

State Plan Programs

Covering Private and Public Sectors

Alaska **New Mexico** North Carolina Arizona California Oregon Puerto Rico Hawaii Indiana South Carolina Tennessee lowa Utah Kentucky Vermont Maryland Michigan Virginia Minnesota Washington Nevada Wyoming

State Plan Programs **Covering Public Sector Only** 

State Plan Programs

and Congress.

Connecticut **New Jersey** Illinois New York Virgin Islands Maine

services and training resources to employers and workers.

### States Covered by Federal OSHA **Private Sector Only**

Alabama Montana Arkansas Nebraska Colorado **New Hampshire** Connecticut **New Jersey** Delaware New York Dist. of Columbia North Dakota Ohio Florida

Georgia Idaho Illinois Kansas South Dakota

Louisiana

Massachusetts Mississippi Missouri

Currently, there are 28 states and territories with state-operated programs for worker safety and health. Twenty-

one states and one territory have plans covering the private and public sectors. Five states and one territory have

programs covering the public sector only. OSHSPA links the 28 state-plan jurisdictions, federal OSHA jurisdictions

State Plan Programs have historically led efforts to create multidisciplinary approaches for workplace safety and

health. In addition to compliance activity, most states devote significant resources for outreach, including consultative

The OSHSPA states have established a strategic planning process that measures program outcomes based on each state's unique knowledge of local work activity and hazards. This approach is consistent with the requirements of

the Government Performance and Results Act (GPRA). Each state's strategic plan provides objective information for

determining budget levels, and enhances public confidence by showing program activities and results.

Oklahoma Pennsylvania

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Wisconsin

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# 2016 Special Report

Impact and Funding of State Occupational Safety and Health **Programs** 

Occupational Safety and Health State Plan Association (OSHSPA)

Number of Copies: 1.000: Total Cost: \$1,348.64: Cost Per Copy: \$1.35

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New York

Oregon

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lowa

California

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Washington Wyoming

# 2016 SPECIAL REPORT:

# Impact and Funding of State Occupational Safety and Health Programs

# Purpose

The purpose of this document is to provide information to Congress and others on the impact and funding of state-operated programs for occupational safety and health. State Plan Programs are highly successful, but have experienced significant funding deficiencies. OSHSPA is working with OSHA to address these deficiencies.



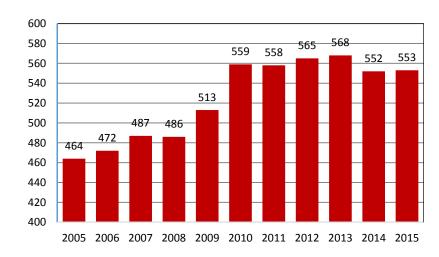
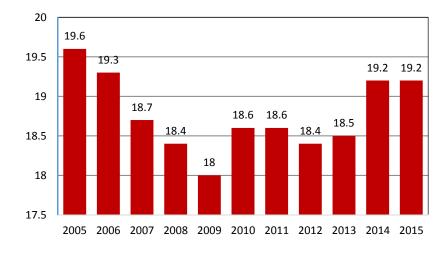


CHART 2

OSHA Budget for State Plans 23(g)

(as percentage of total OSHA Budget)



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### Occupational Safety and Health Administration (OSHA)

In establishing OSHA, Congress specifically encouraged states to develop their own safety and health plans, which would provide enforcement and compliance assistance activities. Section 18 of the Occupational Safety and Health Act, signed into law on December 29, 1970, authorized states to administer a state-operated program for occupational safety and health, provided the programs are "at least as effective" as federal OSHA.

Congress envisioned a comprehensive national program that would provide safety and health protection in all U.S. states and territories. Prior to the creation of OSHA, many states were already operating programs to protect their workers. Today, there are 28 states and territories that operate a State Plan Program for workplace safety and health, and work together through the Occupational Safety and Health State Plan Association (OSHSPA).

# State Plan OSHA Funding

States choosing to operate a State Plan Program contribute a significant amount toward funding the program. Congress established a 50 percent funding level to encourage states to operate their own programs and to develop innovative approaches to workplace safety and health issues. Because states must provide at least a 50 percent match, every federal dollar is doubled – which multiplies OSHSPA state plan efforts.

