



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
MICHIGAN OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION
BARTON G. PICKELMAN, DIRECTOR

SUSAN CORBIN
DIRECTOR

February 28, 2022

Senator Ken Horn, Chair

Senate Committee on Economic and Small Business Development
Senate Appropriations Subcommittee on LEO/MEDC

Representative Greg VanWoerkom, Chair

House Appropriations Subcommittee on General Government

Representative Pauline Wendzel, Chair

House Committee on Commerce and Tourism

Representative Beth Griffin, Chair

House Committee on Workforce, Trades, and Talent

Dear Members of the Legislature:

The enclosed report is submitted as required by Section 55(7) of the Michigan Occupational Safety and Health (MIOSH) Act, Act 154 of the Public Acts of 1974, as amended.

The report covers information on the amount of the Safety Education and Training (SET) assessment, the percentage of the assessment compared to workers' disability compensation losses, an explanation of all expenditures, the balance remaining in the SET fund, and a projection of assessment needs.

The report also provides a brief summary of MIOSHA education and training activities. Continued participation in these activities by Michigan employers and employees and their positive evaluations are testimony to the high quality services provided by this program. These activities underscore the state's commitment to safety and more healthful workplaces in Michigan.

Sincerely,

Barton G. Pickelman, CIH
MIOSHA Director

cc: Governor Whitmer
Susan Corbin, Director
Sean Egan, Deputy Director

**REPORT ON THE STATUS OF
THE SAFETY EDUCATION AND TRAINING ASSESSMENT**

as required by

1974 PA 154 SECTION 55(7) AS AMENDED BY 1991 PA 105

FISCAL YEAR ENDING SEPTEMBER 30, 2021

REPORT ON THE STATUS OF THE SAFETY EDUCATION AND TRAINING ASSESSMENT

FISCAL YEAR (FY) 2021

This report is submitted as required by Section 55(7) of the Michigan Occupational Safety and Health (MIOSH) Act, Act 154 of the Public Acts of 1974, as amended. Section 55(7) of the Act provides:

"To enable full and complete legislative review of the assessment process, the department of labor, not later than September 30 of each year, shall submit to the regulatory subcommittees of the house and senate appropriations committees and the house and senate committees that consider labor matters a written report on the status of the safety education and training assessment required by this section. The report shall include, but is not limited to, information on the amount of assessment, the percentage of assessment as compared to losses, an explanation of all expenditures from the safety education and training fund, and the balance of money in the safety education and training fund."

1. AMOUNT OF ASSESSMENT

During Fiscal Year (FY) 2021 (October 1, 2020, through September 30, 2021), the amount of the Safety Education and Training (SET) assessment was \$11,576,200. This amount was 3.01 percent of the total workers' disability compensation losses, excluding medical payments, paid in 2021 by employers under the Workers' Disability Compensation Act of 1969, Act 317 of Public Acts of 1969, as amended, being sections 418.101 to 418.941 of the Michigan Compiled Laws. As shown in Table 1, for the FY period ending on September 30, 2021, a total of \$11,596,471 of the SET assessment has been collected as of December 10, 2021, from the \$11,576,200 assessment for the FY. As explained under Item 2 of this report for FY 2021, a total assessment of \$2,880,000 (Table 1) is projected.

The total SET Fund available revenue for FY 2021, was \$21,998,545 (Table 4). The total available revenue includes the beginning fund balance of \$10,353,365 (Table 4) and \$11,645,180 (Table 4) in revenues, which includes the net collection from the SET assessment, interest, and other miscellaneous (Table 4). Pursuant to Section 36(3), no civil penalties are credited to the SET Fund.

2. PERCENTAGE OF ASSESSMENT COMPARED TO LOSSES

In 2021, the total workers' disability compensation losses, excluding medical payments, were \$384,191,878 (Table 1). The SET assessment compared to these losses was 3.01 percent or \$11,576,200 of which \$11,596,471 (Table 1) has been collected as of December 10, 2021. This amounts to 100.2 percent of the SET appropriation for FY 2021.

Assuming that the workers' disability compensation losses in 2022 will be about the same as 2021, the assessment for FY 2021 as a percentage of losses is estimated to be 0.75 percent. The SET Fund balance as of October 1, 2021, is \$10,353,365 (Table 1). The SET Fund balance is explained under Item 4 of this report.

