually report on the grant program to the WISHA and workers' compensation advisory committees, and make the

report available to the Legislature. The Workers' Compensation Advisory Committee will make a biennial program budget recommendation to the director based on a recommendation by the WISHA Advisory Committee. The director and the WISHA Advisory Committee will review the grant program and issue a report on the program to the Legislature by December 31, 2007.

Other. The department may not use information in grant applications or developed through grant activities as the primary basis for rule-making, to initiate department activity at a worksite, or to establish the existence of a recognized hazard. Materials developed with a grant are in the public domain and must be provided to the department at no charge.

Sunset. The grant program terminates July 1, 2008.

Appropriation: \$5 million from medical aid account funds in excess of actuarial needs.

Fiscal Note: Available.

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