

**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, 2020

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

FISCAL YEAR (FY) 2020

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 FY 2020 (October 1, 2019 through September 30, 2020), the amount of the Safety Education and Training (SET) assessment was \$11,215,013. This amount was 2.64 percent of the total workers' disability compensation losses, excluding medical payments, paid in 2019 by employers under the Workers' Disability Compensation Act of 1969, Act No. 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, 2020, a total of \$9,497,853 of the SET assessment has been collected as of February 3, 2021, from the \$11,215,013 assessment for the FY. As explained under Item 2 of this report for FY 2021, a total assessment of \$3,190,000 is projected.

The total SET Fund available revenue for FY 2020, was \$18,559,592. The total available revenue includes the beginning fund balance of \$8,976,941 (Table 1) and \$9,582,651 (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 2020, the total workers' disability compensation losses, excluding medical payments, were \$424,721,260 (Table 1). The SET assessment compared to these losses was 2.64 percent or \$11,215,013 of which \$9,497,853 (Table 1) has been collected as of February 3, 2021. This amounts to 84.7 percent of the SET appropriation for FY 2021.

Assuming that the workers' disability compensation losses in 2020 will be about the same as 2019, 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, 2020 is \$8,976,941 (Table 1). The SET Fund balance is explained under Item 4 of this report.

The total estimated SET Fund expenditure for FY 2021 is \$11,576,200 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 2020. 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 2021 losses are about the same as in 2020.

3. EXPLANATION OF SET FUND EXPENDITURES

During FY 2020, SET restricted fund expenditures totaled \$10,199,290 (Table 4). Major expenditures of the SET restricted fund for FY 2021 included \$9,323,838 (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, 2020, the SET Fund balance was \$8,976,941 (Table 1). As of October 1, 2020, the FY 2020 SET Fund revenue total was \$9,497,853 (Table 1). This FY revenue added to the beginning balance provided available revenue of \$18,559,592 for FY 2021.

Taking away FY 2020 SET Fund expenditures of \$10,199,290 leaves a SET Fund balance of \$8,976,941 at the beginning of FY 2021. Details are shown in Table 4. This balance will not be sufficient to cover the projected SET Fund expenditure of \$11,576,200 during FY 2021 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 2020:

MIOSHA Ambassador Program

From 8/24/20 to 10/30/20 a group of CET consultants (Ambassadors), were charged to proactively visit workplaces in west and east Michigan to ensure understanding and compliance with COVID executive orders governing workplace safety. Ambassadors performed unannounced, unscheduled visits to ensure awareness, understanding, and alignment with Executive Orders as well as other workplace safety requirements and best practices related to reducing COVID 19 hazards. Consultations focused on workplaces identified as presenting heightened community transmission risk. This included bars, restaurants, retail stores, gas stations, convenience stores, and gyms. From 8/24/20 to 10/30/20 the ambassadors reached 757 sites, provided COVID resources (sample plan, posters, fact sheets) and completed 200 consultations.

MIOSHA Training Institute (MTI)

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 & Health Management System (both general industry and construction)
 - MIOSHA Compliance for General Industry and Construction
 - MIOSHA Occupational Health

In FY 2020, CET continued to provide MTI outreach by distributing printed seminar brochures. Continued to conduct MTI outreach while participating at expositions, meetings, and conferences. Provided MTI seminar brochures at 22 events in FY 2020. 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 2020, there were 71 MTI GovDelivery messages sent. Two Level 2 boot camps were held in FY 2020. Since its inception, more than 31,383 participants have been trained. At the conclusion of FY 2020, 1,317 MTI students had earned Level One certificates for General Industry and Construction; 419 students had earned Level Two Compliance; 28 students had earned Level Two Safety & Health Management Systems certificates; and 121 students had earned Occupational Health certificates for a total of 1,885 MTI certificate holders.

In FY 2020, 161 MTI seminar trainings were scheduled. Attendance was 1,056 participants. Due to the outbreak of COVID-19 many face-to-face training sessions were cancelled due to statewide restrictions. In an effort to continue providing MTI training opportunities, MIOSHA began offering MTI training seminars in a virtual or hybrid learning platform. 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 will continue offering virtual training in FY 21.

Expos and Conferences

In FY 2020, MIOSHA participated in six expositions/conferences in conjunction with associations and safety organizations.

CET Initiatives

During FY 2020, CET promoted the following initiatives related to significant changes in MIOSHA standards or emerging safety and health issues:

- Fall Prevention
- Excavation and Trenching
- Work in Roadways
- Silica

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 2020, there was total of 30 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 employers to develop, implement and continuously improve the effectiveness of their workplace safety and health programs. In FY 2020, there were seven MSHARP companies. In FY 2020, four MSHARP participants withdrew; two due to tenure and two due to eligibility criteria not being maintained. There was one new MSHARP participant in FY 2020.