The total estimated SET Fund expenditure for FY 2022 is \$11,576,094 as shown in Table 5. On

the basis of estimated monthly expenditures, the balance in the SET Fund is expected to be less than \$1,500,000 during the third quarter of FY 2021. This condition will trigger the requirement under Section 55(4) of Act 154 of 1974, as amended; namely that "the assessment shall equal the total fiscal year appropriation of safety education and training funds" if the fund balance falls below \$1,500,000 at any time during the fiscal year in which the assessment is made. An assessment at 100 percent of the SET Fund appropriation would be greater than 0.75 percent of losses, assuming that the 2022 losses are about the same as in 2021.

3. EXPLANATION OF SET FUND EXPENDITURES

During FY 2021, SET restricted fund expenditures totaled \$11,186,582 (Table 4). Major expenditures of the SET restricted fund for FY 2021 included \$10,402,496 (Table 3) for MIOSHA consultation, education, and training programs and subgrants. Further details are provided in Table 3.

4. SET FUND BALANCE

As of September 30, 2021, the SET Fund balance was \$10,353,365 (Table 1). As of October 1, 2021, the FY 2021 SET Fund revenue total was \$11,596,471 (Table 1). This FY revenue added to the beginning balance provided available revenue of \$21,998,545 (Table 4) for FY 2022.

Taking away FY 2021 SET Fund expenditures of \$11,186,582 (Table 4) leaves a SET Fund balance of \$10,353,365 at the beginning of FY 2022. Details are shown in Table 4. This balance will not be sufficient to cover the projected SET Fund expenditure of \$11,576,094 during FY 2022 as shown in Table 5. The implication of this insufficient balance on the SET assessment rate is explained under Item 2 of this report.

5. CONSULTATION EDUCATION AND TRAINING (CET) ACTIVITY SUMMARY

The following are highlights of the MIOSHA CET Division activities during FY 2021:

MIOSHA Ambassador Program

MIOSHA developed a COVID-19 Ambassador Program utilizing CET staff and a contractor (NSF International) to provide tier one and tier two consultative visits to small employers in the retail, restaurant, bar, and gym industry sectors. Tier one visits involved unannounced promotional visits to briefly cover toolkit information which included a checklist and sample COVID-19 Preparedness and Response plan that the employers could use. The tier two visits were more in-depth assessments using the checklist in the toolkit to assist employers in protecting their employees from COVID-19. MIOSHA Ambassador Program NSF staff conducted 4,268 tier one visits and 594 tier two visits. MIOSHA CET staff conducted 195 tier one visits and 438 tier two visits.

MIOSHA Training Institute (MTI)

In FY 2008, MIOSHA implemented a new safety and health training/certificate program. The mission of the MTI is to provide access to consistent, credible, and interactive learning that improves and promotes workplace safety and health for public and private entities that utilizes experiences, new technologies, and best practices that will lead to certificate programs and degrees. Participants can receive:

- Level One certification in two tracks:

- General Industry Safety and Health
- Construction Safety and Health
- Level Two certification in three tracks:
 - Safety and Health Management System (both general industry and construction)
 - MIOSHA Compliance for General Industry and Construction
 - MIOSHA Occupational Health

In FY 2021, CET continued to provide MTI outreach by distributing printed seminar brochures and while participating at expositions, meetings, and conferences. Activities include:

- Continued to provide MTI outreach by distributing printed seminar brochures.
- Continued to conduct MTI outreach while participating at expositions, meetings, and conferences.
- Routinely communicated with MIOSHA stakeholders through GovDelivery, MIOSHA News and eNews, Facebook, and Twitter announcements to keep them aware of the MTI offerings. In FY 2021, there were 86 MTI GovDelivery messages sent.
- No boot camps were held in FY 2021 due to the COVID pandemic.

At the conclusion of FY 2021, 1,281 MTI students had earned Level One certificates for General Industry and Construction; 407 students had earned Level Two certificates; and 114 students had earned Occupational Health certificates for a total of 1,802 MTI certificate holders. Since its inception more than 32, 656 participants have been trained.

