



**December 3, 2008**  
**Washington, DC**





**Robert Hoover**  
**TAUC President**  
**Aker Construction**





**December 3, 2008**  
**Washington, DC**





# **Noah Connell**

**Acting Director, Directorate of Construction  
OSHA**

The image features the OSHA logo prominently in the center. The logo consists of a stylized 'O' with a blue and grey circular design inside, followed by the letters 'S', 'H', and 'A' in a white, serif font. The background is a close-up, slightly blurred view of the American flag, showing the stars and stripes. Below the logo, the text 'adds value to business, work and life.' is written in a grey, serif font.

# OSHA

adds value to business,  
work and life.

*Occupational Safety and Health Administration*

*Proposed Rules For*  
**Cranes & Derricks**  
*and*  
**Confined Spaces**

**Noah Connell**  
**Deputy Director**  
**Directorate of Construction**

# CRANES & DERRICKS

## Developing a New Rule



# Negotiated Rulemaking

## C-DAC Committee:



**Manufacturers**  
**Users**  
**Owners**  
**Renters**  
**Labor**  
**Contractors**  
**Electric utilities**  
**Trade organizations**  
**Government**



# PROPOSED RULE

## HIGHLIGHTS



# HIGHLIGHTS

- **Scope**
- Definitions
- **Ground Conditions**
- **Assembly/disassembly**
- **Power Line Safety**
- **Inspections**
- Wire Rope
- Safety Devices
- Operational Aids
- Operation
- Authority To Stop
- Signals
- Fall Protection
- Work Area Control
- Keeping Clear Of The Load
- Free Fall/ Controlled Load Lowering
- **Operator Qualification and Certification**

- Signal Person Qualifications
- Qualifications of Maintenance and Repair Workers
- Training
- Hoisting Personnel
- Multiple Crane/Derrick Lifts
- Design, Construction and Testing
- Equipment Modification
- **Tower Cranes**
- Derricks
- Floating Cranes & Land Cranes on Barges
- Overhead and Gantry Cranes
- Dedicated Pile Drivers
- Sideboom Cranes
- Requirements for equipment w/ capacity of 2000 lbs and less

# SCOPE: WHAT EQUIPMENT IS COVERED?

- *Functional description*

**Can hoist, lower and horizontally move a suspended load**

**&**

- *Long list of examples*

# Examples list

- **Articulating cranes** (such as knuckle-boom cranes);
- **Crawler cranes;**
- **Floating cranes;**
- **Cranes on barges;**
- **Locomotive cranes;**
- **Mobile cranes**  
(such as wheel-mounted, rough-terrain, all-terrain, commercial truck-mounted, and boom truck cranes);
- **Multi-purpose machines**  
when configured to hoist and lower (by means of a winch or hook) and horizontally move a suspended load;

- **Industrial cranes** (such as carry-deck cranes); **dedicated pile drivers;** **service/mechanic trucks with a hoisting device;**
- **Crane on a monorail;**
- **Tower cranes** (such as fixed jib (“hammerhead boom”), luffing boom and self-erecting);
- **Pedestal cranes;**
- **Portal cranes;**
- **Overhead and gantry cranes;**
- **Straddle cranes;**
- **Side-boom tractors;**
- **Derricks;**

***And variations of such Equipment.***

# Scope

- Specific exclusions
  - (such as backhoes and forklifts)
- Limited requirements for:
  - Capacity: 2000 pounds or less
  - Dedicated pile drivers
  - Overhead and gantry cranes
  - Side-boom tractors
- Supplemental requirements for:
  - Tower cranes
  - Derricks
  - Floating cranes & land cranes on barges

# GROUND CONDITIONS



# GROUND CONDITIONS

**Controlling entity:  
Provide adequate conditions**



- Firm, drained and graded
- Sufficient to support crane (in conjunction with blocking, mats, etc.)

# GROUND CONDITIONS

Inform user &  
Equipment operator  
of  
**known**  
underground  
hazards  
(voids, utilities, etc.)





# ASSEMBLY / DISASSEMBLY



# ASSEMBLY / DISASSEMBLY

- **Two options:**

**Manufacturer procedures**

*or*

**Employer procedures**

**(criteria requirements)**



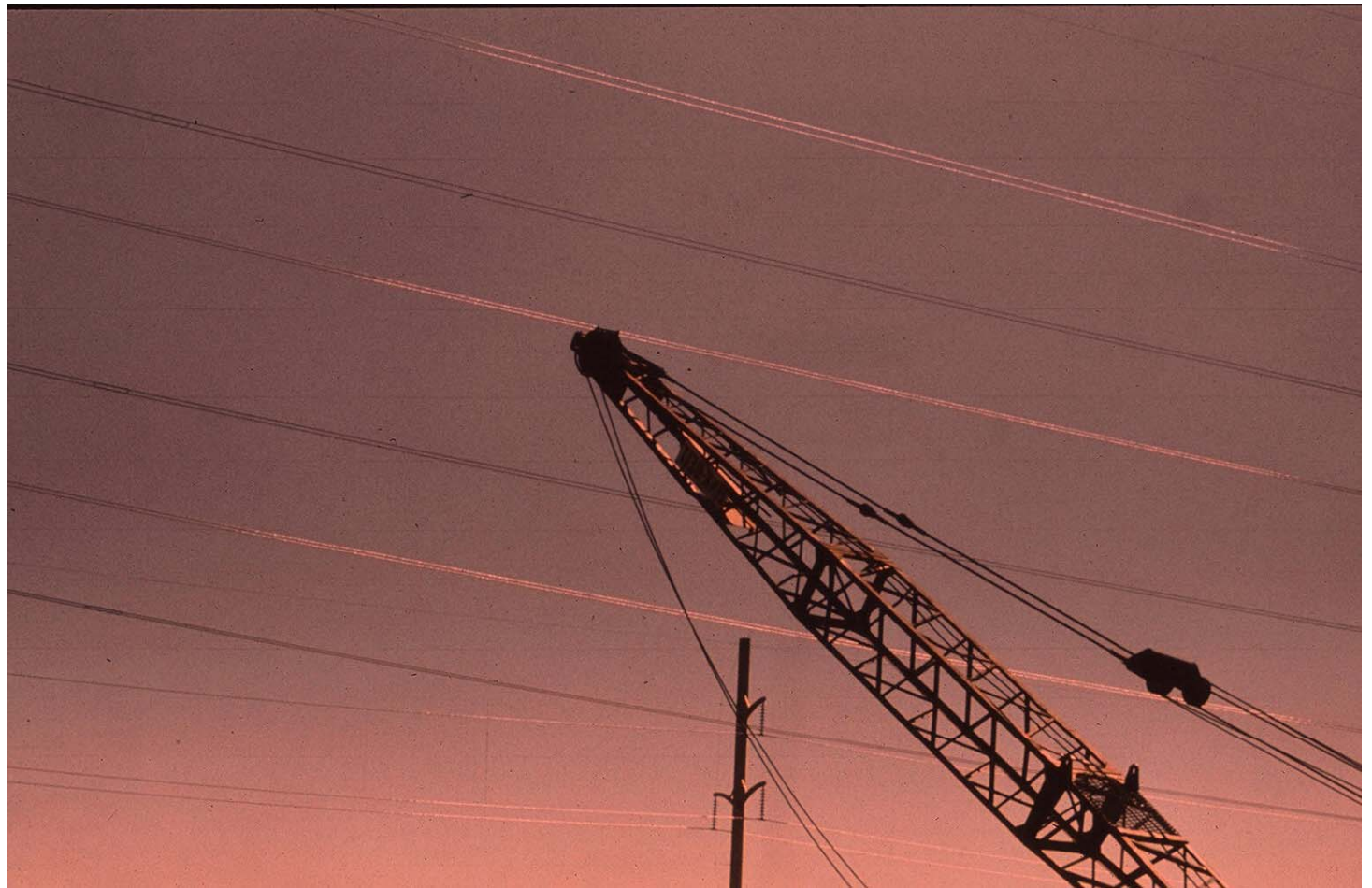
# ASSEMBLY / DISASSEMBLY

- **General requirements, such as:**
  - **A/D supervisor = “competent & qualified person”**
  - **A/D supervisor must:**
    - **Understand procedures**
    - **Review procedures (unless A/D supervisor has used them before)**
    - **Check that crew members understand their tasks, hazards**
  - **Follow manufacturer’s prohibitions**
  - **When using outriggers - fully extended *or* deployed per the load chart**

# ASSEMBLY / DISASSEMBLY

- **A/D supervisor addresses 12 key hazards, including:**
  - **Adequate site and ground conditions**
  - **Sufficient blocking for load and stability**
  - **Suitable boom and jib pick points**
  - **Identify center of gravity**
  - **Stability for pin removal**
  - **Consider wind speed and weather**

# POWER LINES



# POWER LINES

- **Step 1: Identify Work Zone**

**Work Zone =**

**Marking boundaries**

***OR***

**360 degrees around crane up to  
maximum working radius**

Could you get within 20 feet of power line?

YES

NO

**Option #1**  
Deenergize &  
Ground

**Option #2**  
20 foot  
clearance

**Option #3**  
Ask Utility for  
Voltage and  
Use Table A  
(with minimum  
clearance distance)

**Encroachment  
Prevention measures**

- Planning meeting
- If tag lines used  $\Rightarrow$  Non-conductive
- Elevated warning lines, barricade or line of signs
- *PLUS* (Choose one):
- Proximity alarm, spotter, warning device, range limiter, or insulating link

No further  
action

## Table A – Minimum Clearance Distances

| Voltage (nominal, kV, alternating current) | Minimum clearance distance (feet)  |
|--|--|
| up to 50                                   | 10   |
| over 50 to 200                             | 15   |
| over 200 to 350                            | 20   |
| over 350 to 500                            | 25   |
| over 500 to 750                            | 35   |
| over 750 to 1000                           | 45   |
| over 1000                                  | (as established by the power line owner/operator or registered professional engineer who is a qualified person with respect to electrical power transmission and distribution) |



## Intentionally Working Closer Than Table A Zone

### *Must show:*

- Staying outside zone is infeasible
- Infeasible to deenergize and ground



### All of the following are required:

1. PL owner – **sets minimum approach distance**
2. Planning meeting – procedures
3. Dedicated spotter
4. Elevated warning line or barricade
5. Insulating link/device
6. Non-conductive rigging
7. Range limiter (if equipped)
8. Non-conductive tag line (if used)
9. Barricades - 10 feet from equipment
10. Limit access to essential employees
11. Ground crane
12. Deactivate automatic re-energizer

# CRANES & DERRICKS

## OPERATOR CERTIFICATION



# OPERATOR QUALIFICATION / CERTIFICATION

- **OPTION 1:**  
Accredited testing organization
- **OPTION 2:**  
Employer qualification program
- **OPTION 3:**  
U.S. military
- **OPTION 4:**  
State/local gov't license

## ***Option 1: Accredited Testing Organization***

Nationally recognized accrediting agency

Determines  
compliance  
with testing & test  
administration  
criteria

Accredited testing  
organization

Develops and administers  
the tests (written &  
practical) to certify  
operators

**Different tests for  
Different capacity/  
type of equipment**

## *Option 2:* Employer Qualification Program

Accredited testing  
organization

Certifies



Employer Qualification  
Program

Auditor

Compliance  
with testing & test  
administration criteria



Employer-  
administered  
written &  
practical  
tests

***Option 3:* U.S. Military**



***Option 4:* State/local government license**

State/local  
government authority  
that oversees  
licensing office

Determines license office complies  
with testing/ test administration  
criteria

State/local  
government license  
office

Issues Operator license

# OPERATOR QUALIFICATION / CERTIFICATION

**Portable**




**Valid**

|  |   |  |
|--|---|--|
| <b>Accredited testing organization</b> | <b>YES</b>  | <b>5 years</b>                                 |
| <b>Employer Qualification Program</b>  | <b>NO</b>   | <b>5 years</b>                                 |
| <b>US Military license</b>             | <b>NO</b>   | <b>Set by issuing entity</b>                   |
| <b>State/local license</b>             | <b>NO</b><br><b>Valid only in entity's jurisdiction</b> | <b>Set by issuing entity, not &gt; 5 years</b> |



# OPERATOR QUALIFICATION / CERTIFICATION

## Testing Criteria

- **OPTION 1:**   
Accredited testing organization
- **OPTION 2:**   
Employer qualification program
- **OPTION 3:**  
U.S. military
- **OPTION 4:**   
State/local gov't license

- **Knowledge** (written test):
  - Controls/performance characteristics
  - Calculate capacity (w/ or w/out calculator)
  - Preventing power line contact
  - Ground support
  - Read and locate info in operating manual
  - Appendix Q subjects
- **Practical test**

# Signaling



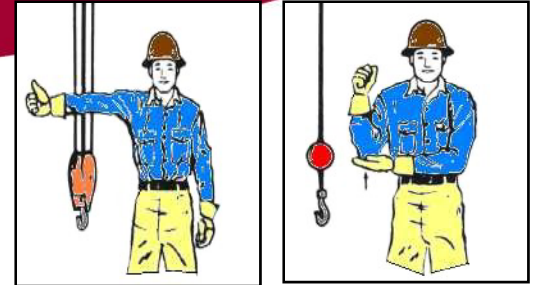
# SIGNALS

- **Signal person – when required:**
  - Point of operation not in full view of operator
  - View of direction of travel is obstructed
  - Site specific safety concerns

- **Signal Types:**
  - Hand, voice, audible or “new”

# SIGNALS

- **Signal Persons Qualifications**



**Qualified how**

**Documentation**

**Portable**

|   |     |     |
|---|-----|-----|
| 3 <sup>rd</sup> party qualified evaluator | Yes | Yes |
| Employer Qualified Evaluator              | Yes | No  |

# SIGNALS

- **Qualification Requirements:**
  - Know & understand signals
  - Competent in using signals
  - Basic understanding of crane operation
  - Verbal or written test + practical test

# CRANES & DERRICKS

## INSPECTIONS



# INSPECTIONS

## Type of Inspection:

## Who Inspects:

|                                |           |
|--------------------------------|-----------|
| Modified or Repaired/ adjusted | Qualified |
| Post-assembly                  | Qualified |
| Shift                          | Competent |
| Monthly                        | Competent |
| Annual                         | Qualified |

# INSPECTIONS

- **Shift** = visual inspection for apparent deficiencies
- **Monthly** = documented shift inspection
- **Annual** = comprehensive, every 12 months



# TOWER CRANES



# TOWER CRANES

## SUPPLEMENTAL REQUIREMENTS



# Highlights of supplemental tower crane requirements

- **Foundations & structural supports**
  - Design & Inspection
- **Plumb tolerance**
  - Specification & verification
- **Climbing procedures**
  - Host structure strength verification
  - Wind
- **Post-erection load test**
- **Monthly Inspection:** tower mast bolts, upper-most tie-in, braces, floor supports, floor wedges

# STATUS & NEXT STEPS

- ✓ • Office of Management and Budget review complete
- ✓ • C-DAC members review per neg reg ground rules
- ✓ • Publish in Fed Reg
- ➔ • Public comment period (ext to: **January 22, 2009**)
  - Public Hearing
  - Analysis of comments
  - Final standard

# To comment on proposed rule

- [www.regulations.gov](http://www.regulations.gov)
  - Enter: “cranes and derricks in construction”

# Confined Spaces In Construction

## Proposed Rule



# Confined Spaces In Construction

## OVERVIEW



# Confined Spaces

## Worksite Evaluation

Information Exchange

Identify, Assess  
& Classify spaces

## Protective measures

Based on space's  
classification



# Confined Spaces

## Worksite Evaluation

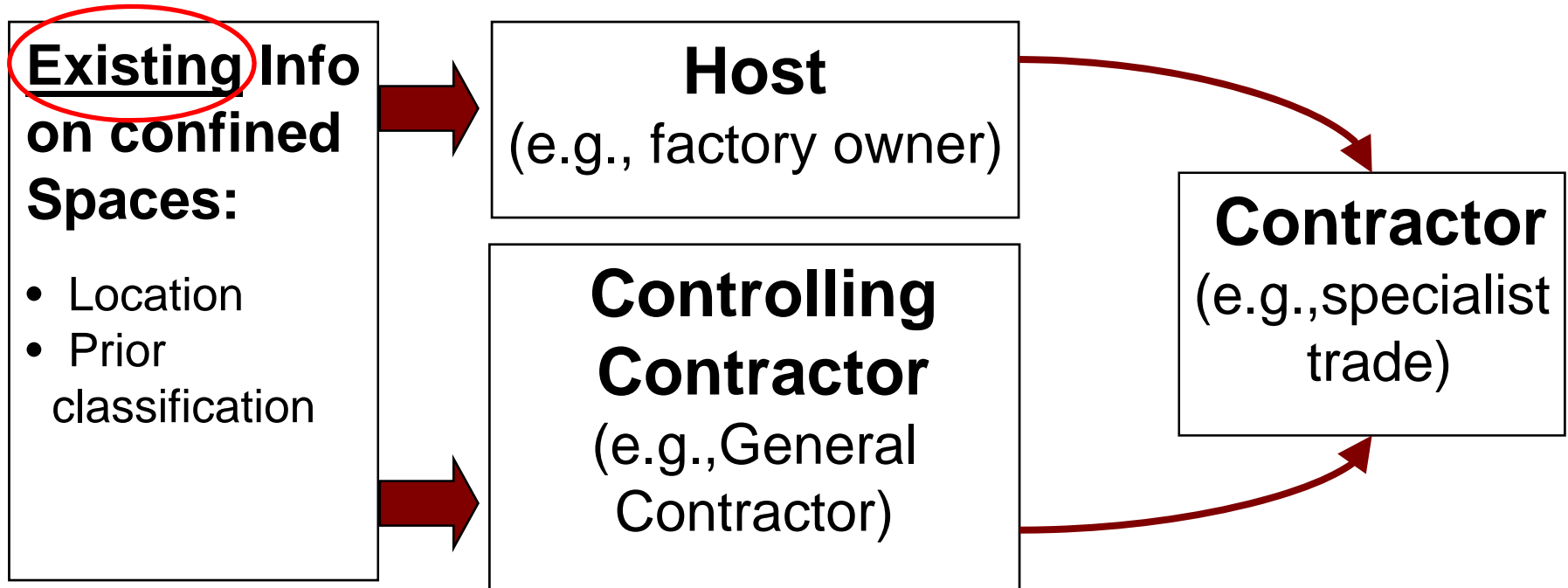
Information Exchange

Identify, Assess  
& Classify spaces

## Protective measures

Based on space's  
classification

# Information Exchange



# Confined Spaces

## Worksite Evaluation

Information Exchange

**Identify, Assess  
& Classify spaces**

## Protective measures

Based on space's  
classification

# Identify, Assess & Classify

**Identify**



Confined space?

