

Department of Legislative Services
 Maryland General Assembly
 2014 Session

FISCAL AND POLICY NOTE

Senate Bill 483
 Finance

(Senator Klausmeier, *et al.*)

Labor and Employment - Health Care Facilities - Workplace Violence Prevention Program

This bill requires hospitals and related institutions to establish a workplace violence prevention committee, which must establish and administer a workplace violence prevention program that is appropriate for the size and complexity of the health care facility.

Fiscal Summary

State Effect: Special fund expenditures for the Department of Labor, Licensing, and Regulation (DLLR) increase by \$116,600 in FY 2015, which reflects the cost of hiring two full-time employees to assist with outreach and enforcement. General fund expenditures also increase to the extent that State-run health care facilities are unable to absorb the duties established under the bill. Exact general fund expenditures cannot be reliably estimated at this time. Future year expenditures reflect annualization and inflation. Revenues are not affected.

(in dollars)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	116,600	147,700	154,000	160,500	167,300
Net Effect	(\$116,600)	(\$147,700)	(\$154,000)	(\$160,500)	(\$167,300)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Any fiscal impact on locally owned health care facilities is expected to be minimal.

Small Business Effect: Minimal. Because a workplace violence program established under the bill is required to be appropriate for the size and complexity of a facility, it is assumed that any impact to small health care facilities is minimal.

Analysis

Bill Summary: A workplace violence prevention program established under the bill must include (1) a written policy describing how the health care facility provides for the security of health care workers; (2) an annual assessment to identify hazards, conditions, operations, and situations that could lead to workplace violence and be used to develop recommendations to reduce the risk of workplace violence; (3) a process for reporting, responding to, and tracking incidences of workplace violence; and (4) regular workplace violence prevention training for health care workers.

Current Law: In administering and enforcing Title 5 (Occupational Safety and Health) of the Labor and Employment Article, the Commissioner of Labor Industry is required to (1) assist employers in carrying out their responsibilities under the Maryland Occupational Safety and Health Act and (2) recommend, and suggest to employers, methods and procedures to develop safety programs to carry out those responsibilities. The commissioner must also provide educational and training programs related to occupational safety and health.

A “related institution” is an organized institution, environment, or home that maintains conditions or facilities and equipment to provide domiciliary, personal, or nursing care for two or more unrelated individuals (admitted or retained by the institution for overnight care) who are dependent on the administrator, operator, or proprietor for nursing care or the subsistence of daily living in a safe, sanitary, and healthful environment.

State Expenditures: DLLR advises that, under the bill, the Maryland Occupational Safety and Health unit (MOSH) in the Division of Labor and Industry must hire two additional full-time employees to develop the necessary regulations and provide ongoing outreach and enforcement. Given DLLR’s expansive duties with regard to assisting employers in carrying out their workplace safety responsibilities, the Department of Legislative Services (DLS) concurs that additional staff is needed to implement and enforce the bill.

The MOSH unit is funded through a combination of special funds received from the Workers’ Compensation Commission and various federal funds. However, DLLR indicates special funds would have to be used for this bill. Thus, special fund expenditures increase by \$116,565 in fiscal 2015, which accounts for the bill’s October 1, 2014 effective date. This estimate reflects the cost of hiring two additional full-time employees to implement and enforce the bill. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses (including travel and communications costs).

Positions	2
Salaries and Fringe Benefits	\$91,872
One-time Start-up Costs	8,740
Ongoing Operating Expenses	<u>15,953</u>
Total FY 2015 State Expenditures	\$116,565

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

The Department of Health and Mental Hygiene (DHMH) advises that general fund expenditures also increase by \$24,000 to \$30,000 annually for various facilities operated by the Developmental Disabilities Administration (including the Holly Center, the Potomac Center, and Secure Evaluation and Therapeutic Treatment facilities) to comply with the bill's requirements. Expenditures anticipated by the department include those stemming from overtime pay, meetings, and additional training. However, DLS advises that exact costs, if any, to State-run facilities depend on the programs implemented by each facility and the extent to which a facility can integrate program requirements into any existing workplace safety program. Thus, any increase in general fund expenditures cannot be reliably estimated at this time.

State-run psychiatric facilities that operate under the department's Behavioral Health Administration include Clifton T. Perkins Hospital Center, Eastern Shore Hospital Center, two Regional Institutes for Children and Youth, Springfield Hospital Center, Spring Grove Hospital Center, and Thomas B. Finan Hospital Center. Other hospitals operated by DHMH include Deer's Head Center and Western Maryland Center. As noted above, exact costs to State-run facilities depend on the content of the regulations ultimately adopted by DLLR. However, because DHMH advises that there is no impact to these facilities under the bill, it is assumed that each of these facilities can likely integrate the bill's requirements into an existing workplace safety program and/or otherwise absorb the duties established under the bill.

Additional Information

Prior Introductions: Nearly identical bills, SB 804/HB 774 of 2013, were heard by the Senate Finance and House Economic Matters committees, respectively, but were both withdrawn.

Cross File: HB 710 (Delegate Cullison, *et al.*) - Economic Matters.

Information Source(s): Department of Health and Mental Hygiene; Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - February 19, 2014
ncs/ljm

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