

ASSEMBLY, No. 2094

STATE OF NEW JERSEY

INTRODUCED JUNE 3, 1996

By Assemblyman ROMA and Assemblywoman ALLEN

1 AN ACT concerning Joint Safety and Health Committees and workers'
2 compensation premiums, supplementing chapter 15 of Title 34 of
3 the Revised Statutes and amending R.S.34:15-89.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. (New section) For the purposes of this act:

9 "Committee" means a Joint Safety and Health Committee
10 established pursuant to section 3 of this act.

11 "Commission" means the Workplace Safety and Health Commission
12 established pursuant to section 2 of this act.

13 "Employee representative" means an organization engaged in a
14 collective bargaining or collective negotiation relationship with an
15 employer.

16 "Employer" means employer as defined in R.S. 34:15-36.

17 "Facility" means all buildings, structures or other stationary items
18 located on a single site or on contiguous or adjacent sites used for the
19 conduct of business and which are owned or operated by the same
20 employer.

21
22 2. (New section) a. There is established, in the Department of
23 Labor, the Workplace Safety and Health Commission. The
24 commission shall consist of twelve members as follows: the
25 Commissioner of Insurance, the Commissioner of Health, the
26 Commissioner of Labor and the Commissioner of Personnel or their
27 designees, who shall serve ex-officio and shall be non-voting members;
28 and eight public members who are residents of the State and who have
29 knowledge, competence, experience or interest in connection with
30 occupational safety and health and workplace injuries and illnesses. Of
31 the eight public members, four shall be appointed by the Governor from
32 a list or lists of nominees provided by one or more recognized State-
33 wide organizations representing businesses and the other four shall be
34 appointed by the Governor from a list or lists of nominees provided by

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 one or more recognized State-wide organizations representing labor
2 unions.

3 b. All appointments shall be made within 30 days after the effective
4 date of this act. The appointed members of the commission shall serve
5 for a term ending on December 31, 1999. Vacancies in the
6 membership of the appointed members of the commission shall be
7 filled in the same manner as the original appointments.

8 c. The members shall serve without compensation, but shall be
9 reimbursed for necessary expenditures incurred in the performance of
10 their duties as members of the commission, within the limits of funds
11 appropriated or otherwise made available to the commission for its
12 purposes.

13 d. The commission shall organize as soon as possible after the
14 appointments are made and shall select a chairperson from among its
15 members. The commission may appoint a secretary, who need not be
16 a member of the commission. The commission shall meet at least
17 quarterly and may hold meetings and hearings at such places and times
18 as it designates.

19 e. The commission shall:

20 (1) Review employer applications for workers' compensation
21 premium reductions and make recommendations to the compensation
22 rating and inspection bureau regarding the reductions pursuant to
23 section 3 of this act; and

24 (2) Issue a report to the Governor and the Legislature not later
25 than June 1, 1999 which evaluates and describes the effectiveness of
26 the provisions of this act and of P.L.____, c.____ (C.____)(now
27 pending before the Legislature as Assembly Bill, No. 2093 of 1996) in
28 improving workplace safety and health. The report shall make
29 recommendations regarding whether to modify or continue after
30 December 31, 1999 the provisions of this act, recommendations
31 whether to modify the provisions of P.L. ____, c.____ (C.____)(now
32 pending before the Legislature as Assembly Bill, No.2093 of 1996),
33 and recommendations regarding other possible methods to induce
34 more employers to establish Joint Safety and Health Committees. The
35 report shall include any draft legislation needed to implement
36 recommendations of the report.

37 f. The commission may hold public hearings and shall have access
38 to all files and records of the Department of Insurance, the Department
39 of Labor, the Department of Health, the Department of Personnel and
40 other relevant State agencies and may call to its assistance and avail
41 itself of the services of the employees of those departments and
42 agencies to provide whatever information the board deems necessary
43 in the performance of its functions.

44 g. Expenses of the commission deemed necessary by the
45 Commissioner of Labor to carry out its responsibilities under the
46 provisions of section 3 of this act, which shall not exceed \$150,000

1 during any fiscal year, shall be regarded as administrative expenses of
2 the Division of Workers' Compensation for the purposes of R.S.34:15-
3 94.

