# **Department of Legislative Services**

Maryland General Assembly 2017 Session

## FISCAL AND POLICY NOTE Third Reader - Revised

Senate Bill 818 Finance (Senator Hershey)

**Economic Matters** 

#### Maryland Occupational Safety and Health Act - Voluntary Protection Program

This bill establishes a Voluntary Protection Program (VPP) in the Division of Labor and Industry of the Department of Labor, Licensing, and Regulation (DLLR) to encourage participating employers to have exemplary worker safety and health programs. Under the program, the Commissioner of Labor and Industry must recognize employers that have voluntarily implemented exemplary worker safety and health management systems that exceed basic compliance with occupational safety and health laws and regulations. An employer must submit an application to the commissioner to participate in the program. While an employer is a participant in the program, the employer's place of employment is exempt from occupational safety and health inspections to the extent allowed by federal law and regulations, unless the need arises from complaints, referrals, catastrophes, fatalities, accidents, or significant toxic chemical releases.

#### **Fiscal Summary**

**State Effect:** None. The bill codifies existing practice.

Local Effect: None.

Small Business Effect: None.

## Analysis

**Bill Summary:** The Commissioner of Labor and Industry may conduct an on-site evaluation of the employer's place of employment when evaluating an employer's application to join VPP. After the approval of an employer's application, the employer's

continued participation in the program is contingent on the employer's compliance with specified regulations, as determined by periodic on-site evaluations by the commissioner. The commissioner must adopt regulations to implement the program, which must include specified requirements. A place of employment participating in VPP on September 30, 2017, may continue its participation in the program administered under the bill without having to submit an application or undergo an on-site evaluation.

**Current Law:** The federal Williams-Steiger Occupational Safety and Health Act (OSHA) of 1970 requires the U.S. Department of Labor to establish a program "to assure so far as possible every working man and woman in the nation with safe and healthful working conditions." The Act specifies that states may elect to assume responsibility for development and management of a state occupational safety and health program as long as the standards under the state programs are "at least as effective as" OSHA standards. In 1971, the Division of Labor and Industry within DLLR was designated as the agency responsible for Maryland's Occupational Safety and Health Plan. In 1973, the division assumed authority and enforcement responsibility. The Maryland Occupational Safety and Health (MOSH) Act governs Maryland's program.

**Background:** The bill codifies DLLR's existing VPP, which began in 2000. The program is a cooperative effort between MOSH and participating employers to recognize certain employers for excellence in safety and health management programs. To participate, an employer commits to operating an effective safety and health program that meets established criteria. An employer must submit an application to MOSH and undergo an on-site evaluation to participate. A participant is reevaluated every three to five years in order to remain in the program, and the participant is exempt from MOSH programmed inspections while in the program. There are currently 19 active program sites in the State.

The MOSH work group issued a final <u>report</u> recommending the codification of VPP into law to ensure the program's long-term sustainability. The report noted that Virginia codified its program in 2015 with the enactment of the Voluntary Protection Programs Act of Virginia.

# **Additional Information**

Prior Introductions: None.

Cross File: None.

**Information Source(s):** Department of Labor, Licensing, and Regulation; Department of Legislative Services

SB 818/ Page 2

<b>Fiscal Note History:</b>	
mm/mcr	

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