



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

AKOSH Program Directive 06-05

Date: March 29, 2006

To: Distribution List

From: Grey R. Mitchell, Director

Subject: **State-Specific Program: SHARP Small Site Renewal Pilot Project**

This Program Directive, PD 06-05, is formal notice that Alaska Department of Labor & Workforce Development, Division of Labor Standards & Safety will implement an amended SHARP Small Site Renewal Pilot Project. This amends the original SHARP Pilot project under PD 04-02. This amendment takes into consideration that certain small employers with good safety and health management systems cannot sustain a single OSHA recordable injury incident without exceeding the industry average for Lost Work Days (LWDII) and Total Recordable Case Rate (TRCR).

This amendment requires a case-by-case review of these smaller SHARP participants. If the review is successful a system is provided for participants to enter a probationary status when the participant cannot sustain the Total Case Incident Rate (TCIR) and Days Away from work, Restricted Work Activity, or Job Transfer (DART) benchmarks for continued SHARP participation.

This change becomes effective immediately. Please ensure that all members of your staff receive a copy of this program directive.

Attachment: SHARP Small Site Renewal Pilot Project - Narrative

Distribution List w/o attachment

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ALASKA DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT

LABOR STANDARDS & SAFETY DIVISION
OCCUPATIONAL SAFETY AND HEALTH

SHARP Small Site Renewal Pilot Project
Program Directive 06-05

- A. **Purpose:** To establish procedures to implement a pilot project for small site participant renewals in the Safety and Health Achievement Recognition Program (SHARP).
- B. **Scope:** This applies to SHARP participants with fewer than 100 employees.
- C. **Definition:** SHARP participants are employers with smaller worksites who develop a working relationship between management, Labor, and the Alaska Occupational Safety & Health (AKOSH) program to implement strong safety and health programs. Participants will confirm that any hazards are abated, and ensure that a pro-active approach to prevention is in place. SHARP participation allows the worksite to be removed from general scheduled inspections for the approved period of time (1-2 years) or for the duration of SHARP participation.
- D. **Reference:**
1. AKOSH Program Directive 04-02 – (amended)
 2. Consultation Policies & Procedures Manual – OSHA Instruction CSP 02-00-001 (TED 3.6)¹
- E. **Action:** The Alaska Department of Labor & Workforce Development, Division of Labor Standards & Safety, Occupational Safety & Health Consultation and Training (AKOSH C&T) will carry out the project following the procedures described in this agreement for a period of three years.
- F. **Goals & Objectives:**
1. Current eligibility criteria for SHARP participation requires employers to maintain Lost Work Day Injury and Illness Incidence Rate (LWDII) and Total Recordable Case Rate (TRCR) below the industry average compared to the same Standard Industrial Classification (SIC) code from the latest Bureau of Labor Statistics (BLS) data. Under this criterion, SHARP sites with few employees cannot sustain a single OSHA recordable injury incident without exceeding the industry average for LWDII and TRCR and thereby losing SHARP status.

¹ http://www.osha.gov/pls/oshaweb/owadis.show_document?p_table=DIRECTIVES&p_id=2584

2. Through this pilot program, some small employers with good safety and health management systems and strong commitment to employee safety and health may be allowed into a probationary status when they are not meeting the TCIR and/or DART benchmark for continued SHARP participation. This pilot adjusts the requirements under which the employer can request and the Commissioner of Labor & Workforce Development may approve continued participation in the inspection deferral program. This program is to be used on a case-by-case basis to support an employer whose commitment and planning meet the criteria described below.
 - a. The employer's request to continue in the deferral program must be submitted in writing.
 - i. If the site's TCIR and/or DART rate is above the industry average, the site must set realistic, concrete goals for reducing its rates within two years and must specify the methods it will use to accomplish the goals. See paragraph F-2.
 - ii. It must be programmatically and statistically feasible for the site to reduce its TCIR and DART rate to below the industry average within two years.
 - b. To formalize the employer's plan, within 30 days of the renewal request, the employer must submit in writing an injury and illness prevention plan that addresses the worksite. In addition to an overview, this plan must specifically address the hazards, work processes and/or locations that are causing worksite injuries at the workplace.
3. The AKOSH consultation manager must review this submittal and determine whether the plan properly addresses the issues noted in paragraphs F-2 (a) and (b) above. The consultation manager will also evaluate:
 - a. The severity of the incident(s) at the worksite.
 - b. The employer's compliance with regulatory requirements contained in the Code of Federal Regulations (CFR) and the Alaska Administrative Code (AAC).
 - c. Whether the employer continues to meet all other eligibility criteria and program requirements.
4. The employer must also permit any full service visit needed to verify compliance with the terms of this pilot or to assist in hazard evaluation and abatement.

5. Finally, the employer must agree to conduct a self-evaluation at the end of the first year of the deferral period. The employer's written report on this self-evaluation will be provided to the AKOSH consultation manager no later than 90 days after the end of the first year.
 6. If the consultation manager's evaluation concludes that the employer's injury and illness plan can be effective in reducing the hazards that are causing injuries at the worksite, the manager may recommend to the Commissioner of the Department of Labor & Workforce Development that the employer's exemption be continued for an additional two years. Upon completion of any approved two year extension, any subsequent renewal request must meet the normal established requirements for SHARP renewal.
- G. **Outreach:** The AKOSH Consultation Office will carry out various outreach activities to introduce this project and to promote comprehensive employer safety and health programs. All current and future eligible SHARP participants will be contacted. The following list of activities provides a framework for action, but is not designed to be exhaustive:
1. Information and training sessions sponsored by AKOSH will target interested parties. The purpose of these sessions will be to discuss program specifications, obligations of AKOSH, participant responsibilities, benefits of a comprehensive workplace safety and health program, and AKOSH and OSHA regulatory requirements.
 2. Enlisting the support and help of various organizations to promote awareness of the project.
 3. Compiling an inventory of resources for use in the development of safety and health programs for project participants.
- H. **Disqualification:** If the SHARP participant fails to meet the SHARP criteria outlined in TED 3.6, the employer's participation in SHARP may be discontinued. In case of this determination, the employer will be formally notified in writing of removal from the program.

Participation in SHARP does not diminish any of the rights and responsibilities provided to employees by the Occupational Safety and Health Act of 1970. The name of the renewed SHARP site will be removed from AKOSH's scheduled inspection list for one year or for the duration of SHARP participation. However, employees' complaints fatalities or catastrophes and significant chemical leaks or spills at the site will still result in normal AKOSH enforcement activities.