1 State of Arkansas A Bill 2 83rd General Assembly HOUSE BILL 1605 3 Regular Session, 2001 4 5 By: Representative Rodgers 6 7 For An Act To Be Entitled 8 AN ACT TO AMEND ARKANSAS CODE 11-9-409; TO ELIMINATE 9 THE WORKERS' HEALTH AND SAFETY DIVISION OF THE 10 11 WORKERS' COMPENSATION COMMISSION; AND FOR OTHER PURPOSES. 12 13 **Subtitle** 14 15 AN ACT TO AMEND ARKANSAS CODE 11-9-409; 16 TO ELIMINATE THE WORKERS' HEALTH AND SAFFTY DIVISION OF THE WORKERS' 17 18 COMPENSATION COMMISSION. 19 20 21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS: 22 SECTION 1. Arkansas Code 11-9-409 is amended to read as follows: 23 Safety and health loss control consultative services. 24 11-9-409. 25 (a) WORKERS' HEALTH AND SAFETY DIVISION. (1) The Workers' Compensation 26 Commission shall establish a Workers' Health and Safety Division, hereinafter 27 referred to as the "division". 28 (2) The division shall collect and serve as a repository for statistical information on workers' health and safety. In cooperation with and 29 with the assistance of the Department of Labor and the State Insurance 30 31 Department, the division shall analyze and use the information to identify and 32 assign priorities to safety needs and to better coordinate the safety services 33 provided by public or private organizations, including insurance carriers. In cooperation with and with the assistance of the Department of Labor and the 34 35 State Insurance Department, the division shall promote workers' health and 36 safety through educational programs and other innovative programs developed by

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- 1 the division.
- 2 (3) In cooperation with and with the assistance of the Department 3 of Labor and the State Insurance Department, the division shall coordinate or
- 4 supervise the collection of information relating to job safety.
- 5 (4) The Chairman of the Workers' Compensation Commission, the
- 6 Director of the Department of Labor, and the Insurance Commissioner shall
- 7 function as an advisory committee to resolve questions regarding duplication
- 8 of efforts, assignment of new programs, and other matters that need
- 9 cooperation and coordination.
- 10 (5)(A) In cooperation with and with the assistance of the
- 11 Department of Labor and the State Insurance Department, the division shall
- 12 publish or procure and issue educational books, pamphlets, brochures, films,
- 13 videotapes, and other informational and educational material. Specific
- 14 educational material shall be directed to high-risk industries and jobs and
- 15 shall specifically address means and methods of avoiding high frequency but
- 16 preventable workers' injuries. Other educational material shall be directed to
- 17 business and industry generally and shall specifically address means and
- 18 methods of avoiding common workers' injuries.
- 19 (B) Specific decisions as to what issues and problems should
- 20 <u>be addressed by such information shall be made by the division in cooperation</u>
- 21 and with the assistance of the Department of Labor and the State Insurance
- 22 Department and with commission approval after assigning appropriate priorities
- 23 based on frequency of injuries, degree of hazard, severity of injuries, and
- 24 <u>similar considerations.</u>
- 25 (C) Such educational materials shall include specific
- 26 references to the requirements of state and federal laws and regulations, to
- 27 recommendations and practices of business, industry, and trade associations,
- 28 and, where needed, to recommended work practices based on recommendations made
- 29 by the division, in cooperation and with the assistance of the Department of
- 30 Labor and the State Insurance Department, for the prevention of injury.
- 31 (6) In cooperation with and with the assistance of the Department
- 32 of Labor and the State Insurance Department, the division shall cooperate with
- 33 employers and employees to develop means and methods of educating employees
- 34 and employers with regard to workplace safety.
- 35 (7) In cooperation with and with the assistance of the Department
- 36 of Labor and the State Insurance Department, the division shall encourage

other entities to develop safety courses, safety plans, and safety programs.