**Assess**



Determine hazards

**Classify**



Choose classification

# Identify, Assess & Classify

**Identify**



Confined space?

**Assess**

• Large enough and so arranged that an employee can enter and exit



• Determined by hazards

Has ALL:

**Classify**

• Limited or restricted means for entry and exit



• Choose classification

• Not designed for continuous employee occupancy

# Identify, Assess & Classify

**Identify**



Confined space?

**Assess**



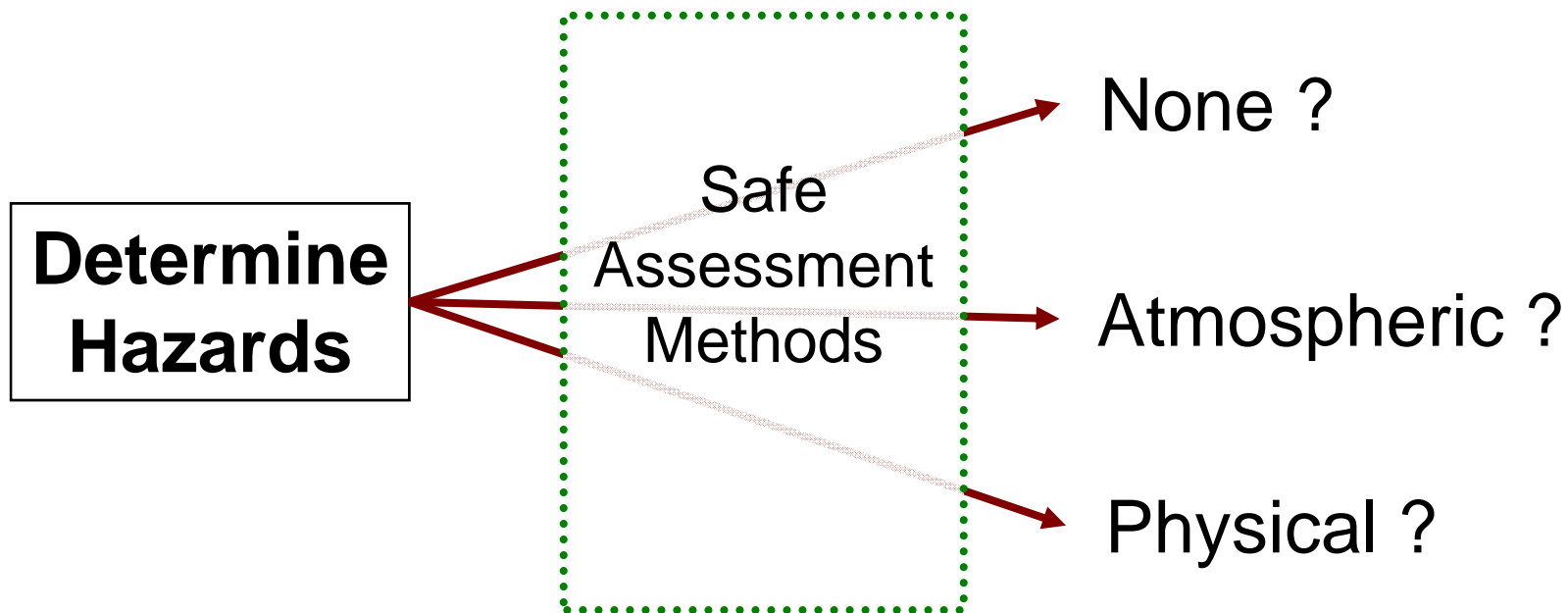
Determine hazards

**Classify**



Choose classification

# Assess For Hazards



# Identify, Assess & Classify

**Identify**



Confined space?

**Assess**



Determine hazards ✓

**Classify**

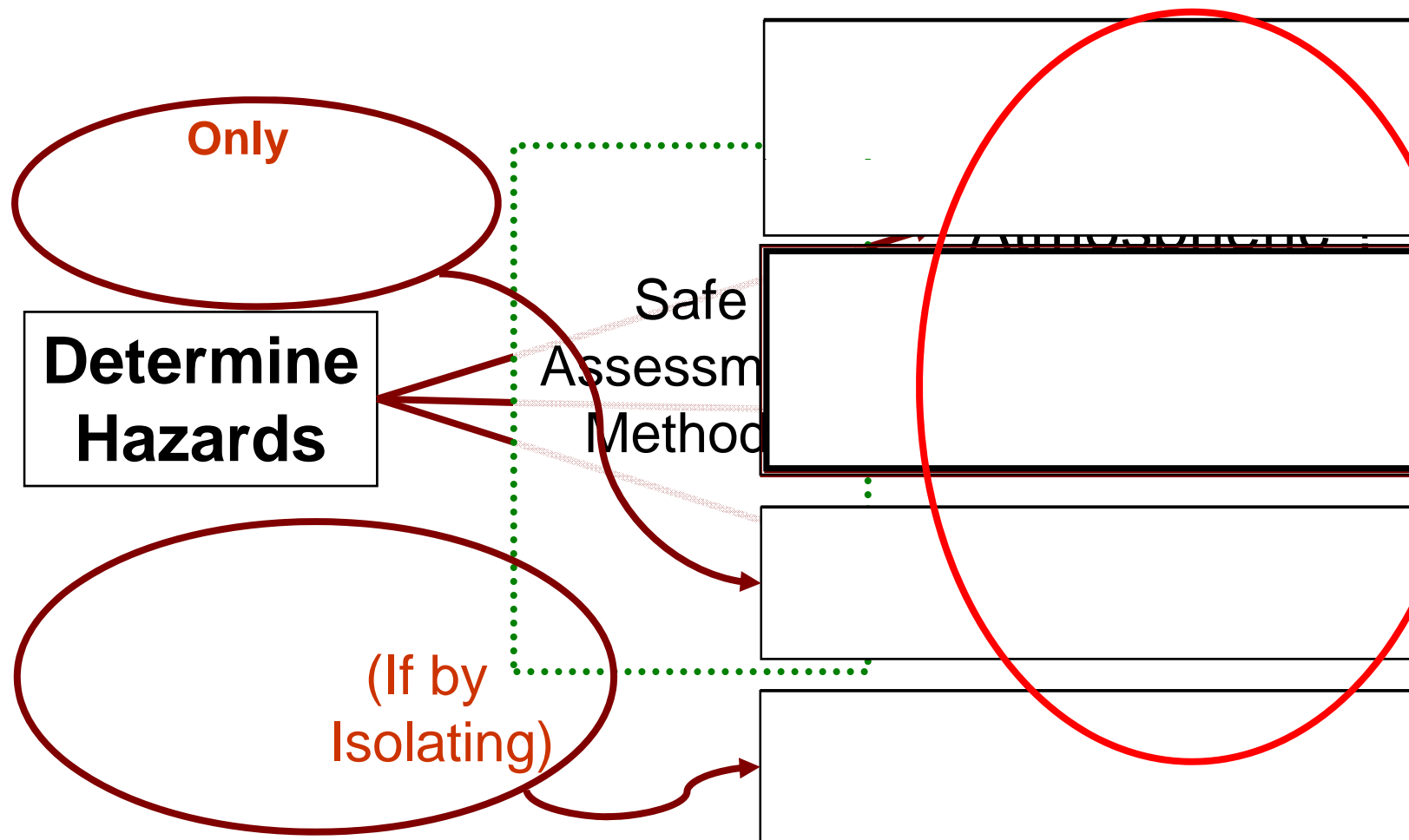


Choose classification



# Classify

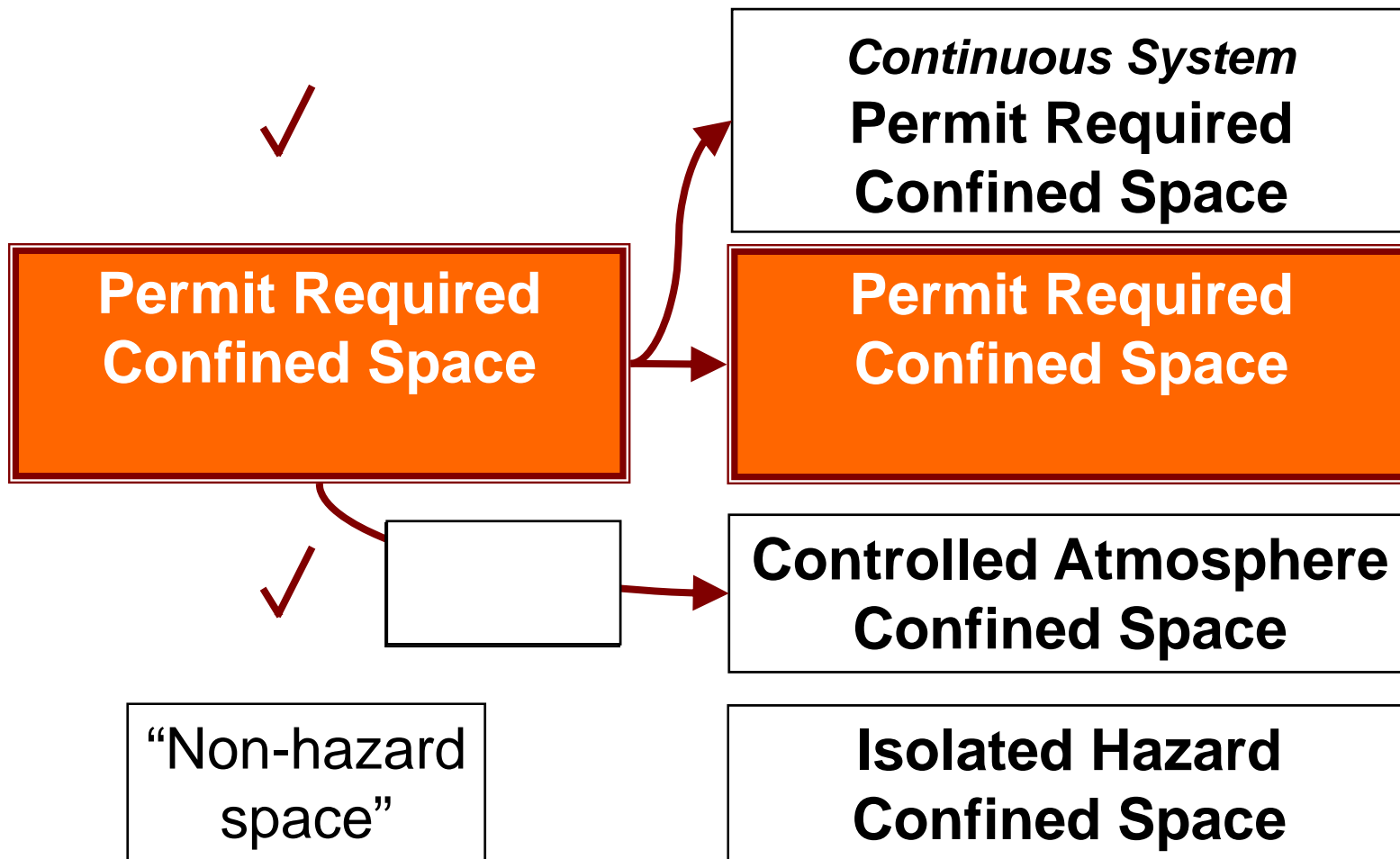
## Classifications



# Comparison with General Industry Standard

General Industry

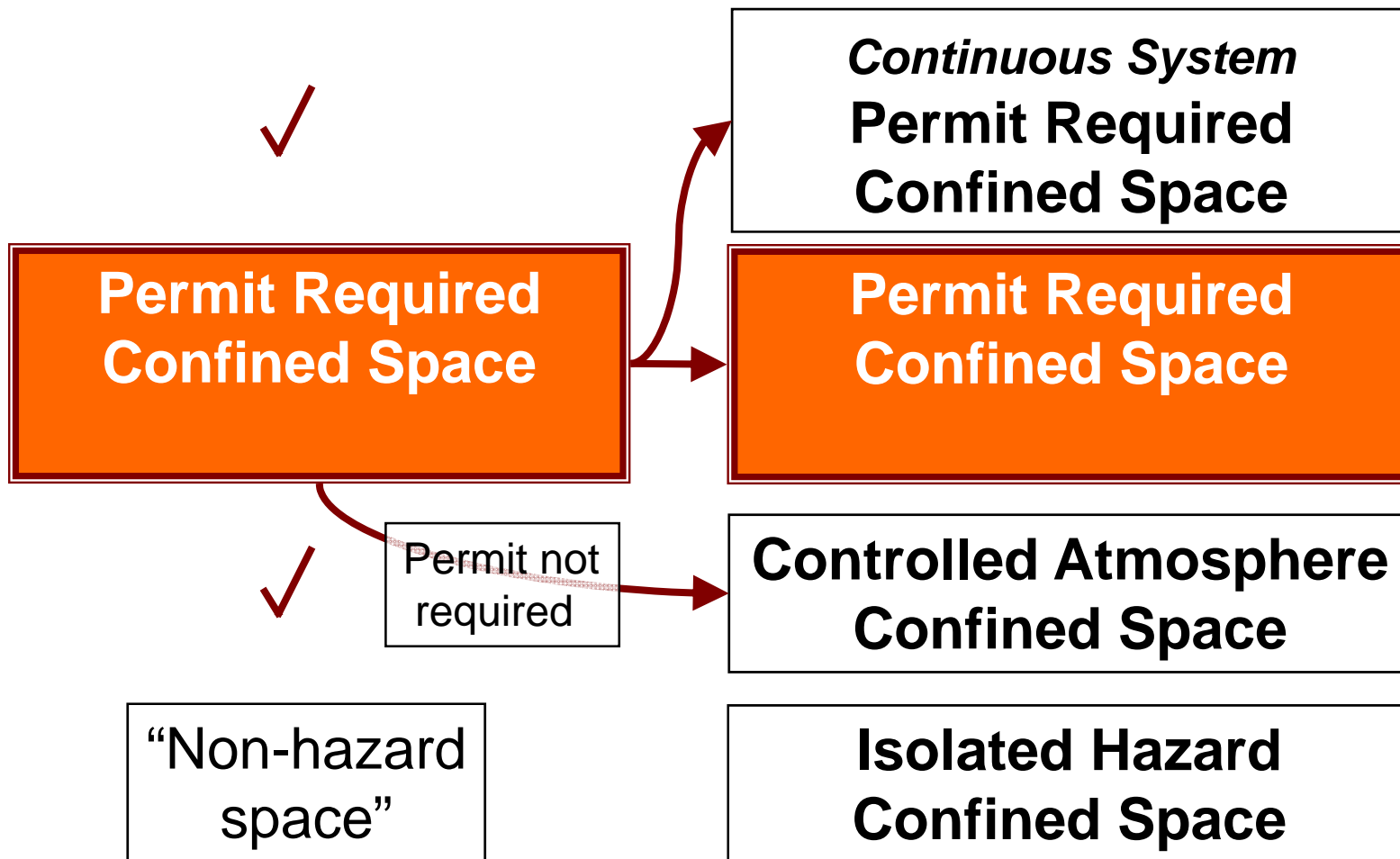
Construction



# Comparison with General Industry Standard

General Industry

Construction



# Confined Spaces

## Worksite Evaluation

Information Exchange



Identify, Assess  
& Classify spaces



## Protective measures

Based on space's  
classification

# Comparison with General Industry Standard

General Industry

Industry

Construction

Continuous Monitoring ✓

Continuous Monitoring

**Continuous System Permit Required Confined Space**

As necessary

**Permit Required Confined Space**

Continuous Monitoring

**Permit Required Confined Space**

As necessary ✓

Permit not required

Continuous Monitoring

**Controlled Atmosphere Confined Space**

**"Non-hazard space"**

Test Before Entry

**Isolated Hazard Confined Space**

# Comparison with General Industry Standard

General Industry

Construction

e.w.s. not required

Early warning system

*Continuous System*  
**Permit Required  
Confined Space**

**Permit Required  
Confined Space**

**Controlled Atmosphere  
Confined Space**

**Isolated Hazard  
Confined Space**

# Comparison with General Industry Standard

General Industry

Construction

Non-entry  
or  
Entry rescue  
Non-entry  
or  
Entry rescue\*

Non-entry rescue  
(unless greater hazard)

Non-entry rescue  
(unless greater hazard)

**\*(But must wear Non-entry equip)**

**Continuous System  
Permit Required  
Confined Space**

**Permit Required  
Confined Space**

**Controlled Atmosphere  
Confined Space**

**Isolated Hazard  
Confined Space**

QUESTIONS ?





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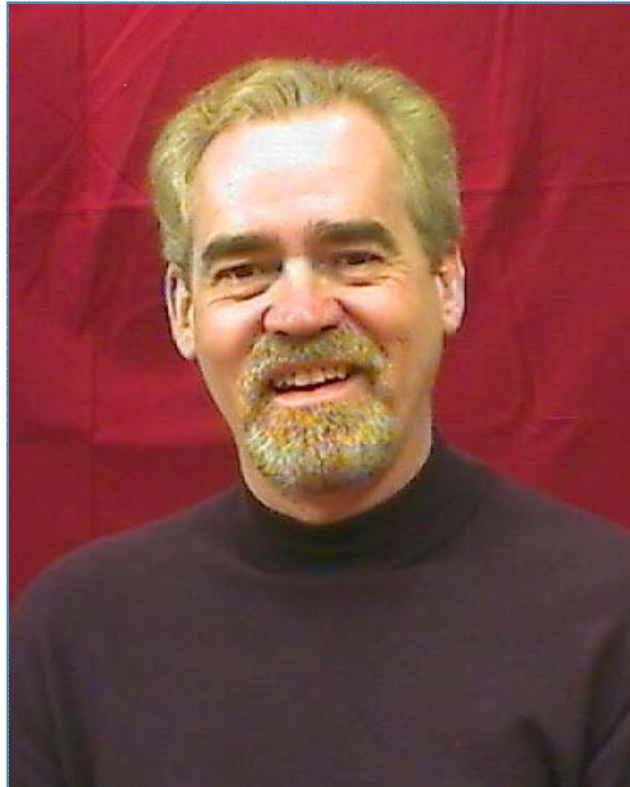
# OSHA

adds value to business,  
work and life.