In FY 2021, 153 MTI seminar trainings were scheduled. There were 1,132 participants. Due to the continuation of the COVID-19 Pandemic throughout 2021, several sessions were cancelled due to low attendance. To increase attendance, MIOSHA began offering MTI training seminars in a virtual or hybrid learning platform; 108 virtual trainings and two hybrid classes were held. Based on comments entered on the course evaluation forms from students, the virtual training platform was a success. The students were pleased with the virtual trainings due to the convenience of being able to take the training from home and not having to travel.

CET Initiatives

During FY 2021, CET promoted the following initiatives related to significant changes in MIOSHA standards or emerging safety and health issues:

- Silica
- COVID-19

Michigan Voluntary Protection Program (MVPP) / Michigan Voluntary Protection Program for Construction (MVPPC)

The MVPP assists employers and employees by providing a mechanism and a set of criteria designed to evaluate and recognize exemplary safety and health management systems. In FY 2021, there was total of 22 MVPP Star sites, two MVPP Rising Star sites, and two MVPPC Star sites.

Michigan Safety and Health Achievement Recognition Program (MSHARP)

The MSHARP provides support to smaller, high-hazard industry employers to develop, implement and continuously improve the effectiveness of their workplace safety and health

programs. In FY 2021, there were seven MSHARP companies. In FY 2021, one MSHARP participant withdrew due to tenure. There were three new MSHARP participants in FY 2021.

Partnerships/Alliances

Partnerships are voluntary, cooperative relationships between MIOSHA and individual employers, employees, and/or their representatives or a group of employers, employees and/or their representatives who come together to achieve a significant and measurable reduction in workplace deaths, injuries, and illnesses. At the end of FY 2021, MIOSHA had 7 partnerships and 17 alliances.

Video Library and Streaming

MIOSHA maintains a free DVD loan service for use by Michigan employers and employees. The only charge to Michigan employers or employees is the cost of returning the borrowed items. Over 300 safety and health DVDs are available. In FY 2021, 257 DVDs were loaned out. MIOSHA has also partnered with a private company to offer an improved video streaming opportunity. In FY 2021, 17,046 videos were streamed.

CET Grant Program

The CET Grant Program strives to protect Michigan's working men and women by providing workplace safety and health training and services for employers and employees not receiving services through the traditional CET programs. In FY 2021, MIOSHA awarded 19 CET grants to non-profit groups to enhance safety and health training and to support worker safety and health across the state. The grants require a minimum 10% match from the training entities. The MIOSHA CET Grant Program provides additional options for safety and health education and training to employers and employees. The grants focus on the performance goals identified in the MIOSHA Strategic Plan, with a particular emphasis on hazard recognition and prevention for high hazard industries. The CET Grant Program is designed to:

- Increase the number of employers and employees receiving occupational safety and health education, training, and prevention services, especially employers with less than 100 employees.
- Encourage the development of new strategies for providing occupational safety and health education, training, and prevention services.
- Encourage new providers of occupational safety and health education, training, and prevention services for Michigan businesses.
- Evaluate the effectiveness of those alternative strategies and providers.

The awarded projects include a wide range of training activities and proficiency levels, some of which include: crane rigging and signaling; silica safety; masonry; confined space entry; ergonomics; tree trimming and chainsaw safety; workplace violence prevention; emergency action plans; hazard communication; lockout/tagout; machine guarding; noise exposure; electrical hazard awareness; personal protective equipment; aerial lift rescue; emergency evacuation; safety and health management systems; hazard communication; youth safety; and powered industrial trucks.

In FY 2021, grants awarded totaled \$870,000.

MIOSHA Workplace Improvement to Safety and Health (MIWISH) Grant Program

MIOSHA continued the MIWISH matching grant program in FY 2021. The grant program is used to create a safer and healthier work environment and reduce the risk of injury and illness

to workers in Michigan. The grants were offered to small employers to purchase safety and health-related equipment and equipment-related training. Preference was given to employers in high hazard industries identified in MIOSHA's 2019-2023 Strategic Plan.

MIOSHA awarded 42 MIWISH grants in FY 2021 totaling \$133,410. Including the employer's \$212,325 in matching funds, a total of \$345,735 was invested in the health and safety of Michigan workers.