- 2 (8) In cooperation with and with the assistance of the Department
 3 of Labor and the State Insurance Department, the division shall certify safe
 4 employers to provide peer review safety programs.
 - (9) In cooperation with and with the assistance of the Department of Labor and the State Insurance Department, the division shall advise insurance carrier loss control service organizations of hazard classifications, specific employers, industries, occupations, or geographic regions to which loss control services should be directed or of the identity and types of injuries or occupational diseases for prevention of the same to which loss control services should be directed and shall advise insurance carrier loss control service organizations of safety needs and priorities recommended by the division in cooperation with and with the assistance of the Department of Labor and the State Insurance Department.
 - (b)(a) JOB SAFETY INFORMATION SYSTEM. (1) In cooperation with and with the assistance of the Department of Labor and the State Insurance

 Department, the division The commission shall establish and maintain a job safety information system.
 - (2)(A) The job safety information system shall include a comprehensive data base that incorporates all pertinent information relating to each reported injury.
 - (B) The identity of the employee is confidential and may not be disclosed as part of the job safety information system.
 - (3) Employers shall file with the commission such reports as may be necessary. The commission shall promulgate rules and prescribe the form and manner of such reports.
 - (4) In cooperation with and with the assistance of the Department of Labor and the State Insurance Department, the division The commission is authorized, empowered, and directed to obtain, from any state agency, data and statistics, including those compiled for the purpose of rate making.
- 31 (5) The <u>division commission</u> shall consult <u>the Department of Labor</u>
 32 and any <u>other</u> affected state agencies in the design of data information and
 33 retrieval systems that will accomplish the mutual purposes of those agencies
 34 and of the <u>division</u> commission.
 - (c) EXTRA-HAZARDOUS EMPLOYER PROGRAM.
- 36 (1)(A) In cooperation with and with the assistance of the

1 Department of Labor and the State Insurance Department, the division shall develop a program, including injury frequency, to identify extra-hazardous 2 employers. The term "extra-hazardous employer" includes an employer whose 3 4 injury frequencies substantially exceed those that may reasonably be expected 5 in that employer's business or industry, an employer whose experience modifier 6 is identified by the commission as too high, and such other employers as may, 7 following a public hearing, be identified as extra hazardous. (B) The division shall notify each identified extra-8 9 hazardous employer or the carrier for the employer that the employer has been 10 identified as an extra-hazardous employer. 11 (2)(A) An employer who receives notification under subdivision 12 (c)(1)(B) of this section must obtain a safety consultation within thirty (30) days from the Department of Labor, the employer's insurance carrier, or 13 14 another professional source approved by the division for that purpose. 15 (B) The safety consultant shall file a written report with 16 the division and the employer setting out any hazardous conditions or 17 practices identified by the safety consultation. 18 (3) The employer and the consultant shall formulate a specific 19 accident prevention plan which addresses the hazards identified by the 20 consultant. The employer shall comply with the accident prevention plan. 21 (4) The division may investigate accidents occurring at the work 22 sites of an employer for whom a plan has been formulated under subdivision 23 (c)(3) of this section, and the division may otherwise monitor the 24 implementation of the accident prevention plan as it finds necessary. 25 (5)(A) Six (6) months after the formulation of an accident 26 prevention plan prescribed by subdivision (c)(3) of this section, the division 27 shall conduct a follow-up inspection of the employer's premises. The division may require the participation of the safety consultant who performed the 28 29 initial consultation and formulated the safety plan. (B) If the division determines that the employer has 30 31 complied with the terms of the accident prevention plan or has implemented 32 other acceptable corrective measures, the division shall so certify. 33 (C) An employer who the division determines has failed or 34 refused to implement the accident prevention plan or other suitable hazard abatement measures is subject to civil penalties as follows: 35 36 (i) The commission may assess a civil penalty against