**December 3, 2008**  
**Washington, DC**





**Randy DeFrehn**

**Executive Director**

**National Coordinating Committee for Multiemployer Plans**

# NCCMP UPDATE

## ***THE CREDIT CRISIS IMPACT ON MULTIEMPLOYER PENSION PLANS***

PRESENTED TO:

**THE ASSOCIATION OF UNION CONSTRUCTORS**



DECEMBER 3, 2008

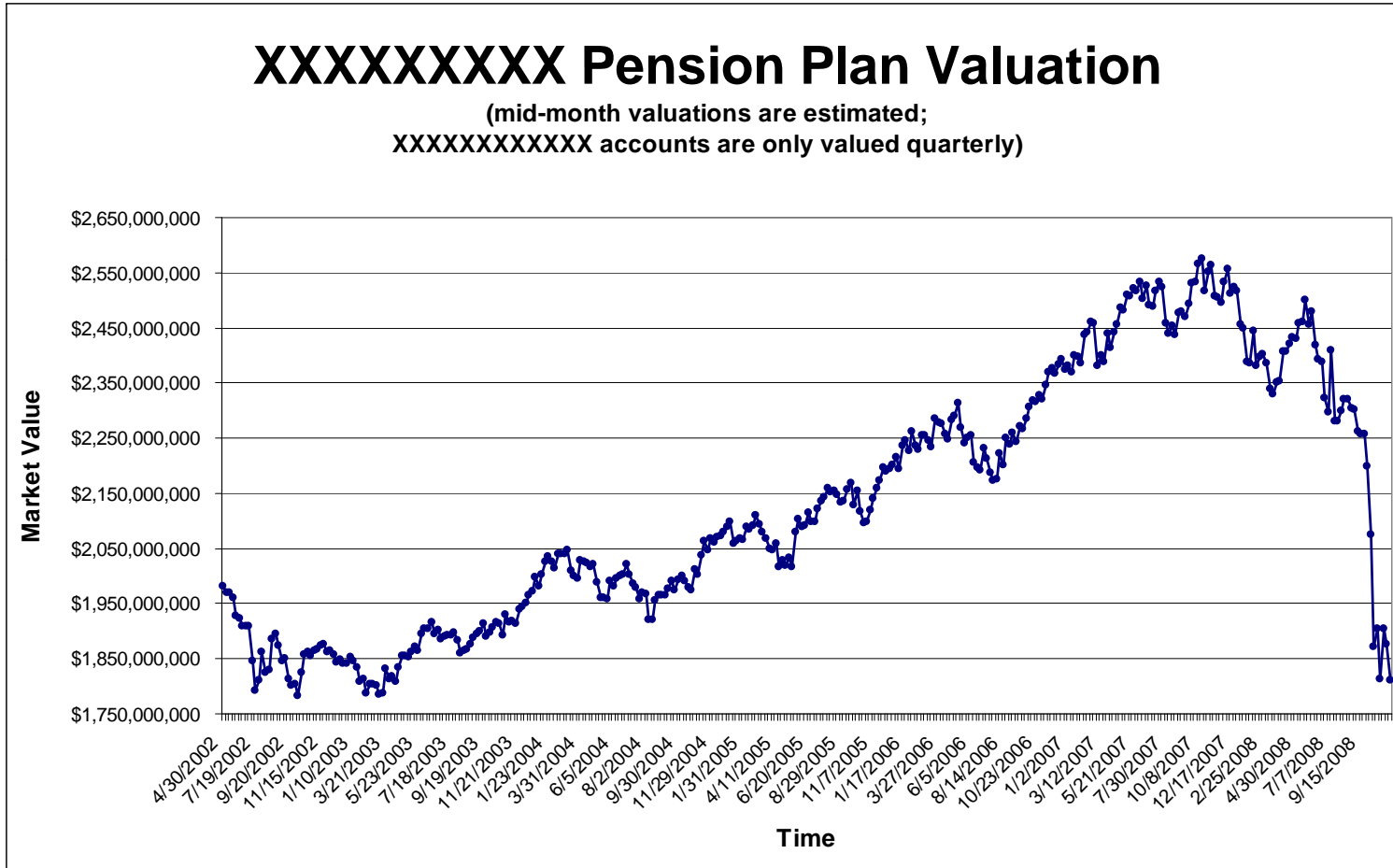
BY:

RANDY G. DEFREHN  
EXECUTIVE DIRECTOR, NCCMP



# The Recent History of Assets in an Illustrative Multiemployer Plan

Assets at Market Value On a Quarterly Basis, 4/30/2002 – 9/30/2008

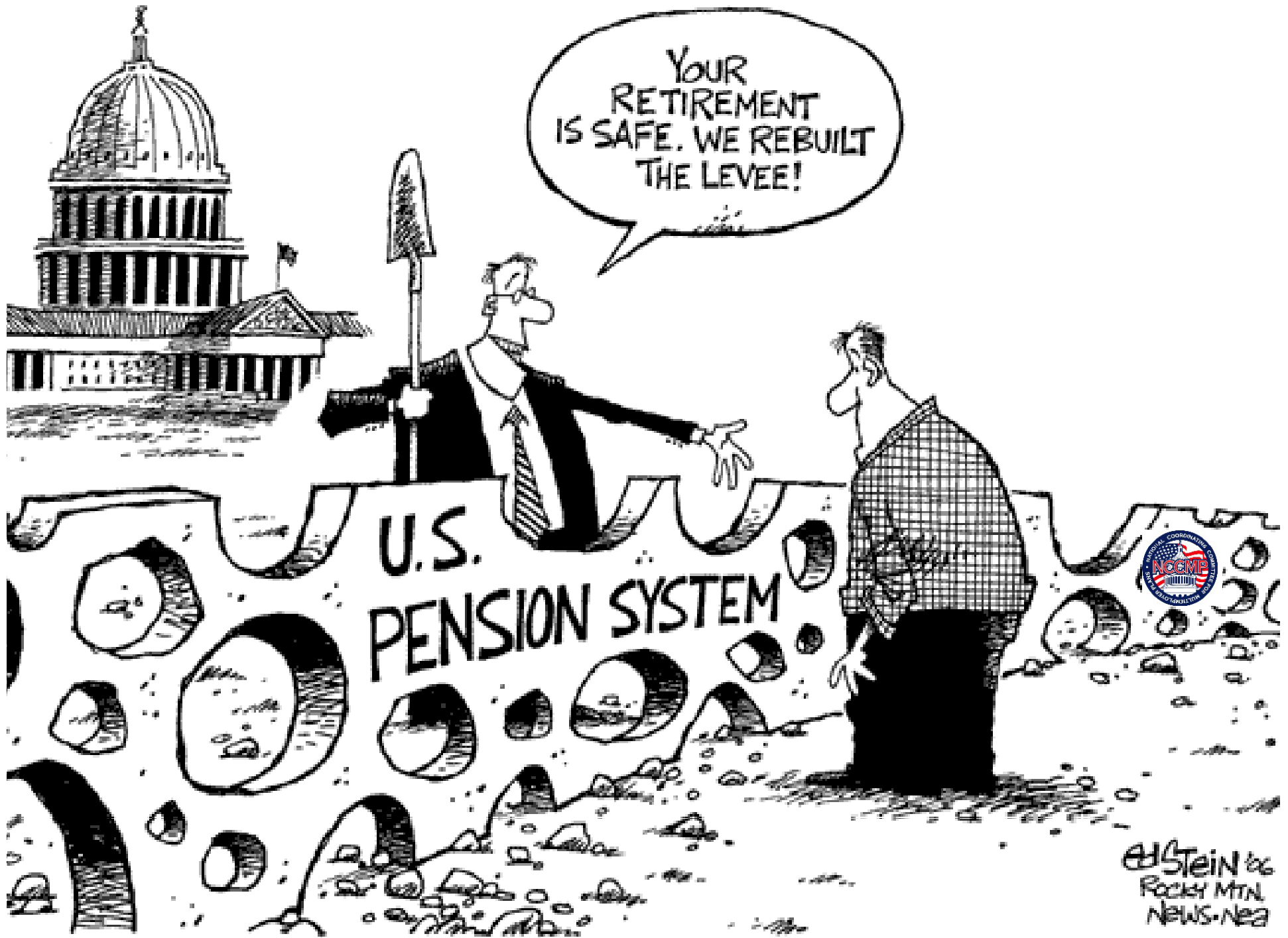


Note: this is taken from a valuation report prepared for a real multiemployer pension plan with a standard investment allocation, about 55% - 60% in equities during this period.

# OVERVIEW

- **UNDERSTANDING THE ENVIRONMENT**
  - **THE PPA OF 2006**
  - **THE MAGNITUDE OF CURRENT LOSSES**
- **OPTIONS**
  - **FULL RANGE**
  - **NARROW PROPOSAL FROM THE MPPC**
  - **WORKER, RETIREE AND EMPLOYER RELIEF ACT OF 2008**
- **“WHAT IF?” AND “WHAT’S NEXT?”**





YOUR  
RETIREMENT  
IS SAFE. WE REBUILT  
THE LEVEE!

U.S.  
PENSION SYSTEM



Ed Stein '06  
Rocky Mtn.  
News-NEA

***“ONCE IN A LIFETIME”***

## **BEAR MARKET**

- **2000 TO 2002 CONTRACTION**
  - **PRODUCED LOSSES OF 15% TO 20%**
  - **PLANS FACED FAILURE**
  - **SPONSORS FACED BANKRUPTCY**
- **COORDINATED RESPONSE PRODUCED UNIFIED PROPOSAL**
- **PROPOSAL FORMED BASIS FOR MULTIEMPLOYER PROVISIONS OF PPA**





# PPA HIGHLIGHTS

- **RESTORES TRUSTEE AND BARGAINERS' FLEXIBILITY TO SALVAGE SEVERELY UNDER FUNDED PLANS**
- **PROTECTS NORMAL RETIREMENT BENEFITS AT NORMAL RETIREMENT AGE**
- **PROTECTS EMPLOYERS FROM SANCTIONS**
- **NO PANACEA – TOUGH MEDICINE TO PROTECT PLANS, PARTICIPANTS AND EMPLOYERS**
- **IMPOSES A NOTION OF “SHARED PAIN”**
- **TRAFFIC LIGHT ANALOGY**



# **BROAD REQUIREMENTS**

## **“GREEN ZONE” PLANS**

- 75% OF FUNDS**
- CHANGES AMORTIZATION PERIOD FOR BENEFIT IMPROVEMENTS & ASSUMPTIONS FROM 30 TO 15 YRS**
- AUTOMATIC 5 YR AMORTIZATION EXTENSIONS**
- INCREASED MAX DEDUCTIBLE TO 140% OF OLD LIMITS**



# BROAD REQUIREMENTS

## “YELLOW ZONE” OR “SERIOUSLY / ENDANGERED”

- **15% TO 20% OF FUNDS**
  - **FACING FUNDING DEFICIENCY IN LESS THAN 7YRS**
  - **LESS THAN 80% FUNDED**
- **REQUIRES ADOPTION OF FUNDING IMP PLAN**
- **IMPOSES FUNDING BENCHMARKS TO BE MET OVER 10 YRS (GENERALLY ONE THIRD OF SHORTFALL)**
- **RESTRICTS CERTAIN BENEFIT IMPROVEMENTS**
- **PROHIBITS ACCEPTANCE OF CONTRACTS THAT REDUCE PARTICIPATION OR CONTRIBUTION RATES**
- **INTERIM STEPS REQUIRED FOR “SERIOUSLY ENDANGERED” PLANS (MET BOTH TRIGGERS)**



# **BROAD REQUIREMENTS**

## **“RED ZONE” OR “CRITICAL STATUS” PLANS**

- 5% TO 10% OF MOST TROUBLED FUNDS**
- 5 TRIGGERS IN 3 AREAS**
  - SOLVENCY**
  - FUNDING DEFICIENCY**
  - DEMOGRAPHICS**
- CERTIFICATION & NOTICE REQUIREMENTS**



# **BROAD REQUIREMENTS**

## **“RED ZONE” OR “CRITICAL STATUS” PLANS**

### **– SHARED PAIN –**

- **EMPLOYER SURCHARGES**
- **BENEFIT RESTRICTIONS IMPOSED**

### **– PARTICIPANT PROTECTIONS**

- **1% FLOOR ON ACCRUALS**
- **NORMAL BENEFITS PRESERVED AT NORMAL RETIREMENT AGE**
- **CONTRIBUTIONS [BENEFITS] SUBJECT TO BARGAINING**



# **BROAD REQUIREMENTS**

## **“RED ZONE” OR “CRITICAL STATUS” PLANS**

- TRUSTEES REQUIRED TO ADOPT A REHABILITATION PLAN**
  - MUST EMERGE FROM RED ZONE WITHIN 10 YRS AND DEFER DEFICIENCY FOR 10 MORE**
- MUST PROVIDE BARGAINERS WITH AT LEAST ONE SCHEDULE (DEFAULT)**
  - BENEFITS AFFORDABLE UNDER CURRENTLY NEGOTIATED CONTRIBUTIONS**
- MAY ADJUST “NON-CORE” BENEFITS**
  - SUBSIDIZED EARLY RETIREMENT**
  - SUBSIDIZED SURVIVOR BENEFITS**
  - PRE-RETIREMENT DEATH BENEFITS**



# BROAD REQUIREMENTS

## “RED ZONE” OR “CRITICAL STATUS” PLANS

- ***PLANS & EMPLOYERS THAT LIVE UP TO REQUIREMENTS ARE PROTECTED FROM MINIMUM FUNDING DEFICIENCY SANCTIONS***
- **EXCISE TAXES AND/OR CIVIL PENALTIES APPLY FOR FAILURE TO ADOPT PLANS**
- **EXCISE TAXES STILL APPLY IN LIMITED CIRCUMSTANCES**
  - **FAILURE TO MEET BENCHMARKS FOR 3 CONSECUTIVE YEARS**
  - **FAILURE TO MEET BENCHMARKS BY END OF PERIOD**



# SINGLE V. MULTI

## • SINGLE EMPLOYER RULES

- **7 YEAR AMORTIZATION FOR EVERYTHING!**
- **2 YEAR SMOOTHING**
- **GOV'T SPECIFIED INTEREST ASSUMPTION "YIELD CURVE"**
- **NO CHANGE IN AMORT EXT**
- **HIGHER DEDUCT LIMITS**
  - **150% OF CURRENT LIABILITY**
  - **EXTRA 6% FOR DC PLANS**

## • MULTIEMPLOYER RULES

- **15 YEAR AMORTIZATION**
  - **ASSUMPTION CHANGES**
  - **BENEFIT IMPROVEMENTS**
- **5 YEAR SMOOTHING**
- **ACTUARY SETS INTEREST ASSUMPTION (NO CHANGE)**
- **AMORTIZATION EXTENSION AUTOMATIC 5 YR**
- **HIGHER DEDUCT LIMITS**
  - **140% OF CURRENT LIABILITY**
  - **REPEAL OF 25% OF COMP LIMIT**





# CURRENT ENVIRONMENT

**2<sup>ND</sup> “ONCE IN A LIFETIME BEAR MARKET” THIS DECADE**

- **2007 – 2008 LOSSES 25% TO 30%**
- **2008 IS FIRST YEAR OF PPA**
  - **PLANS WERE BEGINNING TO RECOVER FROM 2000 – 2002**
  - **PLANS TOOK AGGRESSIVE ACTION TO ADDRESS FUNDING PROBLEMS**
- **ADDED STRESS OF CURRENT LOSSES PLACED COMPLIANCE OUT OF REACH**
- **“DÉJÀ VU ALL OVER AGAIN”**



# EXTRAORDINARY TIMES

CALL FOR

## EXTRAORDINARY MEASURES

- **PPA PROVIDED FRAMEWORK FOR FUNDING REFORM**
- **LACK OF TIME TO BUILD ADEQUATE RESOURCES REQUIRES IMMEDIATE IF TEMPORARY RELIEF**
- **NCCMP SOUGHT INPUT ON POSSIBLE RELIEF MEASURES**



# **POSSIBLE RELIEF MEASURES**

- **EXTEND AMORTIZATION PERIOD FROM 15 TO 25 YEARS**
- **EXTEND SMOOTHING PERIOD FROM 5 TO 10 YEARS AND WIDEN CORRIDOR TO 30%**
- **ENACT AN OPTIONAL, TEMPORARY FREEZE ON ZONE CERTIFICATIONS UNDER CERTAIN CONDITIONS (WITH PROTECTIONS FOR PLANS THAT WOULD OTHERWISE HIT DEFICIENCY)**



# **POSSIBLE RELIEF MEASURES**

- **DEFER REAL LOSSES EXPERIENCED IN 2008 FOR THREE YEARS THEN RECOGNIZE LOSSES UNDER PLAN'S SMOOTHING PROCEDURE**
- **EXTEND REMEDIAL PERIODS BY 5 YEARS EACH**
- **SIMPLIFY ENDANGERED STATUS TESTS BY ELIMINATING THE 80% TEST AND APPLY ONLY SERIOUSLY ENDANGERED STANDARDS**



# **POSSIBLE RELIEF MEASURES**

- **EXTEND AUTOMATIC AMORTIZATION PERIODS FROM 10 TO 15 YEARS WITH 5 MORE WITH IRS APPROVAL**
- **PROVIDE A ONE-TIME ELECTION TO “FRESH-START” A PLAN’S FUNDING STANDARD ACCOUNT AND AMORTIZE THE OUTSTANDING BALANCE OVER 15 YRS**
- **AMEND ERISA TO FORMALLY RECOGNIZE GOVERNMENT AS GUARANTOR FOR PBGC**



# **POSSIBLE RELIEF MEASURES**

- **AMEND ERISA AND THE IRC TO ENCOURAGE MERGERS OF WEAKER PLANS INTO STRONGER WELL FUNDED ONES**
  - **AUTHORIZE PBGC TO FACILITATE THE MERGER OF PLANS IDENTIFIED AS POTENTIALLY AT RISK FOR AGENCY RESPONSIBILITY**
  - **WHERE AGENCY LIABILITY IS GREATER IF FUND WERE TO FAIL, MAKE FUNDS AVAILABLE FROM GUARANTY FUND TO OFFSET LIABILITIES THAT WOULD PREVENT STRONGER FUND FROM ACCEPTING MERGER CANDIDATE**



# POSSIBLE RELIEF MEASURES

- **AMEND ERISA AND THE IRC TO ENCOURAGE MERGERS OF WEAKER PLANS INTO STRONGER WELL FUNDED ONES**
  - **IF FAILURE OF MERGER CANDIDATE WERE NOT IMMINENT, PERMIT RECEIVING FUND TO PARTITION MERGED PLANS FOR PURPOSES OF FUNDING, ZONE CERTIFICATION, AND WITHDRAWAL LIABILITY TO PROMOTE MERGER**
- **INSTRUCT IRS TO ISSUE GUIDANCE PROVIDING RELIEF TO PLANS WITH 412(E) EXTENSIONS NOTWITHSTANDING '08 LOSSES**



# TARGETED PROPOSAL

- **LIMITED PROPOSAL SUBMITTED TO:**
  - **REQUEST OPTIONAL 3 YEAR ZONE CERTIFICATION FREEZE**
  - **REQUEST CLARIFICATION THAT ACTUARIAL VALUE OF ASSETS BE USED FOR ZONE PROJECTIONS AS WELL AS FUNDING WITH WIDENED CORRIDOR**
  - **REQUEST 5 YEAR EXTENSION OF REMEDIAL PERIODS FOR ENDANGERED AND CRITICAL STATUS PLANS**
  - **SPECIAL TREATMENT OF 412(E) PLANS**





# **WORKER, RETIREE, AND EMPLOYER RELIEF ACT OF 2008**

- **LEGISLATIVE PROPOSAL INCLUDES:**
  - **ONE YEAR ZONE FREEZE WITH SPECIAL CONSIDERATION FOR PLANS WITH 4<sup>TH</sup> QUARTER PLAN YEARS**
  - **3 YEAR EXTENSION IN REMEDIAL PERIODS**
  - **INCLUDES PROVISIONS FROM PPA TECHNICAL CORRECTIONS (HOUSE VERSION)**



# **“WHAT IF?”**

- **ONE LAST CHANCE FOR LAME DUCK RELIEF IT COULD BE:**
  - **ATTACHED TO AUTO BILL**
  - **A FREE STANDING BILL**
    - **WORKER, RETIREE AND EMPLOYER RELIEF ACT**
    - **POSSIBLE PROBLEMS WITH TRIBAL ISSUES**
    - **ADMINISTRATION OBJECTIONS TO SINGLE EMPLOYER PROVISIONS**
  - **A FREE STANDING BILL ORIGINATING IN HOUSE WITHOUT OBJECTIONABLE PROVISIONS**



# **“WHAT NEXT?”**

- **WE NEED TO CONTINUE TO PRESS FOR LAME DUCK ACTION ON PENSION RELIEF**
- **111<sup>TH</sup> CONGRESS WILL BE ASKED TO CONSIDER OTHER ASPECTS OF RELIEF OMITTED FROM NARROW PROPOSAL**





**December 3, 2008**  
**Washington, DC**





**William Margaretta**  
**President**  
**New Jersey State Safety Council**

**Why “Safety Pays”**

**The True Cost of Accidents**  
**The Association of Union Constructors**

**Bill Margaretta**

New Jersey Safety Council

(908) 272-7712

[Info@njsafety.org](mailto:Info@njsafety.org)



A spiral-bound notebook with a light beige, textured cover and a dark brown border. The spiral binding is on the left side.