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 2020, MIOSHA had six partnerships and 16 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 on a free-loan basis. In FY 2020, 216 DVD's were loaned out. MIOSHA has also partnered with a private company to offer an improved video streaming opportunity. The Video on Demand (VOD) program is available 24/7 and there is no cost to employers and employees for this service. In FY 2020, 17,641 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 2020 MIOSHA awarded 20 CET grants to non-profit groups to enhance safety and health training and to support worker safety and health across the state. The MIOSHA CET Grant Program provides additional options for safety and health education and training to employers and employees. Most of 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 system; hazard communication; youth safety; and powered industrial trucks. In FY 2020, grants awarded totaled \$870,000.

Outreach

MIOSHA has three GovDelivery lists; CET GovDelivery with 17,243 subscribers, MTI GovDelivery with 13,001 subscribers, and Standards GovDelivery with 11,962 subscribers. In addition, the CET Division sent:

- 118 CET GovDelivery messages
- 71 MTI GovDelivery messages

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

- 2,430 Facebook friends
- 1,892 Twitter followers
- 219 YouTube subscribers
- 36,755 webpage views

The CET Division held four Coffee with MIOSHA events and one Connecting Phase VI training.

6. PROGRAM EFFECTIVENESS – FY 2020

MIOSHA sends out comment cards to their customers to allow them to evaluate the services that are provided. The results for FY 2020 indicate:

- 98.3% rated their overall experience with MIOSHA as useful.
- 99.1% found staff to be knowledgeable about employee safety and health issues.
- 99.0% 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 2010 TO FY 2020, WITH FY 2021 ESTIMATES

FY	BEGINNING BALANCE	ASSESSMENT COLLECTED	WORK COMP. LOSSES	ASSESS. AS % OF WORK COMP. LOSSES
FY 2010	\$5,704,207	\$8,098,309	\$837,564,731	0.97%
FY 2011	\$5,821,821	\$9,526,331	\$739,500,580	1.29%
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	\$424,721,260	2.20%
FY 2020	\$8,976,941	\$9,497,853	\$424,721,260	2.24%
FY 2021 EST	*\$8,360,302	**\$3,190,000	***425,000,000	0.75%

* This amount is based on LEO Administrative Services Division data as of 12/14/2020.

** Calculated at 100% of FY 2020 appropriations, not to exceed .75% of FY 2020 Workers' Compensation losses.

*** Assumes a similar amount of Workers' Compensation losses as in FY 2020. This amount was obtained from LARA Funds Administration.

TABLE 2

SAFETY EDUCATION AND TRAINING FUND
 AMOUNT OF ASSESSMENT COMPARED TO APPROPRIATION
 FY 2010 TO FY 2020, WITH FY 2021 ESTIMATES

FY	PRIOR FY BALANCE AS OF 9/30	SET FUND APPROPRIATION	SET ASSESSED/ COLLECTED	% OF APPROP. ASSESSED	% OF LOSSES ASSESSED
FY 2010	\$5,704,207	\$9,283,400	\$8,098,309	87.2%	0.97%
FY 2011	\$5,821,821	\$9,560,400	\$9,526,331	99.6%	1.29%
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	\$9,497,853	85.0%	2.37%
FY 2020	\$8,976,941	\$11,366,900	\$9,947,853	83.6%	2.37%
FY 2021 EST	\$8,360,302	\$11,576,200	\$3,260,000	30.6%	0.75%

* This estimate is based on LEO Administrative Services Division data as of December 14, 2020.

TABLE 4

SAFETY EDUCATION AND TRAINING FUND
RESTRICTED FUND STATUS
FISCAL YEAR 2020*

1.	Fund Balance September 30, 2020	\$8,976,940.68
2.	Fiscal Year 2020 Revenue	\$9,582,651.36
	SET Levy	\$9,497,852.99
	Common Cash Earnings	\$57,845.78
	Freedom of Information Act Fees	\$26,952.59
3.	Available Revenue (1 + 2)	\$18,559,592.04
4.	Total Expenditures (Table 3)	\$10,199,289.64
5.	Fund Balance* September 30, 2020 (3 - 4)	\$8,360,302.40

*Source: LEO Administrative Services Division data as of December 14, 2020.

TABLE 5

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

1. Unclassified Salaries	\$	70,700.00
2. Executive Direction and Operations	\$	360,200.00
3. Property Management	\$	324,900.00
4. Information Technology Services and Projects	\$	404,200.00
5. Michigan Occupational Safety and Health Administration	\$	10,416,200.00
Total		\$ 11,576,200.00

*Source: LEO Administrative Services Division data as of December 14, 2020.

TABLE 6		
MIOsha CONSULTATION EDUCATION AND TRAINING ACTIVITIES FISCAL YEAR 2020		
Activities		Measures
1.	Employer and Employee Safety and Health Consultations	2247
2.	Seminars/Workshops/10-Hour Construction Courses	161
3.	Onsite Surveys	312
4.	Safety and Health Evaluations	412
5.	Pieces of Literature Distributed	31,146
6.	Safety Videos Loaned Safety Videos Streamed	216 17,641
7.	Total Training Sessions Conducted	619
8.	Total Employers/Employees Trained	1560