4
5 3. (New section) An employer who establishes a Joint Safety and
6 Health Committee may submit an application to the Commissioner of
7 Insurance for a workers' compensation premium reduction pursuant to
8 the provisions of R.S.34:15-89. Upon receipt of the application, the
9 Commissioner of Insurance shall refer the application to the
10 Workplace Safety and Health Commission to determine whether the
11 requirements of this section are being met in connection with the
12 application. If the commission determines that the requirements of this
13 section are met, it shall recommend to the compensation rating and
14 inspection bureau that the employer receive a workers' compensation
15 premium reduction pursuant to the provisions of R.S.34:15-89. The
16 commission shall retain copies of the applications until the commission
17 completes the report it is required to make pursuant to section 2 of
18 this section.

19 An employer shall receive a workers' compensation premium
20 reduction pursuant to this section for establishing a Joint Safety and
21 Health Committee if the following requirements are met:

22 a. The employer shall establish a Joint Safety and Health
23 Committee at each facility covered by the workers' compensation
24 policy subject to the premium reduction;

25 b. Each committee shall have, taking into consideration the size of
26 the facility, a reasonable number of members, which shall in no case be
27 less than four members, to carry out its duties and each committee
28 shall consist of an equal number of employer members and employee
29 members;

30 c. If employees at the facility are represented by an employee
31 representative, the committee shall be established with the
32 participation and the written consent of both the employer and the
33 employee representative;

34 d. If employees at the facility are represented by an employee
35 representative, that employee representative shall select the employee
36 members of the committee;

37 e. If employees at the facility are represented by more than one
38 employee representative, each employee representative shall select a
39 number of employee members to the committee which is in proportion
40 to the number of employees represented by the employee
41 representative at the facility;

42 f. If no employees at the facility are represented by an employee
43 representative, the employees at the facility shall select the employee
44 members of the committee through a secret ballot election conducted
45 by the employer, not less than once every two years, in which every
46 employee is given the opportunity to vote during normal

1 working hours;

2 g. The committee shall be required, in a manner consistent with
3 standards set by the Commissioner of Labor in consultation with the
4 commission and the Commissioner of Health, to: hold regular
5 meetings, not less than once each month; keep records; review and
6 make written recommendations regarding safety and health programs
7 at the facility, including accident and illness prevention programs;
8 conduct an inspection of the facility not less than one time each
9 calendar quarter; note hazards and provide written recommendations
10 for the abatement of the hazards; and investigate accidents and
11 exposures at the facility;

12 h. The employer shall provide a written response to a
13 recommendation made by the committee within a reasonable period of
14 time after the recommendation is received by the employer, which shall
15 not exceed 14 consecutive days after the date of receipt in the case of
16 a recommendation for hazard abatement;

17 i. Committee members shall be compensated by the employer at
18 their regular wage for time spent performing committee duties; and

19 j. The committee members shall be provided with training which is
20 designed to enable them to carry out their duties as committee
21 members and which complies with standards set by the Commissioner
22 of Labor in consultation with the commission and the Commissioner
23 of Health. The training for committee members may include
24 occupational safety and health training which complies with those
25 standards and is provided pursuant to the Workforce Development
26 Partnership Program established pursuant to P.L.1992, c.43
27 (C.34:15D-1 et seq.).

28

29 4. R.S.34:15-89 is amended to read as follows:

30 34:15-89. The compensation rating and inspection bureau as
31 created and established by the act entitled "An act concerning the
32 compulsory insurance of compensation payments arising under section
33 2 of an act entitled, "An act prescribing the liability of an employer to
34 make compensation for injuries received by an employee in the course
35 of employment, establishing an elective schedule of compensation, and
36 regulating procedure for the determination of liability and
37 compensation thereunder," approved April 4, 1911," approved March
38 27, 1917 (L.1917, c.178, p.522), as amended and supplemented is
39 continued under the supervision of the Commissioner [of Banking and]
40 Insurance.