Want to make Something  
Invisible?

Make it someone else's problem

You Must Learn To See

---

FedEx®



# The Real Cost of Accidents

- The true costs of Accidents have been made invisible.
- The invisibility results from the collective desire to divide the accident into separate, distinct categories.
- Each of those categories has an associated insurance with it and there in lies the problem.





# The Challenge Of Unintentional Injuries

- #1 cause of death for people 1 to 38 years old
- 5<sup>th</sup> leading cause of death overall
- 34.4 million (1 in 8) Americans annually suffer an injury requiring medical attention

Source: NCHS

# Unintentional Injuries

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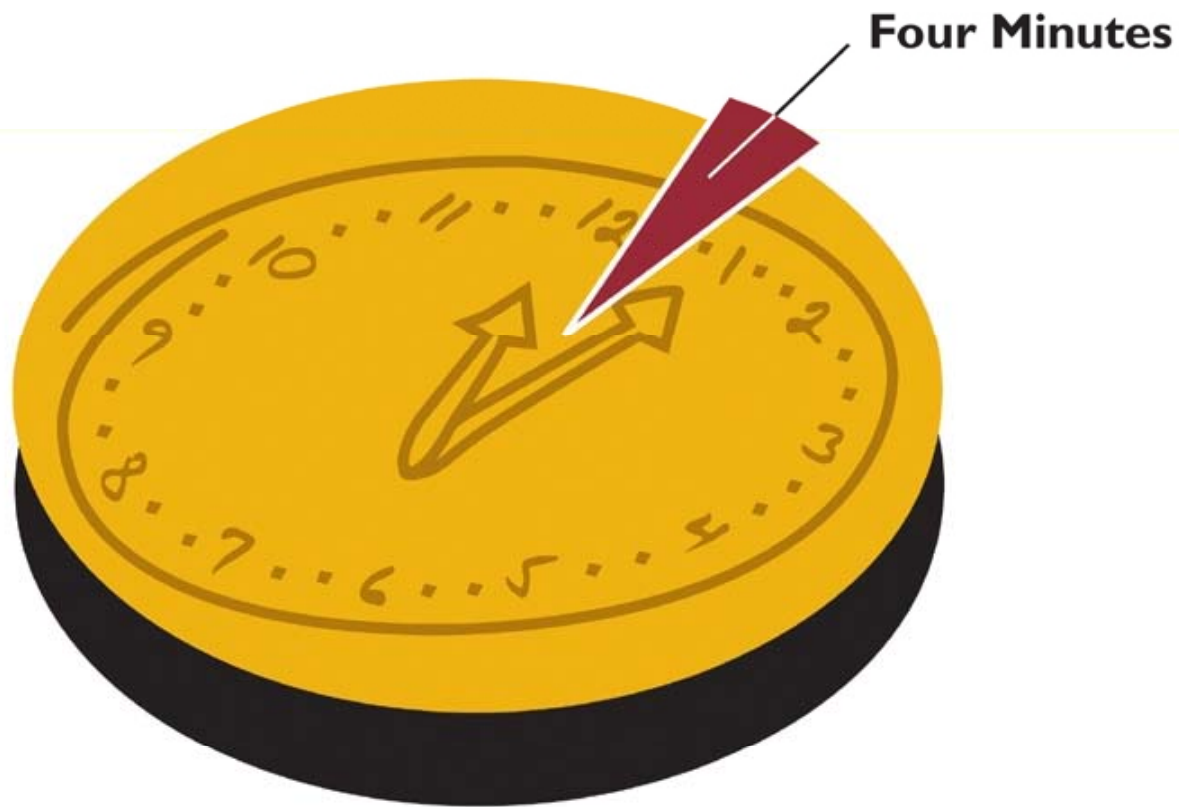
## 2006

- 120,000 deaths
- \$652.1 Billion in costs to society
- 21 million disabling injuries

Source: NSC

# When People Die

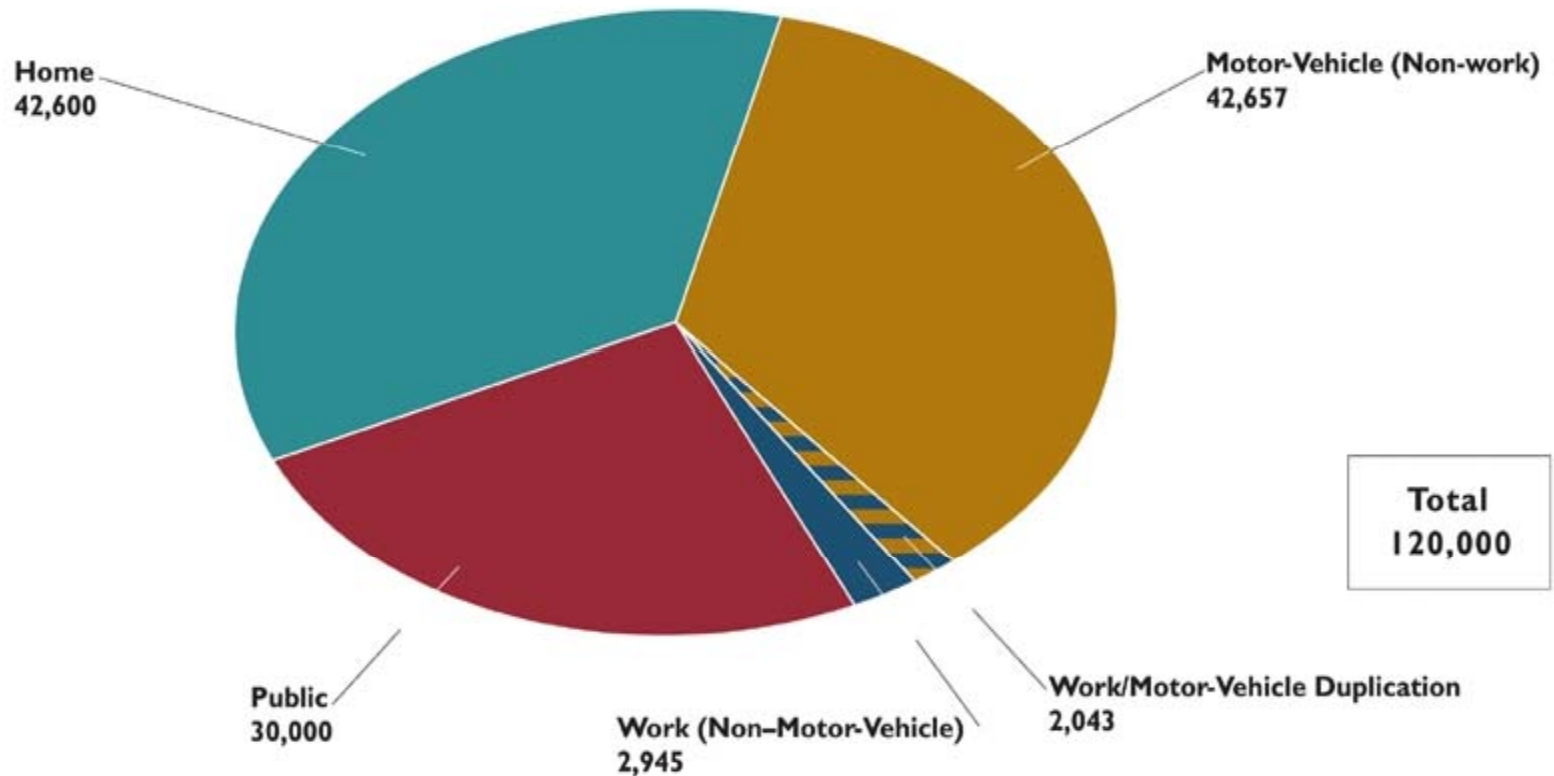
AN UNINTENTIONAL-INJURY DEATH EVERY FOUR MINUTES ...



Source: NSC estimates

# Where People Are Killed

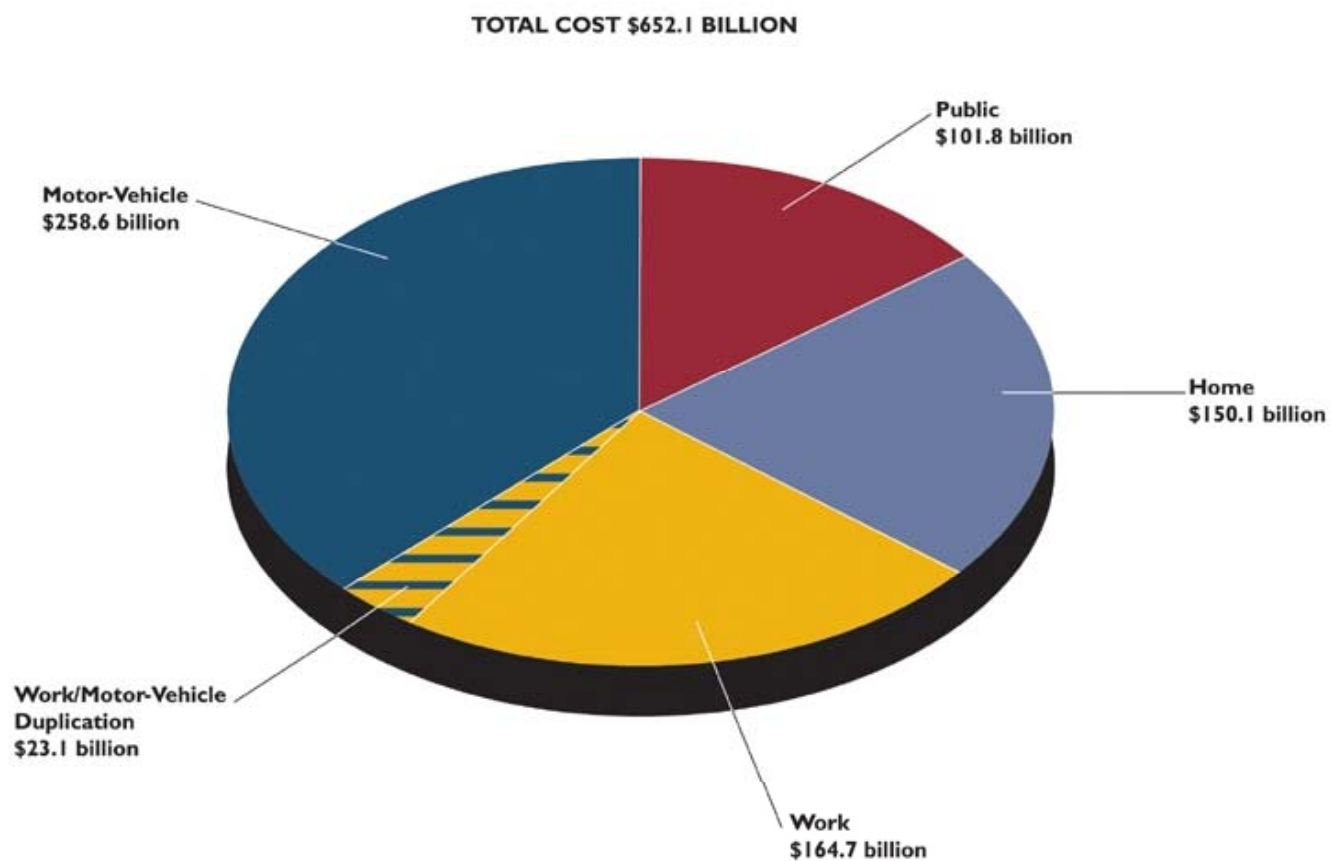
UNINTENTIONAL-INJURY DEATHS BY CLASS, UNITED STATES, 2006



Source: NSC estimates

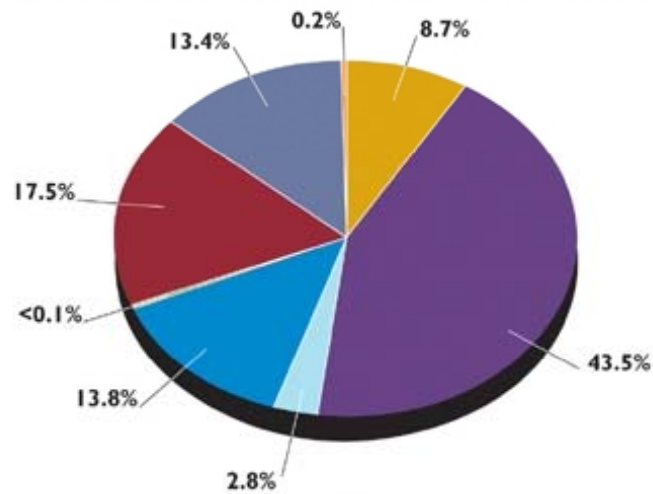
# Fatality Costs By Venue

COSTS OF UNINTENTIONAL INJURIES BY CLASS, 2006

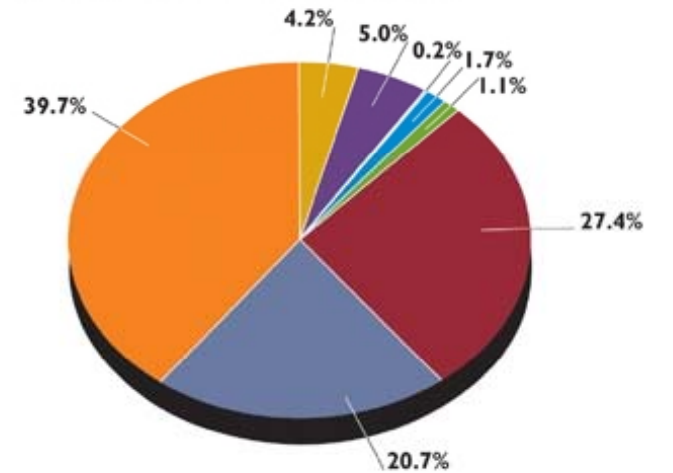


# Worker Deaths and Injuries

DEATHS<sup>a</sup> BY EVENT OR EXPOSURE, UNITED STATES, 2005



CASES WITH DAYS AWAY FROM WORK<sup>b</sup> BY EVENT OR EXPOSURE, UNITED STATES, 2005

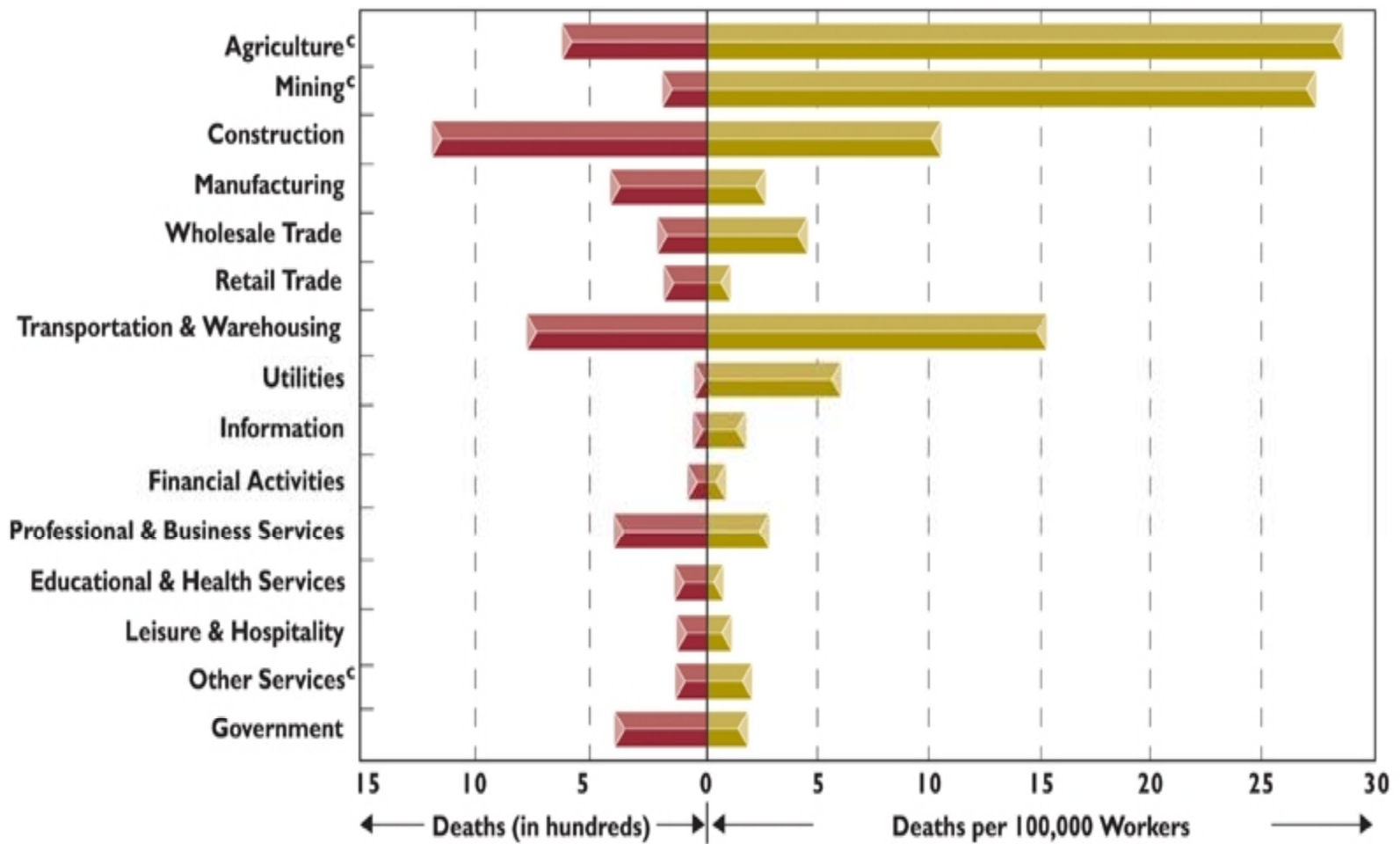


- |  |   |
|--|---|
| <span style="color: orange;">■</span> BODILY REACTION AND EXERTION     | <span style="color: blue;">■</span> ASSAULTS AND VIOLENT ACTS       |
| <span style="color: grey;">■</span> FALL                               | <span style="color: lightblue;">■</span> FIRES, EXPLOSIONS          |
| <span style="color: maroon;">■</span> CONTACT WITH OBJECT OR EQUIPMENT | <span style="color: purple;">■</span> TRANSPORTATION ACCIDENTS      |
| <span style="color: green;">■</span> OTHER AND NONCLASSIFIABLE         | <span style="color: yellow;">■</span> EXPOSURE TO HARMFUL SUBSTANCE |

<sup>a</sup>Includes deaths among all workers.