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- 1 an employer who fails or refuses to implement the accident prevention plan or
- 2 other suitable hazard abatement procedures in an amount up to one thousand
- 3 dollars (\$1,000) per day of violation payable to the Death and Permanent Total
- 4 Disability Trust Fund;
- 5 (ii) Further, the commission may petition the Chancery
- 6 Court of Pulaski County, or of the county where the business is located, for
- 7 an order enjoining the employer from engaging in further employment until such
- 8 time as the employer implements the prevention plan or abatement measure
- 9 described above and/or makes payment of all civil penalties.
- 10 (6) If, at the time of the inspection required under subdivision
- 11 (c)(5)(A) of this section, the employer continues to exceed the injury
- 12 <u>frequencies that may reasonably be expected in that employer's business or</u>
- 13 industry, the division shall continue to monitor the safety conditions at the
- 14 work site and may formulate additional safety plans reasonably calculated to
- 15 abate hazards. The employer shall comply with such plans and may be subject to
- 16 additional penalties for failure to implement the plan or plans.
- 17 (7) An employer may request a hearing before the Full Commission
- 18 to contest findings made by the division under this section.
- 19 (8) The identification as an extra-hazardous employer under this
- 20 section is not admissible in any judicial proceeding unless the commission has
- 21 determined that the employer is not in compliance with this section and that
- 22 determination has not been reversed or superseded at the time of the event
- 23 giving rise to the judicial proceeding.
- 24 (d)(b) ACCIDENT PREVENTION SERVICES. (1) Any insurance company
- 25 desiring to write workers' compensation insurance in Arkansas shall maintain
- or provide accident prevention services as a prerequisite for a license to
- 27 write such insurance. Such services shall be adequate to furnish accident
- 28 prevention programs required by the nature of its policyholders' operations
- 29 and shall include surveys, recommendations, training programs, consultations,
- 30 analyses of accident causes, industrial hygiene, and industrial health
- 31 services to implement the program of accident prevention services.
- 32 (2) Notice that services are available to the policyholder from
- 33 the insurance company must appear in no less than ten (10) point bold type on
- 34 the front of each workers' compensation insurance policy delivered or issued
- 35 for delivery in the state.

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(3) At least once each year, each insurance company writing

workers' compensation insurance in Arkansas must submit to the division detailed information on the type of accident prevention services offered to that insurance company's policyholders. The information must include any additional information required by the commission.

- (4) In cooperation with and with the assistance of the Department of Labor and the State Insurance Department, the division The commission shall conduct inspections to determine the adequacy of the accident prevention services required by subdivision (d)(b)(1) of this section at least every two (2) years for each insurance company writing workers' compensation insurance in Arkansas.
- (5) If the insurance company does not maintain or provide the accident prevention services required by this subsection, or if the insurance company does not use the services in a reasonable manner to prevent injury to employees of its policyholders, the insurance company may be subjected to the same a civil penalties penalty as are assessable and enforceable against employers as set forth above in subdivision (c)(5)(C) of this section assessed by the commission in an amount up to one thousand dollars (\$1,000) per day of violation payable to the Death and Permanent Total Disability Trust Fund and shall be subject to suspension or revocation of license to do business in this state by the Insurance Commissioner.
- (6) The commission shall employ the qualified personnel necessary to enforce this section.
 - (e)(c) IMMUNITY FROM CERTAIN LIABILITY. (1) Except as provided in subdivision (d)(b)(5) of this section, the insurance company, the agent, servant, or employee of the insurance company or self-insured employer, or a safety consultant who performs a safety consultation under this section shall have no liability with respect to any accident based on the allegation that such accident was caused or could have been prevented by a program, inspection, or other activity or service undertaken by the insurance company or self-insured employer for the prevention of accidents in connection with operations of the employer.
 - (2) Provided, however, this immunity shall not affect the liability of the insurance carrier or self-insured employer for compensation or as otherwise provided in this chapter.
- $\frac{\text{(f)}(d)}{\text{(d)}}$ EXCLUSIVE REMEDY. This section does not create an independent cause of action at law or in equity.