




State of Alaska  
Department of Labor and Workforce Development  
Division of Labor Standards and Safety

**AKOSH Program Directive #22-02**

Date: June 30, 2022  
To: All AKOSH Staff  
From: Elaine Banda, B.A., M. ED., *Acting Director*   
Subject: Informal Settlement Guidance- Public Sector Employers

This program directive is effective immediately. Please ensure that all members of your staff receive a copy of this program directive and understand how to implement it.

**Purpose:** This program directive formally establishes and expands the practice of AKOSH allowing public sector employers the option to pay penalty amounts for citations issued under Alaska Statute § 18.60.091 by investing the amounts into improving the health and safety of their employees.

**Scope:** This policy applies AKOSH-wide

**Cancellations:** None

**References:** Department of Labor and Workforce Development Internal Memo re: Informal Settlement Guidance- Public Sector Employers April 30, 2015

**Background:** AKOSH Enforcement has historically allowed public sector employers to settle monetary penalties through equivalent investments in workplace safety and health. This Program Directive formalizes and expands guidance related to informal settlement negotiations with public sector employers cited under Alaska Statute § 18.60.091. This guidance is designed to supplement policies and procedures established in the Alaska Occupational Safety and Health Field Operations Manual (AKOSH FOM – Program Directive 21-02).

The Chief of AKOSH Enforcement or designee will discuss settlement options with a public sector employer before and during an informal conference requested by the employer within 15 days of the date the employer received the citation(s).

Proposals for alternative investments in lieu of a payment to the State of Alaska must meet the following criteria:

- The investment must be documented and must meet or exceed the dollar value of the final penalty calculation after any customary and appropriate reductions for cooperation, timely hazard abatement, and other factors.
- The investment must address workplace safety and health hazards and improvements beyond the hazards at issue in the citation(s): i.e., the investments may not be applied towards abating the citations issued during the inspection.

Upon documentation of the alternative penalty payment investment, AKOSH Enforcement will record the amount paid and keep a running list of the employer's name, payment amount, and a general description of the investment.

All other procedures established in the AKOSH FOM will be applied to public sector employers, except that in cases where an AKOSH CSHO is denied entry to a State of Alaska worksite, the Commissioner of the controlling department shall be notified and asked to take appropriate action.

cc: Jack Rector, Acting Regional Administrator, OSHA, Region X  
Abby Lopez, Assistant Regional Administrator, OSHA, Region X  
Arlene Lamont, Anchorage Area Director, OSHA Region X