<sup>b</sup>Includes cases with days away from work among private sector wage and salary workers. Excludes government employees, the self employed, and unpaid family workers.

OCCUPATIONAL UNINTENTIONAL-INJURY DEATHS AND DEATH RATES BY INDUSTRY, UNITED STATES, 2006



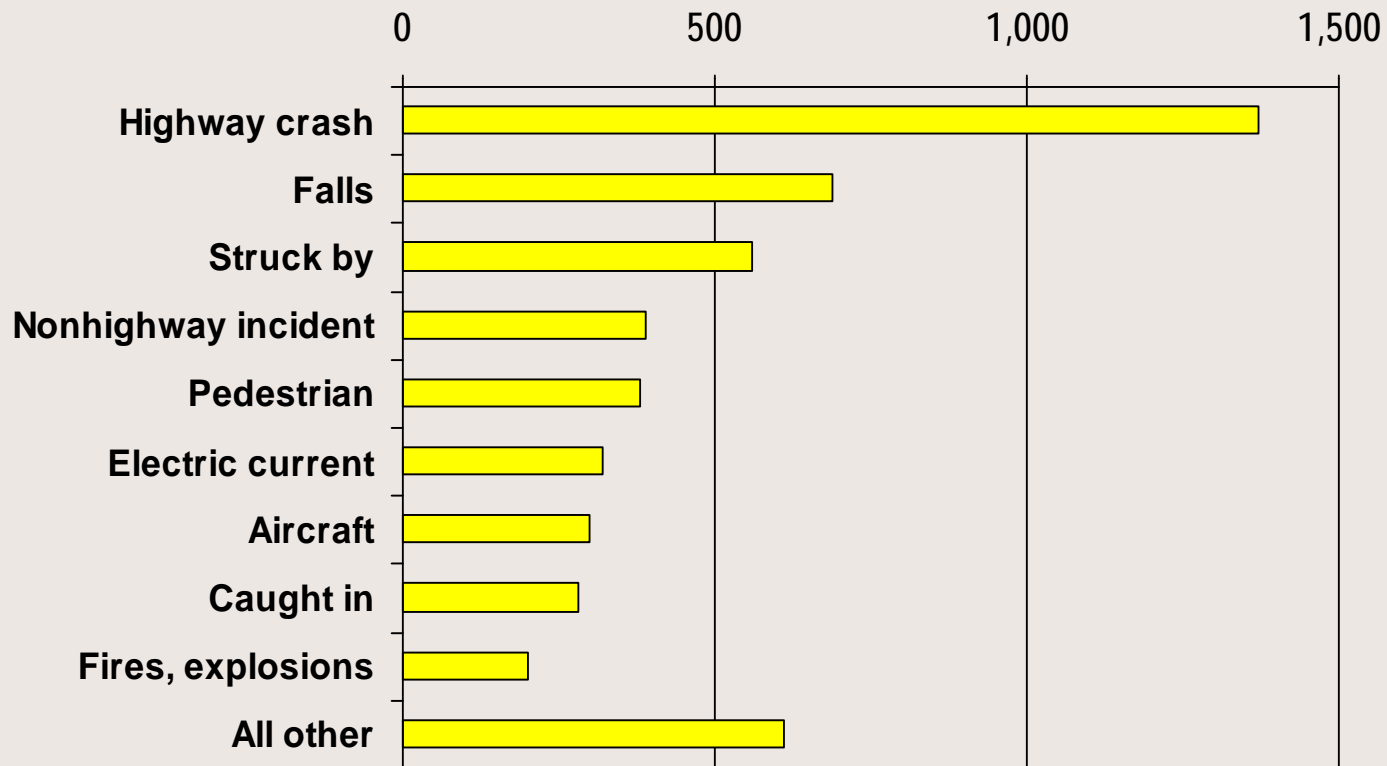
See footnotes above.

DEATHS (IN HUNDREDS)  
 DEATHS PER 100,000 WORKERS



# How Workers Die At Work

## Number of Accidental Deaths by Event



Source: BLS



# How People Die on Highways

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- Drunk drivers
- Lack of occupant protection
- Large trucks
- Pedestrians

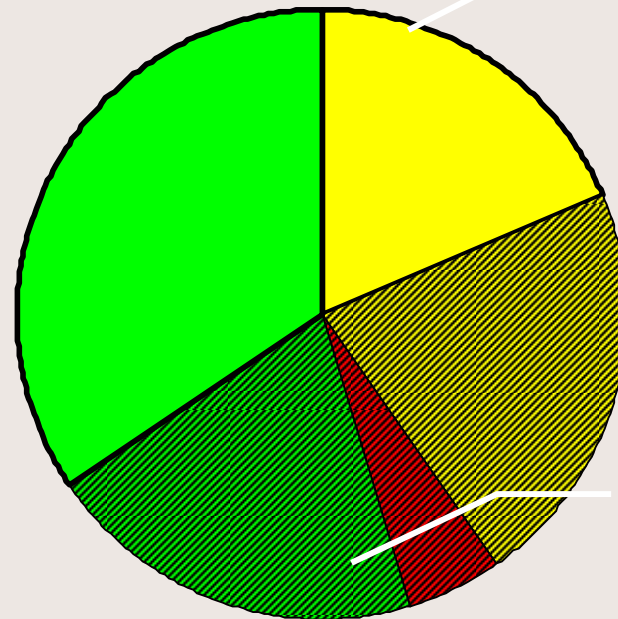
# All Unintentional Deaths: 47% are Workers

Home &  
Community

Workers



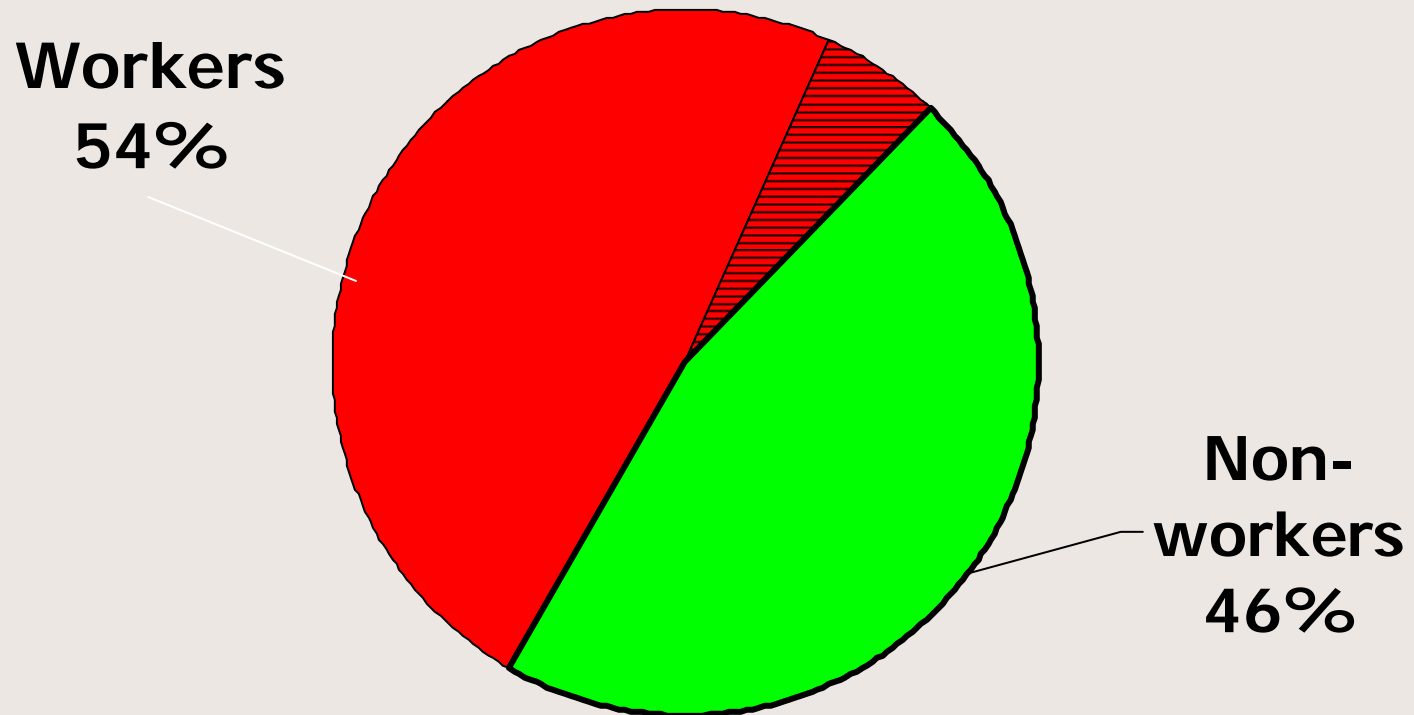
Source: NSC estimates



Highway  
(Non-Work)

Workplace  
(Hwy + non-Hwy)

# Highway Deaths: 54% are Workers



Source: NSC estimates

# Why Should Corporate America Care?

---

- Injuries to employees are our failure
- Employee injuries reduce productivity and quality
- Injuries to employees' family members affect absenteeism and turnover
- Corporate health care benefits cover most of the financial costs

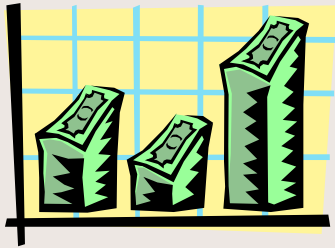
Source: NSC estimates

# 135 Million Workers at Risk

---

- 4,987 did not return to their families at the end of the workday ... they died on the job from injuries
- 3.7 Million workers suffered disabling injuries
- \$164.7 Billion in costs to society

Source: NSC estimates

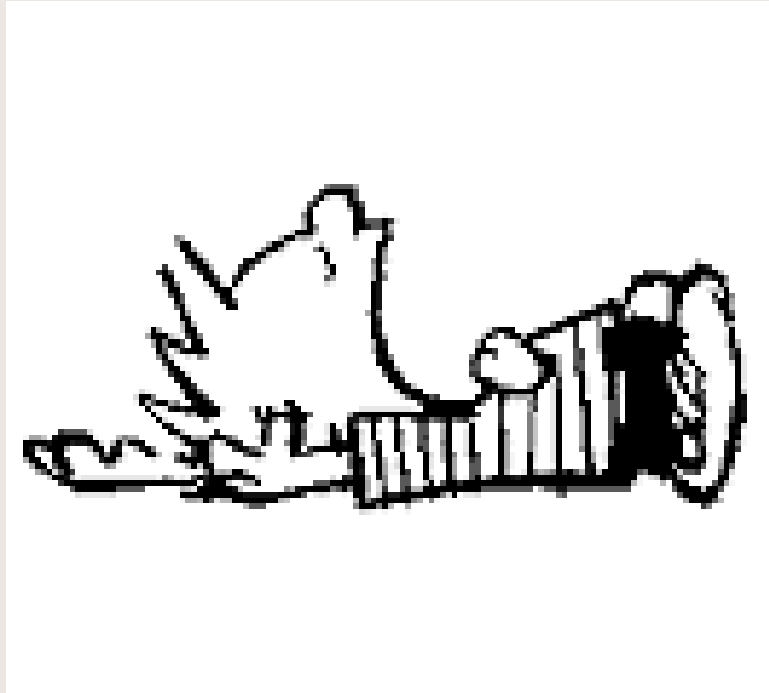


# We Know Safety Pays

- Company “A” has an EMR of .04 and can charge \$7.00 less for each electrician than Company “B”.
- Both Companies bid a job that will require 100 electricians for one year.
- $\$7.00 \times 2,080 \times 100 = \$1,456,000$  difference in labor cost
- Company “A” can bid \$1,000,000 lower just on the labor savings of a good EMR and lower labor costs.

# What are the real costs of a work related accident?

- Lives lost
- Trauma
- Equipment Repairs & Replacements
- Workers Compensation
- Insurance
- Legal





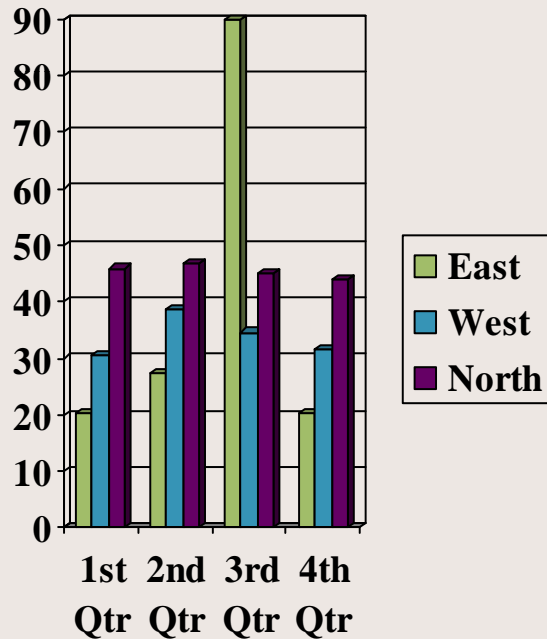


# Common Elements of the workplace collision

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- Emergency Response
- Reports and Case Management
- Interrupted Operations
- Lost Revenue
- Cost of Damage

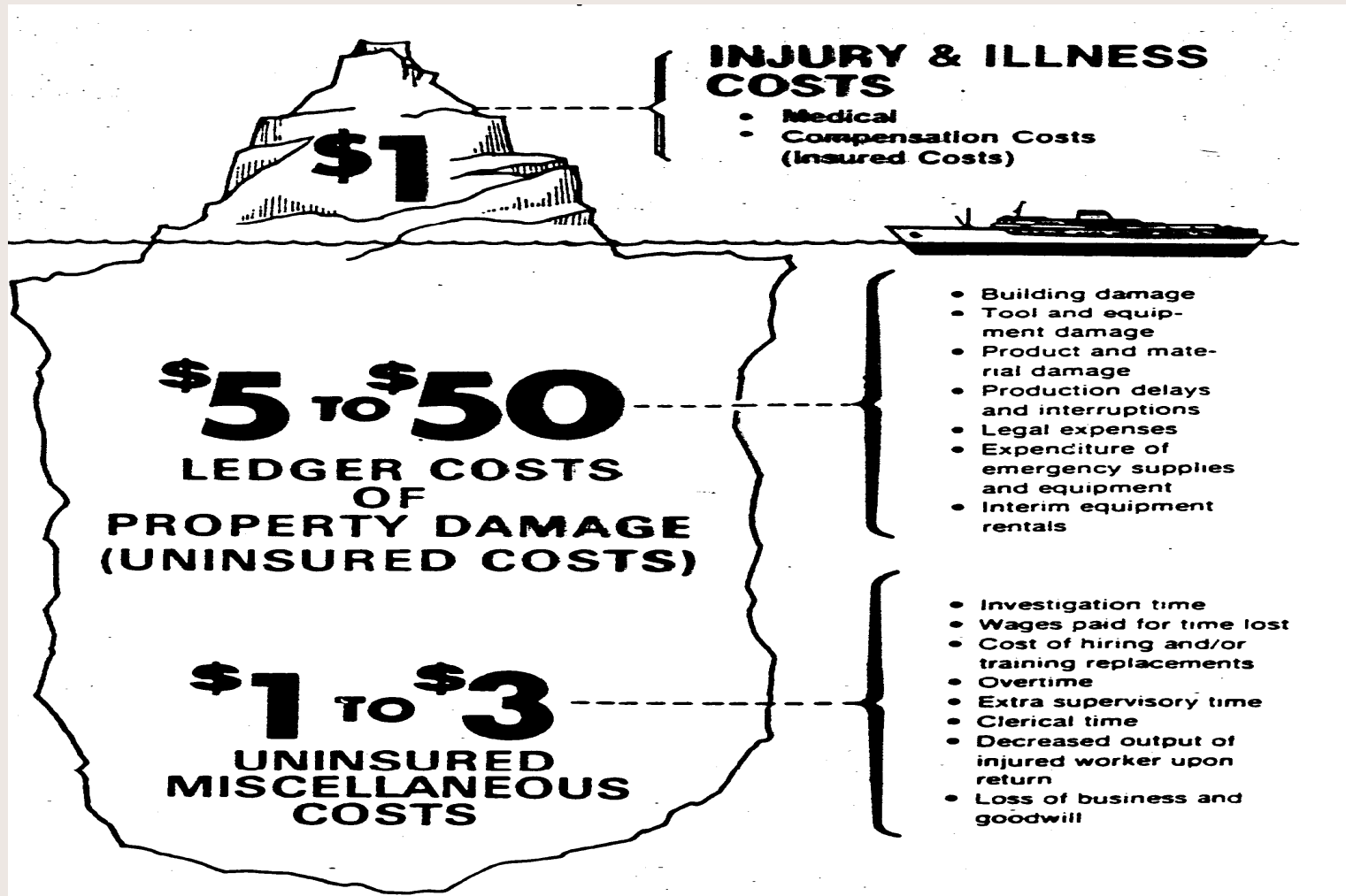
# There is no nationally recognized way of recording costs



Direct and Indirect costs captured by companies vary dramatically. Whether a company is self insured or not affects how it records costs.