Outreach

MIOSHA has three GovDelivery lists: CET GovDelivery with 22,874 subscribers, MTI GovDelivery with 15,797 subscribers, and Standards GovDelivery with 15,757 subscribers. In addition, the CET Division sent:

- 173 CET GovDelivery messages
- 86 MTI GovDelivery messages

The CET Division maintains a webpage and social media accounts and has:

- 3,670 Facebook friends
- 2,829 Twitter followers
- 336 YouTube subscribers
- 41,283 webpage views

MIOSHA held two "Coffee with MIOSHA" virtual events to invite businesses and employees to have a cup of coffee and meet MIOSHA staff to learn about training opportunities and other resources MIOSHA has to offer. On October 20, 2020, the American Society of Safety Professionals (ASSP) held a virtual Zoom Meeting from 9:00 a.m. to 10:30 a.m. On December 16, 2020, the Michigan Safety Conference hosted a Coffee with MIOSHA zoom meeting from 9:00 a.m. to 10:00 a.m. Attendance was capped at 300 and it was full.

MIOSHA conducted the 17th annual "TAKE A STAND DAY" For Workplace Safety and Health Event across the state on August 9-13, 2021. The Take a Stand Day (TASD) event is an opportunity for employers to bolster their workplace safety and health. MIOSHA compliance and consultation staff visit Michigan worksites to provide a day of one-on-one consultations focusing on specific hazards/areas as requested by the employer. There are no CITATIONS or FINES for participating workplaces. However, participants must agree to correct all serious conditions. A letter promoting TASD was mailed to 1,640 Michigan high-hazard industries targeted by the MIOSHA Strategic Plan. As an added opportunity, TASD was a registered Safe + Sound Week event, allowing employers participating in TASD to also be recognized for participation in Safe + Sound Week. In FY 2021, 54 employers took advantage of a TASD visit.

Additional Promotional Activities:

On November 5, 2020, a mailing went to 78 Meat and Poultry Processing facilities promoting MIOSHA consultative services to aid them in protecting employees, customers, and communities from the spread of the COVID-19 virus.

6. PROGRAM EFFECTIVENESS – FY 2021

MIOSHA sends out comment cards to their customers to allow them to evaluate the services that are provided. The results for FY 2021 indicate:

- 100.0% rated their overall experience with MIOSHA as useful.
- 100.0% found staff to be knowledgeable about employee safety and health issues.
- 100.0% indicated staff explained how to correct the safety and health hazards they identified.

The following tables provide information on SET Fund assessment status for prior years, appropriations, expenditures, and projected assessment level. Table 6 includes information on MIOSHA CET Division activities for the last fiscal year.

TABLE 1

SAFETY EDUCATION AND TRAINING FUND
AMOUNT OF ASSESSMENT COLLECTED
FY 2012 TO FY 2021, WITH FY 2022 ESTIMATES

FY	BEGINNING BALANCE	ASSESSMENT COLLECTED	WORK COMP. LOSSES	ASSESS. AS % OF WORK COMP. LOSSES
FY 2012	\$7,020,356	\$10,300,474	\$783,460,083	1.31%
FY 2013	\$7,287,365	\$9,546,761	\$754,510,038	1.27%
FY 2014	\$6,577,259	\$9,827,102	\$699,578,421	1.40%
FY 2015	\$6,629,642	\$9,570,797	\$588,068,948	1.63%
FY 2016	\$5,883,896	\$11,072,848	\$528,706,630	2.09%
FY 2017	\$7,024,536	\$11,327,508	\$477,884,496	2.37%
FY 2018	\$8,402,904	\$11,127,248	\$458,606,912	2.43%
FY 2019	\$9,610,044	\$9,548,578	\$433,652,444	2.20%
FY 2020	\$8,976,941	\$11,490,916	\$424,721,260	2.71%
FY 2021	\$10,353,365	\$11,596,471	\$384,191,878	3.02%
FY 2022 EST	*\$10,811,963	**\$2,880,000	***\$384,000,000	0.75%

* This amount is based on LEO Administrative Services Division data as of 12/10/2021.

** Calculated at 100% of FY 2022 appropriations, not to exceed .75% of FY 2021 Worker's Compensation losses.

*** Assumes a similar amount of Worker's Compensation losses as in FY 2021. This amount was obtained from LARA Funds Administration.