41 It shall establish and maintain rules, regulations and premium rates
42 for [workmen's] workers' compensation and employer's liability
43 insurance and equitably adjust the same, as far as practicable, to the
44 hazard of individual risks, by inspection by the bureau.

45 It shall adopt means for assuring uniform and accurate audit of
46 payrolls as they relate to policies of [workmen's] workers'

1 compensation and employer's liability insurance by auditors, appointed
2 by the bureau, with the approval of the [said] commissioner or by such
3 other means as the bureau may, with the approval of the
4 [Commissioner of Banking and Insurance]commissioner, establish.

5 It shall furnish upon request to any of its members or to any
6 employer upon whose risk a rating has been promulgated by it,
7 information as to such rating, including the method of its computation,
8 and shall encourage employers to reduce the number and severity of
9 accidents by adjusting premiums and rates, through the use of credits
10 and debits or other proper factors, under such uniform system of
11 experience or other form of merit rating as may be approved by the
12 [said] commissioner.

13 On and after the effective date of P.L. , c. (now pending
14 before the Legislature as this bill) and until December 31, 1999, the
15 compensation rating and inspection bureau shall, upon the
16 recommendation of the Workplace Safety and Health Commission
17 pursuant to section 3 of P.L. , c. (C.) (pending before the
18 Legislature as this bill), reduce by 10%, for a period of one year, the
19 workers' compensation premiums paid by an employer that establishes
20 one or more Joint Safety and Health Committees. No employer shall
21 receive this premium reduction more than one time.

22 (cf: P.L.1955, c.108, s.1)

23
24 5. (New section) The Commissioner of Labor, in consultation with
25 the Commissioner of Insurance, the Commissioner of Health and the
26 Workplace Safety and Health Commission, shall, pursuant to the
27 provisions of the "Administrative Procedure Act," P.L.1968, c.410
28 (C.52:14B-1 et seq.), promulgate rules and regulations to effectuate
29 the provisions of this 1996 amendatory and supplementary act.

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31 6. This act shall take effect on the 180th day following enactment
32 and section 1, 2, 3 and 5 shall expire on December 31, 1999.

33 34 35 STATEMENT

36
37 This bill provides a one-year, 10% reduction in workers'
38 compensation premiums for employers that establish Joint Safety and
39 Health Committees which are found to meet the requirements of the
40 bill.

41 The bill establishes a Workplace Safety and Health Commission to
42 review and determine the eligibility of applications from employers for
43 the premium reduction. The commission is also required to produce
44 a report regarding the impact of the bill and related legislation on
45 participating employers and their employees and making
46 recommendations regarding the modification or continuation beyond

1 December 31, 1999 of the provisions of the bill and regarding other
2 possible methods to induce more employers to establish Joint Safety
3 and Health Committees.

4 For an employer to receive a workers' compensation premium
5 reduction under the bill, it requires:

6 1. That the employer establish a Joint Safety and Health
7 Committee at each facility covered by the workers' compensation
8 policy subject to the premium reduction;

9 2. That each committee have, taking into consideration the size of
10 the facility, a reasonable number of members, but at least four, to carry
11 out its duties and each committee consist of an equal number of
12 employer members and employee members;

13 3. If employees at the facility are represented by one or more
14 unions, that the committee be established with the participation and
15 the written consent of both the employer and the unions and that the
16 unions select the employee members of the committee;

17 4. If no employees at the facility are represented by a union, that
18 the employees at the facility select the employee members of the
19 committee through a secret ballot election conducted by the employer;

20 5. That the committee be required to: hold regular meetings, not
21 less than once each month; keep and make available records; review
22 and make written recommendations regarding safety and health
23 programs; conduct inspections at least once each calendar quarter;
24 note hazards and provide written recommendations for their
25 abatement; and investigate accidents;

26 6. That the employer provide a written response to a
27 recommendation within a reasonable time; not exceeding 14 days in
28 the case of a recommendation for hazard abatement;

29 7. That committee members are paid their regular wage when
30 performing committee duties and provided with training to enable
31 them to carry out their duties as committee members.

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36 Concerns Joint Safety and Health Committees and workers'
37 compensation.