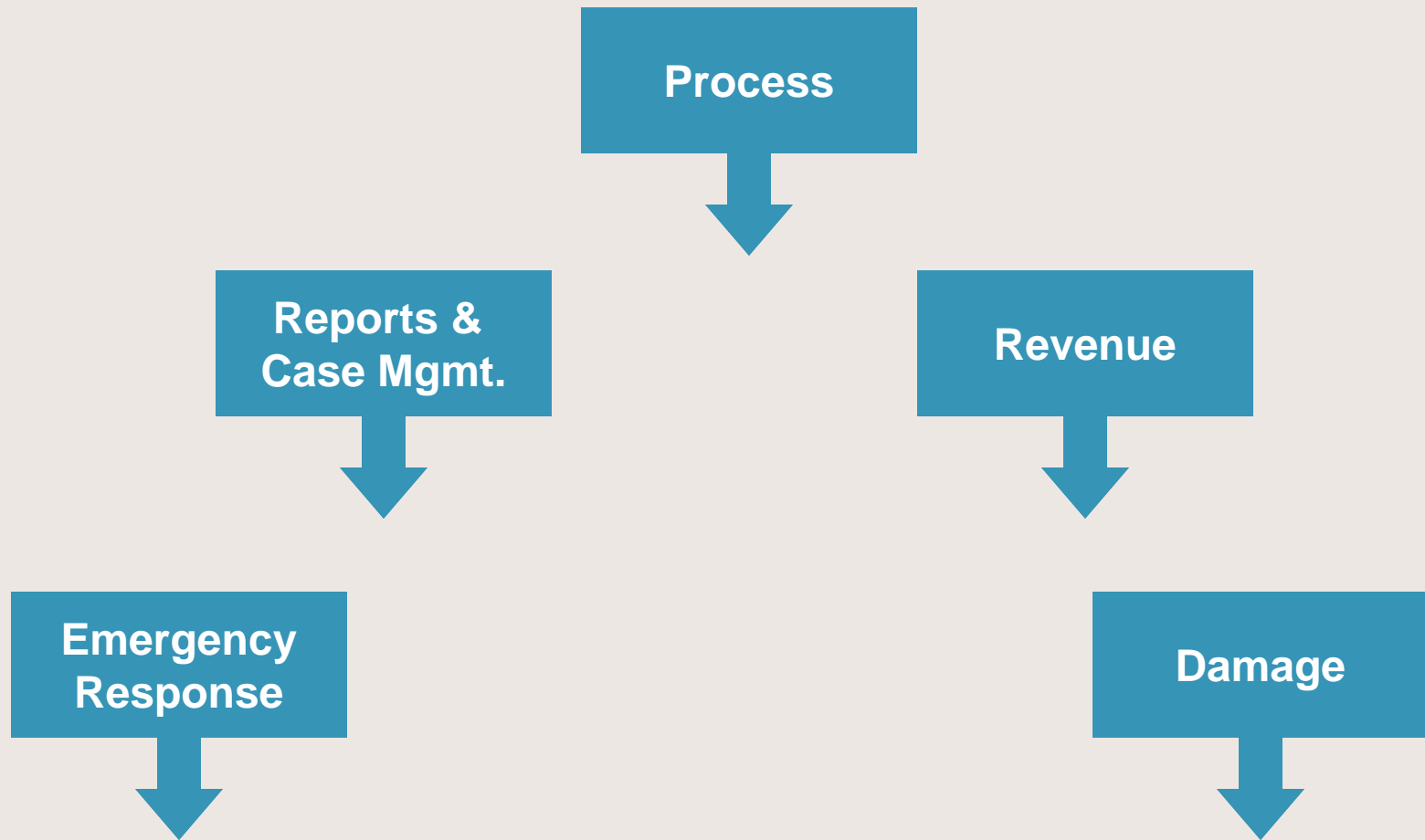
Consequently, the real costs of a workplace collision are obscured by the complex record keeping.

# Direct vs. Indirect Costs



# Core Business Activities

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# Using SafeCost©

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- Default Hourly Rates for Each Activity or ...
- Determine Type of Incident
- List Individual Case Data
- Auto Save
- Automatic Case(s) Summary
- Charts Direct & Indirect Costs
- Update Case(s) Records
- Creates OSHA reports

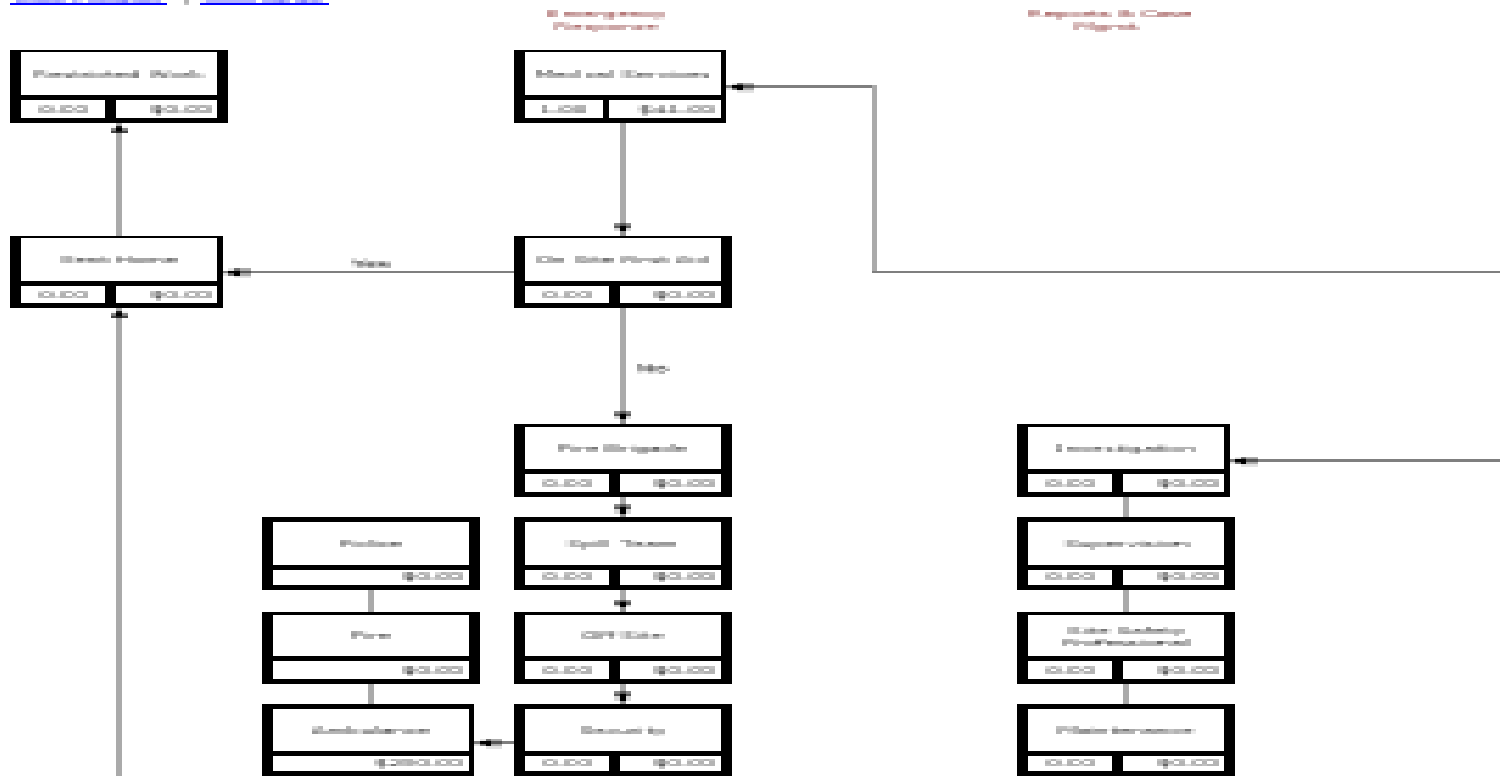
# Incident Elements – On & Off the Job

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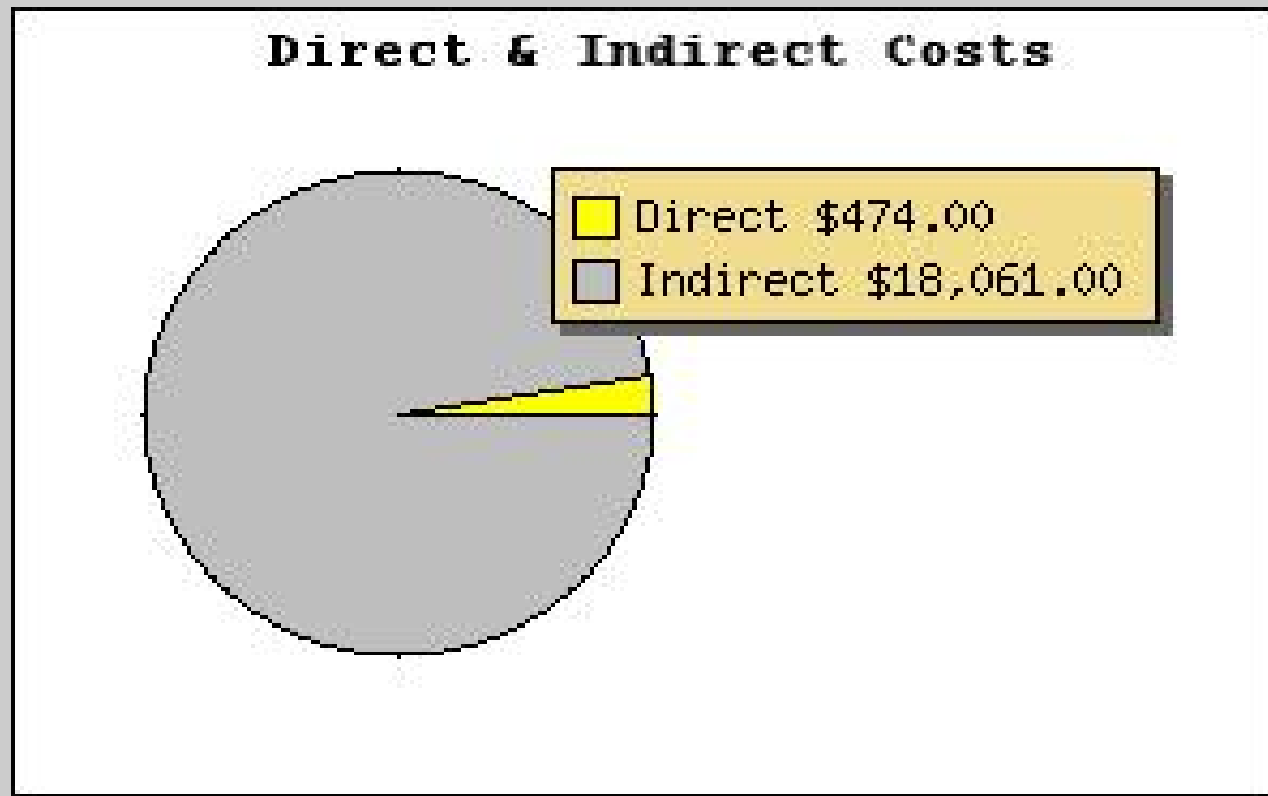
- Near Miss
- First Aid
- Recordable
- Serious
- Days Away From Work