TABLE 2

SAFETY EDUCATION AND TRAINING FUND
AMOUNT OF ASSESSMENT COMPARED TO APPROPRIATION
FY 2012 TO FY 2021, WITH FY 2022 ESTIMATES

FY	PRIOR FY BALANCE AS OF 9/30	SET FUND APPROPRIATION	SET ASSESSED /COLLECTED	% OF APPROP. ASSESSED	% OF LOSSES ASSESSED
FY 2012	\$7,020,356	\$10,132,400	\$10,300,474	101.7%	1.31%
FY 2013	\$7,287,365	\$10,538,600	\$9,546,761	90.6%	1.27%
FY 2014	\$6,577,259	\$10,861,500	\$9,827,102	90.5%	1.40%
FY 2015	\$6,629,642	\$11,166,000	\$9,570,797	85.7%	1.63%
FY 2016	\$5,883,896	\$10,986,800	\$11,072,848	100.8%	2.09%
FY 2017	\$7,024,536	\$11,232,400	\$11,327,508	100.8%	2.37%
FY 2018	\$8,402,904	\$11,034,700	\$11,127,248	100.8%	2.37%
FY 2019	\$9,610,044	\$11,234,000	\$9,548,578	85.0%	2.37%
FY 2020	\$8,976,941	\$11,366,900	\$11,490,916	101.1%	2.37%
FY 2021	\$10,353,365	\$11,576,200	\$11,596,471	100.2%	2.37%
FY 2022 EST	\$10,811,963	\$11,576,094	*\$2,880,000	24.9%	0.75%

* This estimate is based on LEO Administrative Services Division data as of December 10, 2021.

TABLE 3

SAFETY EDUCATION AND TRAINING FUND
RESTRICTED FUND EXPENDITURES
FISCAL YEAR 2021*

Unclassified	
1. Salaries	\$ 25,607.39
2. Executive Director Programs	\$ 360,200.00
Property	
3. Management	\$ 237,783.94
Information Technology Services	
4. and Projects	\$ 160,494.20
5. Occupational Safety and Health	\$ 10,402,496.00
Total	\$ 11,186,581.53

*Source: LEO Administrative Services Division data as of December 10, 2021

TABLE 4

SAFETY EDUCATION AND TRAINING FUND
 RESTRICTED FUND STATUS
 FISCAL YEAR 2021*

1. Fund Balance September 30, 2020		\$ 10,353,365.04
2. Fiscal Year 2021 Revenue		\$ 11,645,179.74
	SET Levy	\$ 11,596,470.88
	Common Cash Earnings	\$ 4,111.53
	Freedom of Information Act Fees	\$ 44,597.33
3. Available Revenue (1 + 2)		\$ 21,998,544.78
4. Total Expenditures (Table 3)		\$ 11,186,581.53
5. Fund Balance* September 30, 2021 (3 - 4)		\$ 10,811,963.25

*Source: LEO Administrative Services Division data as of December 10, 2021

TABLE 5

SAFETY EDUCATION AND TRAINING FUND
RESTRICTED FUND PROJECTED EXPENDITURES
FISCAL YEAR 2022*

1. Unclassified Salaries	\$ 72,800.00
2. Executive Direction and Operations	\$ 357,800.00
3. Property Management	\$ 324,900.00
4. Information Technology Services and Projects	\$ 429,294.00
5. Michigan Occupational Safety and Health Administration	\$ 10,391,300.00
Total	\$ 11,576,094.00

*Source: LEO Administrative Services Division data as of December 10, 2021

TABLE 6

MIOSHA CONSULTATION EDUCATION AND TRAINING ACTIVITIES
FISCAL YEAR 2021

Activities		Measures
1.	Employer and Employee Safety and Health Consultations	2271
2.	Seminars/Workshops/10-Hour Construction Courses	154
3.	Onsite Surveys	180
4.	Safety and Health Evaluations	300
5.	Pieces of Literature Distributed	9,673
6.	Safety Videos Loaned Safety Videos Streamed	257 17,046
7.	Total Training Sessions Conducted	782
8.	Total Employers/Employees Trained	1,273