While Congress envisioned that the partnership between federal OSHA and the state plans would include federal funding of 50 percent of the costs – the federal portion for State Plan Programs has diminished significantly over the years. Some key issues:

- During the past 11 years, federal OSHA funding has increased more than 19 percent – while state plan funding has increased less than 10 percent. (Charts 1 & 4)
- States received 19.2 percent of the overall federal OSHA budget in FY 2015, compared to 19.6 percent in FY 2005. (Chart 2)

# **Proposed Funding Solution**

"Overmatch" Contributions by State Plans

(in millions of dollars beyond required matching funds)

• States are required to match federal funds. In addition, state plans

• The "real dollars" available to states have significantly

decreased when considering inflation. In 2005, state plans

were funded at \$91 million. To fund state plan states at the

same level in 2015, a budget of \$118 million would be needed.

of 50 percent of the program costs. As program demands have

increased, the states have not been provided the necessary

• Initially, federal OSHA was typically able to fund states at a level

In FY 2015, the total OSHA budget (including state plan funding) was

increased to nearly \$553 million (Chart 1). The overall increase was

\$1 million from FY 2014, yet state plans did not receive an increase in

funding, while adding Maine as a new public-sector state plan. OSHA

has also received a significant amount of additional funding in the past

several years for the enforcement of whistleblower regulations, while state plans that also enforce OSHA whistleblower regulations have

State Plan 23(g) Federal Dollars - Actual

Adjusted for Inflation - Needed to Maintain 2005 Funding

CHART 4

OSHA Funding for State Plans 23(g) and

Impact of Inflation

(in millions of dollars)

federal OSHA financial resources to "keep up."

received no additional funding.

115

have consistently contributed "overmatch" funds. (Chart 3)

A process must be established to accurately and fairly address the budgetary requirements of State Plan Programs. Funding for state plans is a separate line in the OSHA budget and must be specifically addressed.

OSHSPA states are a Congressional success story, and are effective and efficient users of state and federal tax dollars. The strong partnership with OSHA has placed State Plan Programs in a perfect position to develop successful grassroots solutions.

At a minimum, State Plan Programs should be currently funded at an amount that would be in place had state plan funding kept pace with federal OSHA funding over the last decade.

Federal agency budgets contain automatic cost-of-living adjustments (COLAs), including federal OSHA. State Plan Programs perform the same functions as federal OSHA, and should receive the same budget adjustments.

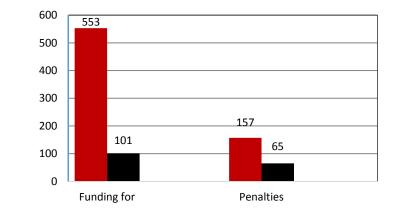
Based on the original intent of Congress and the output of the state plans, the long-term goal should be to reach full 50 percent funding.

# Impact of State Plan Programs

State Plan Programs cover about 40 percent of private-sector workers nationally. In addition, they cover more than 11 million workers in the public sector, which includes state and local governments, municipalities, colleges and universities. In all, it's estimated the OSHSPA states cover more than 3 million workplaces and 58 million workers. In FY 2015, state plans conducted more than 43,400 inspections, identified over 76,900 hazards and assessed nearly \$65 million in penalties. (Charts 5 and 6)

State Plan Programs bring unique strengths and flexibility to the

# CHART 5 **Program Funding & Penalties Assessed**(in millions of dollars for FY 15)



<sup>\*</sup>Includes \$100.7M from OSHA and \$192.5M in match from States

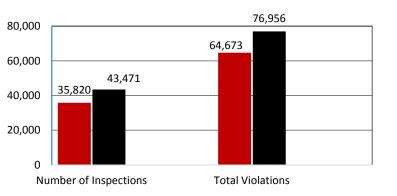
administration of occupational safety and health programs in this nation. The OSHSPA states serve as "laboratories of innovation." Because the programs are locally-based, it is easier to develop and implement new programs and innovations, pilot alternative approaches, and experiment with new methods for achieving a safe and healthy work environment.

Since the federal Occupational Safety and Health Act was enacted in 1970, workplace fatalities have decreased by 66 percent and injury/illness rates are down 67 percent. Working together with federal OSHA, State Plan Programs continually identify new ways to encourage employer investment in workplace safety and health. Federal OSHA estimates employers realize a \$4 – \$6 return on every \$1 invested in worker safety and health. This investment is significant because workplace injuries, illnesses and fatalities were estimated to cost the country approximately \$198.2 billion in 2012.

Although the number of employers and employees continue to increase in most states, the net resources to address workplace hazards in state plans have declined due to inflation and unfunded mandates from OSHA. If this trend continues, the potential impacts are reduced enforcement and outreach capabilities, and smaller reductions in injuries, illnesses and fatalities. Without more resources, it may become very difficult for some states to maintain a program that is at least as effective as federal OSHA, which is a mandatory requirement for State Plan Programs.

Federal OSHA has long recognized State Plan Programs for their innovative approaches to protect working men and women across America. Together, OSHSPA State Plan Programs and federal OSHA will continue to share the message that it pays to invest in safety and health – with the primary goal that workers across the country return home from work safe and healthy at the end of the day.

# CHART 6 Program Inspections & Violations (for FY 15)



Federal OSHA State Plan States