# SafeCost© - Flow Chart (Process Map)

Case Studies | Submission

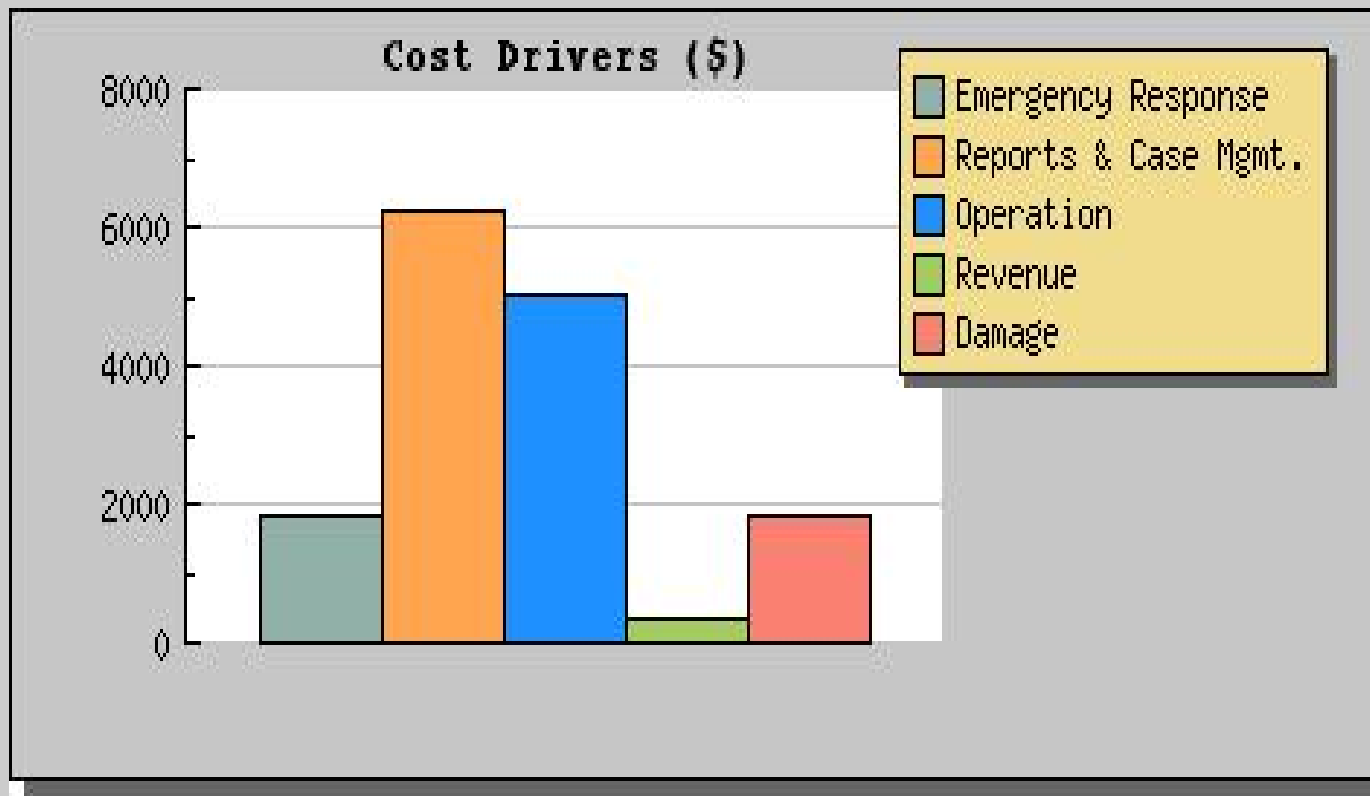


# Chart - Direct & Indirect Cost

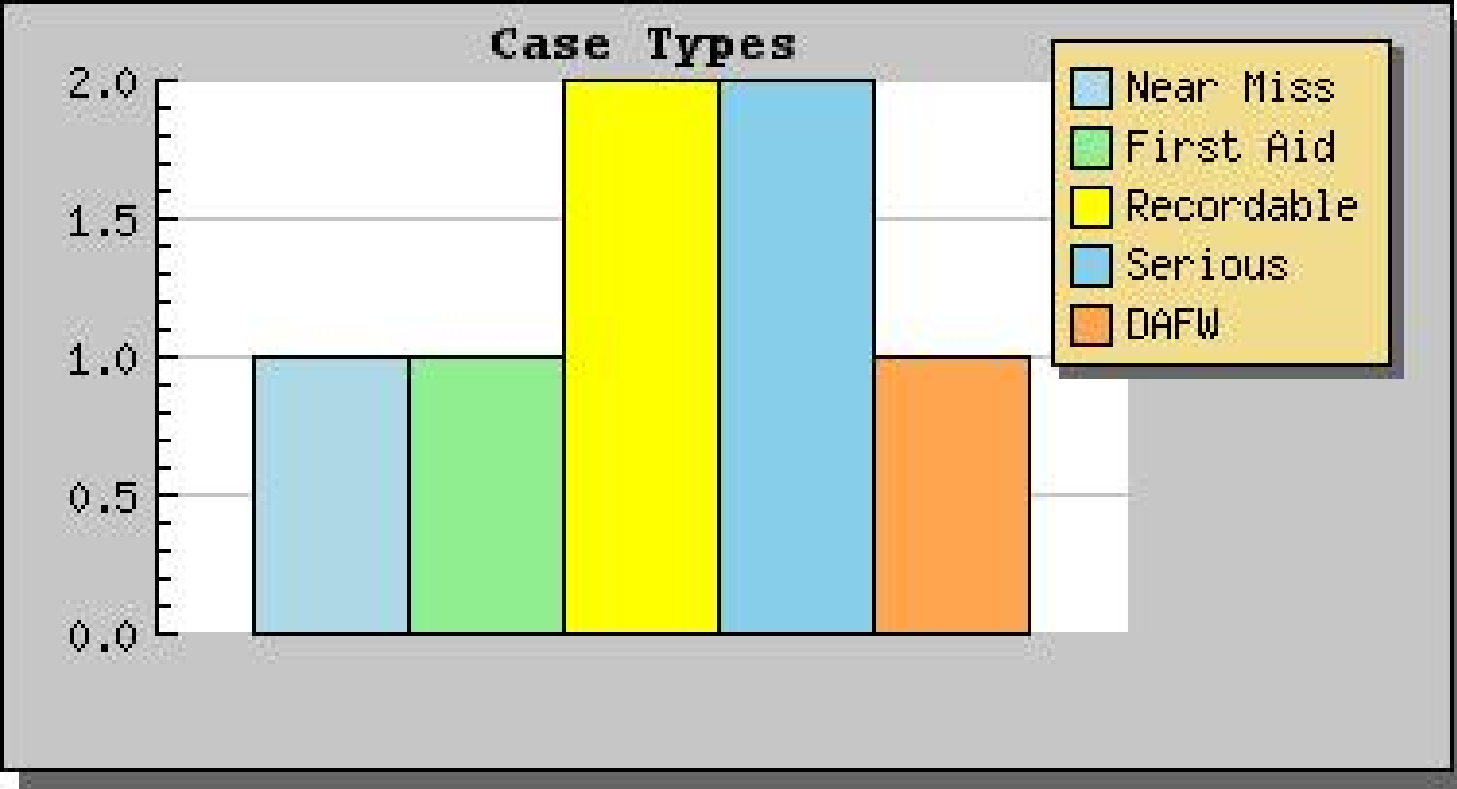




# Chart - Cost Drivers



# Chart - Case Types



# OSHA Log

## OSHA Form 300 Log of Work-Related Injuries and Illnesses

Year 2001

Establishment name:  
City: Titusville  
State: New Jersey

| Identify the person     |                      |                  | Describe the case                               |                                 |  | Classify the case   |                                     |   |                                     |   |                    |  |                          |                           |                          |                                     |
|-------------------------|----------------------|------------------|---|---------------------------------|--|---|-------------------------------------|---|-------------------------------------|---|--------------------|--|--------------------------|---------------------------|--------------------------|-------------------------------------|
| (A)<br>Case no.         | (B)<br>Employee name | (C)<br>Job title | (D)<br>Date of injury or of illness (month/day) | (E)<br>Where the event occurred | (F)<br>Describe injury or illness, parts of body affected, and object/substance that directly injured or made person ill | Using these four categories, check only the most serious result for each case |                                     |   |                                     | Enter the number of days the injured or ill worker was: |                    | (M) Check the "injury" column or choose one type of illness: |                          |                           |                          |                                     |
|                         |                      |                  |   |                                 |  | Death (G)   | Days away from work (H)             | Remained at work (I) Job transfer or restriction (I) Other recordable cases (J) |                                     | On the job transfer or restriction (K)                  | Away from work (L) | Injury (1)   | Skin disorder (2)        | Respiratory condition (3) | Poisoning (4)            | All other illnesses (5)             |
| 1                       | Beans, Mary          | oper             | 14-03-2001                                      | Swishing                        | Herniated disc; Arriving at work feeling sick  | <input type="checkbox"/>  | <input checked="" type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/>            | 0days   | 33days             | <input checked="" type="checkbox"/>                          | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>            |
| 2                       | Wang, Adam           | Mech             | 06-06-2001                                      | dist                            | Inhalation; Normal wear and tear   | <input checked="" type="checkbox"/>   | <input type="checkbox"/>            | <input type="checkbox"/>  | <input type="checkbox"/>            | 0days   | 3days              | <input type="checkbox"/>                                     | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3                       | Grotto, Stephanie    | Operator         | 12-12-2001                                      | Warehouse                       | Anthrax; Arriving at work feeling sick   | <input type="checkbox"/>  | <input type="checkbox"/>            | <input type="checkbox"/>  | <input checked="" type="checkbox"/> | 0days   | 0days              | <input type="checkbox"/>                                     | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4                       | Green, Roger         | Mech             | 11-11-2001                                      | Warehouse                       | Carpal Tunnel Syndrome; Trying to save time  | <input type="checkbox"/>  | <input checked="" type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/>            | 0days   | 3days              | <input checked="" type="checkbox"/>                          | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>            |
| <b>Page totals &gt;</b> |                      |                  |   |                                 |  | <b>1</b>  | <b>2</b>                            | <b>0</b>  | <b>1</b>                            | <b>0days</b>  | <b>39days</b>      | <b>2</b>   | <b>0</b>                 | <b>0</b>                  | <b>0</b>                 | <b>2</b>                            |
|                         |                      |                  |   |                                 |  | (1)   | (2)                                 | (3)   | (4)                                 | (5)   |                    |  |                          |                           |                          |                                     |
|                         |                      |                  |   |                                 |  | Injury  | Skin disorder                       | Respiratory condition   | Poisoning                           | All other illnesses                                     |                    |  |                          |                           |                          |                                     |

# OSHA Summary

## OSHA Form 300A Summary of Work-Related Injuries and Illnesses

Year 2001

All establishments covered by OAR 437-001-0700 must complete this Summary, even if no work-related injuries or illnesses occurred during the year. Remember to review the Log to verify that the entries are complete and accurate before completing this summary.

Using the Log, count the individual entries you made for each category. Then write the totals below, making sure you've added the entries from every page of the Log. If you had no cases, write "0." Employees, former employees, and their representatives have the right to review the OSHA Form 300 in its entirety. They also have limited access to the DCBS Form 801 or its equivalent. See OAR 437-001-0700(20)

### Number of cases

| Total number of deaths | Total number of cases with days away from work | Total number of cases with job transfers or restrictions | Total number of other recordable cases |
|------------------------|--|--|--|
| 1<br>(G)               | 2<br>(H)                                       | 0<br>(I)   | 1<br>(J)                               |

### Number of days

| Total number of days of job transfer or restriction | Total number of days away from work |
|---|-------------------------------------|
| 0<br>(K)  | 39<br>(L)                           |

### Injury and illness types

| Total number of ...<br>(M) | (4) Poisonings | (5) All other illnesses |
|----------------------------|----------------|-------------------------|
| (1) Injuries               | 2              | 0                       |
| (2) Skin disorders         | 0              | 2                       |
| (3) Respiratory conditions | 0              |                         |

### Establishment Information

Your establishment name: CMC  
Street: 30 PRH Rd  
City: Titusville State: New Jersey Zip: 08560

Industry description:  
consulting

Standard Industrial Classification (SIC) if known:  
1234

### Employment information

Annual number of employees: \$establishment\_employees  
Total hours worked by all employees last year: 10000

### Sign Here

Knowingly falsifying this document may result in a fine.

I certify that I have examined this document and that, to the best of my knowledge, the entries are true, accurate, and complete.

Company executive

Title

Phone: \_\_\_\_\_

Date: 02/04/2002

# Bottom-Line Effect

The screenshot displays the SafeCost web application interface. At the top, a yellow header bar contains the SafeCost logo, the user's login information 'xx@capitolmgmt.com', and links for 'LOG OUT' and 'HELP'. Below the header is a navigation menu with icons and labels for 'NEW CASE', 'CASE MANAGER', 'ADD USER', 'USER MANAGER', 'BASE RATES MANAGER', 'ADD SITE', and 'SITE MANAGER'. The main content area is titled 'Sales Impact' and contains a paragraph explaining that direct costs depend on the employer's worker's compensation insurance or social services policy, while indirect costs are always paid by the company. Below this text is a table with three rows: 'Direct Sales' with a value of \$19,687.50, 'Indirect Sales' with a value of \$338,419.12, and 'Total Sales' with a value of \$358,106.62. Under the table, there is a text input field labeled 'Enter company's profit margin:' with the number '8' entered and a '%' symbol to its right. A 'Calculate' button is positioned below the input field. At the bottom of the page, a yellow footer bar contains the copyright notice: '©Copyright 2002 Capitol Management Consulting, Inc.'

SafeCost® Logged in as xx@capitolmgmt.com LOG OUT | HELP

NEW CASE CASE MANAGER ADD USER USER MANAGER BASE RATES MANAGER ADD SITE SITE MANAGER

### Sales Impact

To the extent to which a company ultimately pays the direct costs depends on the nature of the employer's worker's compensation insurance or social services policy. The company always pays the indirect costs.

|                |              |
|----------------|--------------|
| Direct Sales   | \$19,687.50  |
| Indirect Sales | \$338,419.12 |
| Total Sales    | \$358,106.62 |

Enter company's profit margin:  %

Calculate

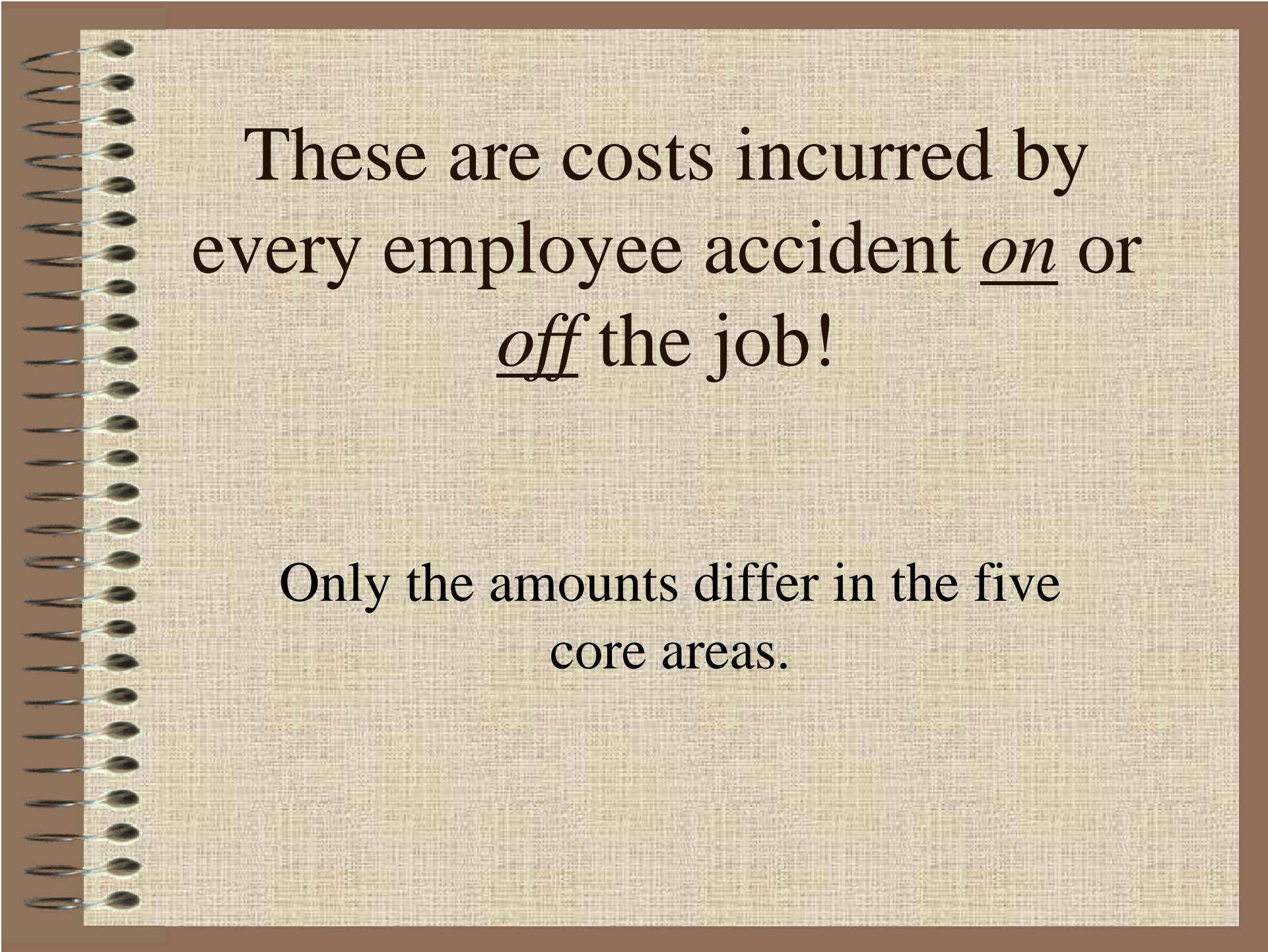
©Copyright 2002 [Capitol Management Consulting, Inc.](#)

# What Did That Accident Cost Us In Profit?

| <b>Sales Required to Cover Losses</b> |                      |                   |                  |                  |                  |
|---------------------------------------|----------------------|-------------------|------------------|------------------|------------------|
| <b>Yearly Incident Costs</b>          | <b>Profit Margin</b> |                   |                  |                  |                  |
|                                       | <b>1%</b>            | <b>2%</b>         | <b>3%</b>        | <b>4%</b>        | <b>5%</b>        |
| <b>\$1,000</b>                        | <b>100,000</b>       | <b>50,000</b>     | <b>33,000</b>    | <b>25,000</b>    | <b>20,000</b>    |
| <b>\$5,000</b>                        | <b>500,000</b>       | <b>250,000</b>    | <b>167,000</b>   | <b>125,000</b>   | <b>100,000</b>   |
| <b>\$10,000</b>                       | <b>1,000,000</b>     | <b>500,000</b>    | <b>333,000</b>   | <b>250,000</b>   | <b>200,000</b>   |
| <b>\$25,000</b>                       | <b>2,500,000</b>     | <b>1,250,000</b>  | <b>833,000</b>   | <b>625,000</b>   | <b>500,000</b>   |
| <b>\$50,000</b>                       | <b>5,000,000</b>     | <b>2,500,000</b>  | <b>1,667,000</b> | <b>1,250,000</b> | <b>1,000,000</b> |
| <b>\$100,000</b>                      | <b>10,000,000</b>    | <b>5,000,000</b>  | <b>3,333,000</b> | <b>2,500,000</b> | <b>2,000,000</b> |
| <b>\$150,000</b>                      | <b>15,000,000</b>    | <b>7,500,000</b>  | <b>5,000,000</b> | <b>3,750,000</b> | <b>3,000,000</b> |
| <b>\$200,000</b>                      | <b>20,000,000</b>    | <b>10,000,000</b> | <b>6,666,000</b> | <b>5,000,000</b> | <b>4,000,000</b> |

*This table shows the dollars of sales required to pay for different amounts of costs for accident losses. For example, if an organization's profit margin is 5%, it would have to make sales of \$500,000\* to pay for \$25,000 worth of losses. With a profit 1% margin, \$1,000,000\* sales would be necessary to pay for \$100,000 of the costs involved with accidents.*

*\*These sales have to be in addition to planned company sales for the quarter or the year.*

A spiral-bound notebook with a light-colored, textured cover and a dark brown border. The spiral binding is on the left side.

These are costs incurred by every employee accident on or off the job!

Only the amounts differ in the five core areas.

# Utility Case Study

- First thing to capture is the demo graphics of the accident.
- Who, what, when, where, why and how etc.
- Standardized by incident report or accident report





# Utility Case Study

---



- First week of January 2001. 9:00 a.m. A field collector while driving north on a state highway is struck by an empty school bus. Cut from car and flown to emergency room by NJ state police helicopter.

# Impacts

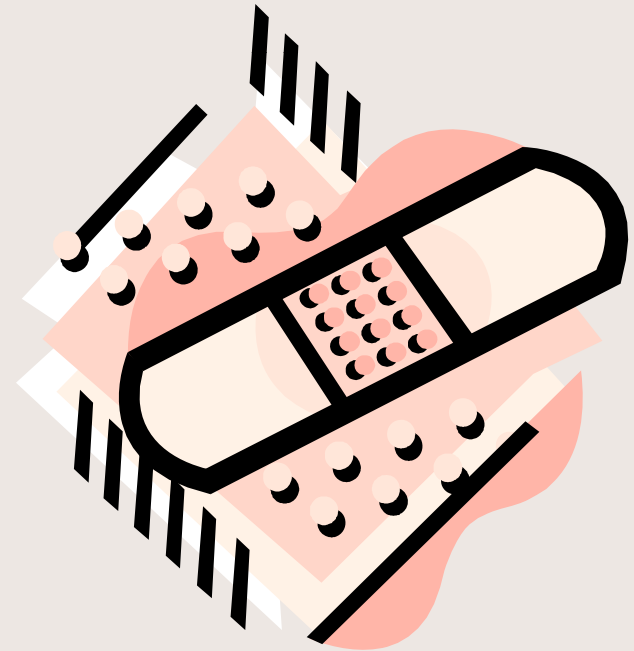
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- 16 days in hospital with fractured skull, dislocated hip and deep blood clots in the leg.
- Out of work 77 days.
- Restricted work until September 20, 2001.
- Vehicle totaled \$18,000.
- Medical of \$32,000.
- Original direct cost estimate of \$58,000.

# *Emergency Response*

- Police coverage \$500
- Ambulance \$1200
- Supervision off site 24 hours
- Hospital Medical Services  
\$30,000 for 16 days.



## Emergency Response

|    |   | Current           | Add                       |
|----|---|-------------------|---------------------------|
| 1  | List the cost for <b>police coverage</b> associated with the injury.                        | \$500.00          | \$ <input type="text"/>   |
| 2  | List the cost for <b>fire department service</b> associated with the injury.                | \$500.00          | \$ <input type="text"/>   |
| 3  | List the cost for <b>ambulance service</b> associated with the injury.                      | \$1,200.00        | \$ <input type="text"/>   |
| 4  | How many hours were spent by <b>medical services professionals</b> on this case?            | <u>6.00</u> hrs.  | <input type="text"/> hrs. |
| 5  | How many hours were spent by <b>on site first aid personnel</b> on this case?               | <u>1.50</u> hrs.  | <input type="text"/> hrs. |
| 6  | How many hours were spent by the <b>fire brigade</b> associated with this case?             | -                 | <input type="text"/> hrs. |
| 7  | How many hours were spent by the <b>spill team</b> associated with this case?               | -                 | <input type="text"/> hrs. |
| 8  | How many hours were spent by <b>supervision</b> off site resulting from this case?          | <u>24.00</u> hrs. | <input type="text"/> hrs. |
| 9  | How many hours were <b>security personnel</b> involved in this case?                        | -                 | <input type="text"/> hrs. |
| 10 | List the cost for <b>hospital, doctor, or other outside medical services</b> for this case. | \$30,470.00       | \$ <input type="text"/>   |

11 List the cost of **insurance payments** associated with this case. \$0.00 \$

12 List the cost to provide **transportation** for the injured person or others associated with this case. \$9,625.00 \$

## Reports & Case Management

|    |   | <i>Current</i>     | <i>Add</i>                |
|----|---|--------------------|---------------------------|
| 1  | List the cost of <b>worker's compensation</b> or other social medical fees.                     | \$7,520.00         | \$ <input type="text"/>   |
| 2  | List the cost of any <b>community fees</b> associated with this case.                           | \$3,164.00         | \$ <input type="text"/>   |
| 3  | List the cost associated with <b>safety regulatory agencies</b> for this case.                  | \$0.00             | \$ <input type="text"/>   |
| 4  | List the cost associated with <b>environmental regulatory agencies</b> for this case.           | \$0.00             | \$ <input type="text"/>   |
| 5  | How many hours were spent for <b>employee assistance</b> for this case?                         | -                  | <input type="text"/> hrs. |
| 6  | How many hours were spent involving <b>investigation of cause and remedies</b> for this case?   | <u>104.00</u> hrs. | <input type="text"/> hrs. |
| 7  | How many hours of <b>supervisory</b> time was involved with this case?                          | <u>960.00</u> hrs. | <input type="text"/> hrs. |
| 8  | How many hours of the site <b>safety professional's</b> time is associated with this case?      | <u>80.00</u> hrs.  | <input type="text"/> hrs. |
| 9  | How many hours were spent by <b>maintenance personnel</b> associated with this case?            | <u>40.00</u> hrs.  | <input type="text"/> hrs. |
| 10 | How many hours were spent by <b>engineering and design personnel</b> associated with this case? | -                  | <input type="text"/> hrs. |
| 11 | How many hours were spent by <b>environmental professionals</b> associated with this case?      | -                  | <input type="text"/> hrs. |
|    | How many hours were spent by <b>human resources</b>   |                    | <input type="text"/>      |

|    |  |                   |                           |
|----|--|-------------------|---------------------------|
| 12 | How many hours were spent by <b>human resources management</b> associated with this case?                                    | <u>40.00</u> hrs. | <input type="text"/> hrs. |
| 13 | How many hours were spent by <b>corporate headquarters management</b> associated with this case?                             | <u>40.00</u> hrs. | <input type="text"/> hrs. |
| 14 | How many hours were spent by <b>members of the safety committee</b> associated with this case?                               | <u>22.00</u> hrs. | <input type="text"/> hrs. |
| 15 | How many hours were spent by <b>internal site management</b> associated with this case?                                      | <u>3.00</u> hrs.  | <input type="text"/> hrs. |
| 16 | How many hours were spent by the site <b>safety professional</b> associated with reviewing reports and records of this case? | <u>3.00</u> hrs.  | <input type="text"/> hrs. |
| 17 | How many hours were spent by <b>occupational health professionals</b> associated with this case?                             | <u>83.00</u> hrs. | <input type="text"/> hrs. |
| 18 | How much did the injured person spend in <b>rehabilitation &amp; training</b> as a result of the injury?                     | \$8,000.00        | \$ <input type="text"/>   |
| 19 | How many hours were spent by the site <b>safety professional or others</b> to complete the case review and reports?          | <u>3.00</u> hrs.  | <input type="text"/> hrs. |
| 20 | How many hours were spent by <b>public relations</b> associated with this case?  | -                 | <input type="text"/> hrs. |
| 21 | How many hours were spent by the <b>legal department</b> associated with this case?  | <u>84.00</u> hrs. | <input type="text"/> hrs. |

## Operation

|    |  | <i>Current</i>     | <i>Add</i>                |
|----|--|--------------------|---------------------------|
| 1  | Is the injured person on <b>restricted work</b> ? How many hours?                                    | <u>912.00</u> hrs. | <input type="text"/> hrs. |
| 2  | Was the injured person <b>sent home</b> ? How many hours have they missed work?                      | <u>616.00</u> hrs. | <input type="text"/> hrs. |
| 3  | How many hours were spent in <b>cleanup and disposal</b> associated with this case?                  | -                  | <input type="text"/> hrs. |
| 4  | How many hours was the <b>operation down</b> ? How many persons were associated with this operation? | <u>16.00</u> hrs.  | <input type="text"/> hrs. |
| 5  | How many hours was the employee <b>away from the operation</b> ?                                     | <u>616.00</u> hrs. | <input type="text"/> hrs. |
| 6  | How many hours were <b>lost in the operation</b> associated with this case?                          | <u>16.00</u> hrs.  | <input type="text"/> hrs. |
| 7  | How many <b>maintenance</b> hours were spent to repair the condition?                                | -                  | <input type="text"/> hrs. |
| 8  | How many hours did it take to <b>restart or continue normal operation</b> associated with this case? | <u>16.00</u> hrs.  | <input type="text"/> hrs. |
| 9  | How many hours did supervision spend <b>assigning personnel</b> as a result of this case?            | <u>4.00</u> hrs.   | <input type="text"/> hrs. |
| 10 | How many hours of <b>overtime</b> was spent associated with this case?                               | <u>154.00</u> hrs. | <input type="text"/> hrs. |



|    |   |                    |                           |
|----|---|--------------------|---------------------------|
| 10 | How many hours of <b>overtime</b> was spent associated with this case?  | <u>154.00</u> hrs. | <input type="text"/> hrs. |
| 11 | How many hours of <b>transferred personnel</b> were accumulated as a result of this case?   | <u>100.00</u> hrs. | <input type="text"/> hrs. |
| 12 | How may hours of <b>training substitute or new personnel</b> and <b>providing supplies by hurman resources</b> associated with this case? | -                  | <input type="text"/> hrs. |
| 13 | How many hours for <b>outside temporary services</b> associated with this case?   | -                  | <input type="text"/> hrs. |
| 14 | How many hours did it take to <b>hire and train a new hire</b> to replace the injured person?   | -                  | <input type="text"/> hrs. |
| 15 | How many hours did it take to <b>transition the injured person</b> into their regular job?  | <u>16.00</u> hrs.  | <input type="text"/> hrs. |
| 16 | How many hours did it take to <b>resume full operation</b> ? How many people are associated with this operation?                          | <u>8.00</u> hrs.   | <input type="text"/> hrs. |
| 17 | How many hours did it take to <b>achieve full productivity</b> ? How many people are associated with this activity?                       | <u>624.00</u> hrs. | <input type="text"/> hrs. |

## Revenue

|   |  | Current     | Add                       |
|---|--|-------------|---------------------------|
| 1 | List the cost of <b>loss of equipment or supplies</b> associated with this case.                   | \$0.00      | \$ <input type="text"/>   |
| 2 | List the cost of <b>loss of product</b> associated with this case.                                 | \$0.00      | \$ <input type="text"/>   |
| 3 | List the cost of <b>loss of property or vehicles</b> associated with this case.                    | \$18,000.99 | \$ <input type="text"/>   |
| 4 | How many hours were spent in <b>reassigning personnel</b> to other work associated with this case? | 8.00 hrs.   | <input type="text"/> hrs. |
| 5 | List the cost of <b>loss of productivity</b> associated with this case.                            | \$77,200.00 | \$ <input type="text"/>   |
| 6 | List the cost of <b>loss of capacity</b> associated with this case.                                | \$0.00      | \$ <input type="text"/>   |
| 7 | List the cost of <b>loss of sales</b> associated with this case.                                   | \$0.00      | \$ <input type="text"/>   |

## Damage

|    |  | <i>Current</i>    | <i>Add</i>                |
|----|--|-------------------|---------------------------|
| 1  | How many hours were spent by <b>industrial hygiene and safety professionals</b> associated with this case? | <u>4.00</u> hrs.  | <input type="text"/> hrs. |
| 2  | How many hours were spent by <b>environmental professionals</b> associated with this case?                 | -                 | <input type="text"/> hrs. |
| 3  | How many hours were spent by <b>regulatory affairs professionals</b> associated with this case?            | -                 | <input type="text"/> hrs. |
| 4  | How many hours were spent by <b>quality assurance professionals</b> associated with this case?             | -                 | <input type="text"/> hrs. |
| 5  | How many hours were spent by <b>microbiology professionals</b> associated with this case?                  | -                 | <input type="text"/> hrs. |
| 6  | How many hours were spent by <b>engineering and design personnel</b> associated with this case?            | -                 | <input type="text"/> hrs. |
| 7  | List the cost of <b>outside services</b> associated with this case   | \$0.00            | \$ <input type="text"/>   |
| 8  | How many hours were spent by <b>maintenance personnel</b> associated with this case?                       | <u>8.00</u> hrs.  | <input type="text"/> hrs. |
| 9  | How many hours were spent by <b>administration personnel</b> associated with this case?                    | <u>40.00</u> hrs. | <input type="text"/> hrs. |
| 10 | How many hours were spent by <b>occupational health professionals</b> associated with this case?           | <u>8.00</u> hrs.  | <input type="text"/> hrs. |
| 11 | How many hours were spent by <b>scheduling personnel</b> associated with this case?                        | <u>8.00</u> hrs.  | <input type="text"/> hrs. |

|    |  |                  |                           |
|----|--|------------------|---------------------------|
| 10 | How many hours were spent by <b>occupational health professionals</b> associated with this case?   | <u>8.00</u> hrs. | <input type="text"/> hrs. |
| 11 | How many hours were spent by <b>scheduling personnel</b> associated with this case?                | <u>8.00</u> hrs. | <input type="text"/> hrs. |
| 12 | How many hours were spent by <b>purchasing personnel</b> associated with this case?                | <u>4.00</u> hrs. | <input type="text"/> hrs. |
| 13 | How many hours were spent by <b>logistics personnel</b> associated with this case?                 | -                | <input type="text"/> hrs. |
| 14 | How many hours were spent by <b>warehouse or distribution personnel</b> associated with this case? | -                | <input type="text"/> hrs. |
| 15 | How many hours were spent by <b>finance or payroll personnel</b> associated with this case?        | <u>8.00</u> hrs. | <input type="text"/> hrs. |
| 16 | List the cost of <b>parts purchased</b> that are associated with this case.                        | \$0.00           | \$ <input type="text"/>   |

Continue/Update

|                                 |              |
|---------------------------------|--------------|
| <b>Emergency Response</b>       | \$43,490.50  |
| <b>Reports &amp; Case Mgmt.</b> | \$76,760.00  |
| <b>Operation</b>                | \$117,424.00 |
| <b>Revenue</b>                  | \$95,488.99  |
| <b>Damage</b>                   | \$4,068.00   |

|                      |              |
|----------------------|--------------|
| <b>Direct Cost</b>   | \$156,179.99 |
| <b>Indirect Cost</b> | \$181,051.50 |

|                    |              |
|--------------------|--------------|
| <b>Total Hours</b> | 4,679.50     |
| <b>Total Cost</b>  | \$337,231.49 |

|                             |                 |           |                |
|-----------------------------|-----------------|-----------|----------------|
| Open                        | Sat, 27-01-2001 | 57.00     | 3964.00        |
| Open                        | Fri, 15-06-2001 | 86.00     | 15720.00       |
| Open                        | Tue, 09-01-2001 | 54.00     | 4646.48        |
| Open                        | Wed, 10-01-2001 | 69.00     | 8122.69        |
| Closed                      | Wed, 10-01-2001 | 7.00      | 267.00         |
| Closed                      | Thu, 11-01-2001 | 8.00      | 731.73         |
| Open                        | Thu, 11-01-2001 | 37.00     | 4064.87        |
| Open                        | Thu, 11-01-2001 | 52.00     | 7490.84        |
| Open                        | Fri, 12-01-2001 | 32.00     | 11364.99       |
| Open                        | Fri, 12-01-2001 | 46.00     | 4335.38        |
| Closed                      | Mon, 15-01-2001 | 45.00     | 3697.17        |
| Open                        | Tue, 21-08-2001 | 44.00     | 3529.00        |
| Open                        | Wed, 22-08-2001 | 57.00     | 8694.00        |
| Closed                      | Thu, 23-08-2001 | 41.00     | 2889.00        |
| Open                        | Wed, 29-08-2001 | 52.00     | 3724.00        |
| Open                        | Wed, 29-08-2001 | 63.00     | 5486.00        |
| <b>Totals (all results)</b> |                 | 10,634.80 | \$1,006,904.54 |

|                                 |            |
|---------------------------------|------------|
| <b>Emergency Response</b>       | \$1,856.00 |
| <b>Reports &amp; Case Mgmt.</b> | \$6,112.00 |
| <b>Operation</b>                | \$1,599.00 |
| <b>Revenue</b>                  | \$2,708.00 |
| <b>Damage</b>                   | \$545.00   |

|                      |            |
|----------------------|------------|
| <b>Direct Cost</b>   | \$9,300.00 |
| <b>Indirect Cost</b> | \$3,520.00 |

|                    |             |
|--------------------|-------------|
| <b>Total Hours</b> | 86.00       |
| <b>Total Cost</b>  | \$12,820.00 |



# Model Applications

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- Manufacturing
- Office
- Warehouse & Distribution Centers
- Fleet Operations
- Field Sales
- Ergonomics
- On & Off the Job





# Model Features

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- Instant On-line Access
- Flexible & Easy to Navigate
- Validated
- Provides Case Records – by Company or Site
- One Page Case Summary – Cost and Data
- Records are Confidential & Secure
- Creates OSHA Summary & Log Reports
- Supports Data Export and Printing

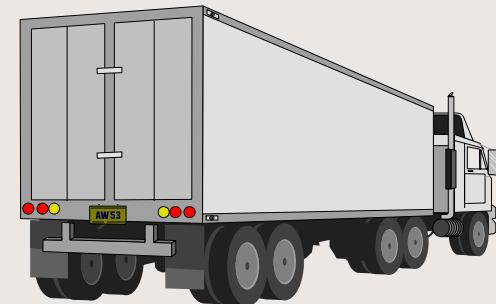
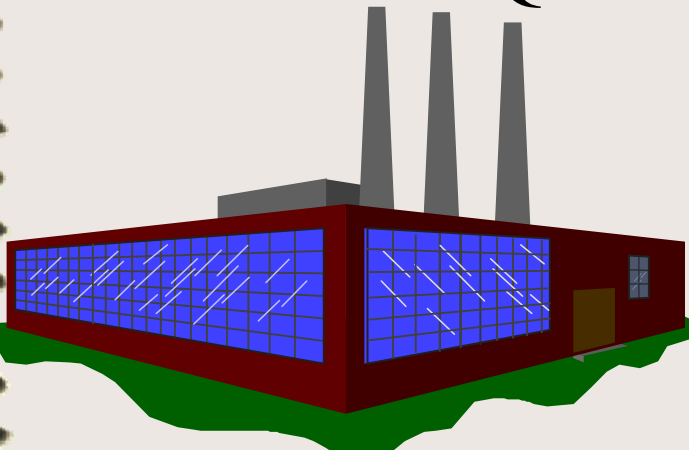
# Conclusions

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- Makes Safety Part of the Business Process
- Capture Immediate & On-Going Costs
- Aid Accident Management
- Identify Value Added Activities
- Incorporate Global Organization
- Aid Strategic Planning
- Facilitate Safety Management Reporting
- Provide Company Specific Data

# Summary

- SafeCost©
- Applications
- Benchmarking
- Start – [www.njsafety.org](http://www.njsafety.org)  
or [www.safecostonline.com](http://www.safecostonline.com)
- Comments/Questions





**December 3, 2008**  
**Washington, DC**



# Networking Break

**Please Return in 10 Minutes**





**December 3, 2008**  
**Washington, DC**





**John McNerney**

**General Counsel**

**Mechanical Contractors Association of America**

# MCAA Digest of E-Verify Regulations



Summary Digest of E-Verify regulations published on  
November 14, 2008

(73 Federal Register 67651 and following)

- **Covers direct Federal prime contracts above \$100,000, and subcontracts above \$3,000 on those contracts. IDIQ contracts in effect on January 15, 2009, with 6 months or more left in their term and with substantial work remaining under the contract. Does not apply to commercially available off-the-shelf item contracts.**





- **Is effective for contracts and contract solicitations entered into or issued on or after January 15, 2009. Prime contractors and subcontractors must continue to use the system for all periods of time they are performing covered Federal projects.**



- **All new hires company-wide on U.S. contracts, and all employees (new hires and existing employees) assigned to perform work on covered projects must have their I-9 information submitted to the E-Verify system.**
- **E-Verify does not replace the I-9 requirements – Federal contractors are obliged to take the extra step of submitting the I-9 documentation through E-Verify.**
- **E-Verify is an internet-based electronic employment eligibility verification system operated the Department of Homeland Security (DHS), the U.S. Citizenship and Immigration Service (USCIS), and the Social Security Administration (SSA).**



- **The Federal contract documents will require prime contractors and covered subcontractors to enroll in E-Verify. They will have to agree to a Memorandum of Understanding with DHS to use the E-Verify system. Enrollment is by internet enrollment.**
- **Breach of the MOU will result in suspension of enrollment in E-Verify, which will then be subject to breach of the covered prime contract or subcontract and sanctions for that breach under contract suspension and termination procedures.**
- **Prime contractors must include the E-Verify requirements in a flow-down clause in covered subcontracts. The regulations don't otherwise provide that the prime contractor is liable for any breach of the E-Verify MOU by subcontractors.**
- **There are a very few exceptions. Agencies can waive the requirements because of exceptional circumstances. Employees hired before 1986 are exempt. Workers who are subject to Personal Identity Verification cards under the Homeland Security Presidential Directive 12 (biometric personal identity verification cards , like the TWIC Card) don't have to be submitted to the E-Verify system.)**



- **All new hires company-wide, and all employees, new hires or existing employees) assigned to a covered project must have their I-9 information submitted to E-Verify.**
- **If a citizens social security name and number are validated, or if an alien workers work documentation is ok (“employment authorized immigration status”), then the employer gets a “Confirmation” notice. That verification notice information is either noted on the I-9 form, or a print-out of the E-Verify notice should be clipped to the i-9 Form and kept with it for the three-year recordkeeping period – or the duration of the project, which ever is longer.**
- **If the information is not confirmed, either the USCIS or SSA will send back a “Tentative Nonconfirmation Notice.” The employer must give a printed copy of the notice to the affected applicant/employee. The applicant then must make a written notation on that notice of whether they contest or do not contest the notice.**
- **If the worker does not contest the nonconfirmation, then E-Verify will issue a “Notice of Final Nonconfirmation, and then adverse employment action is permitted (they can be denied employment, transferred to a non-covered project, or even terminated).**



- If the employer grants employment to an applicant or continues employment of someone after they have received a “Notice of Final Nonconfirmation,” then the employer must notify DHS that they are employing the individual despite the nonconfirmation. Each failure to notify DHS of that employment action is subject to a civil penalty of \$500 to \$1000 for each violation.
- If the worker later is found to be in unlawful employment status (“unauthorized alien” status), then the employer will be presumed to have knowingly employed an unauthorized alien in violation of the Immigration and Nationality Act.
- If the applicant or employee contests the Tentative Nonconfirmation, then that must be noted on the TNC form and signed by the employee/applicant and the employer, and then E-Verify will generate another form, a “Referral Letter.”





•The “Referral Letter” gives the applicant/employee contact information at USCIS or SSA to clear up the problem, and allows 8 Federal workdays to make contact with the appropriate agency by phone or otherwise to clear up the problem with the documentation. During that time, the employer is not permitted to take adverse action against the applicant/employee. Their employment decision must go forward as if there were no notice, and ongoing employment can not be terminated or the employee can not be transferred because of the notice.



• If the Referral process results in a later confirmation, then the employment can proceed and the use of E-Verify will entitle the employer to a presumption of lawful decision making if later unlawful status should be proven. Moreover, the regulations provide that no employer shall be criminally or civilly liable for good faith reliance on the E-Verify system. (So, for example, presumably, an applicant/employee who suffered adverse employment action because of E-Verify information that was wrong and who later brought a Title VII charge for national origin discrimination, the E-Verify reliance could be used as a defense.)



- **Prime contractors and subcontractors have 90-days after enrollment in E-Verify to begin using the system for all new hires and existing workers deployed to covered projects. Employers currently enrolled in E-Verify have 30-days after entering into a covered Federal prime contract or subcontract to begin using it for workers on the covered Federal project.**
- **Projects in states that prohibit the use of E-Verify (Illinois, for example) are not exempt from the requirements. Those legal conflicts are in litigation.**





**December 3, 2008**  
**Washington, DC**





# Can We TAUC Back?

Moderated by:



**Steve Lindauer**  
Chief Executive Officer  
The Association of Union Constructors





# Can We TAUC Back?



**Gary Bohn**  
Senior Advisor  
Kiewit Industrial Company



**Al Black**  
Vice President & CEO  
Construction & Turnaround  
Services



**Nicholas Theisen**  
Director of Labor Relations  
LG Constructors



**December 3, 2008**  
**Washington, DC**





**Mark Ayers**  
**President**  
**Building & Construction Trades Department**



**December 3, 2008**  
**Washington, DC**

