



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2235

PRINTER'S NO. 3231

PRIME SPONSOR: Haddock

COST / (SAVINGS)

| FUND | FY 2023/24 | FY 2024/25 |
|--------------|------------|-------------------|
| General Fund | \$0 | See Fiscal Impact |

SUMMARY:

Provides for the regulation of the meat packing and food processing industry, establishes industry workers rights coordinators and training standards, and grants enforcement authority to the Department of Labor and Industry.

ANALYSIS:

House Bill 2235, Printer's Number 3231 requires that employers in the meat packing and food processing industry must provide training to employees at each of their facilities in any language spoken by at least 5 percent of the facility's workforce. The training must include information regarding the health risks directly associated with employment, an employee's right to seek medical care for injuries, a summary of the rights and requirements under 29 U.S.C. Ch. 15 (Occupational Safety and Health), the facility health and safety committees established by the act, and the right to seek worker's compensation. Training must be provided during normal work hours and at normal pay without penalty imposed by the employer. Employees also have the right to request additional training.

The legislation also requires that if care cannot be provided on-site for a work-related illness or injury, then the employer must pay any out-of-pocket expenses for emergency medical transportation.

The bill requires the establishment of a facility health and safety committee at each of an employer's facilities. The committees shall be composed of a minimum of two representatives each from employees and the employer and must include equal numbers of employee and employer representatives, with individuals unable to serve as both an employer and employee representative. If a collective bargaining agreement is in place at the facility, the union may select the employee representatives.

The committee shall represent the accident and illness prevention concerns of employees; review the employer's hazard detection and accident and illness prevention programs; establish procedures for periodic workplace safety inspections; review incidents that result in work-related deaths, injuries, and illnesses; conduct follow-up evaluations of newly implemented health and safety equipment and procedures; establish a system to allow committee members to obtain information necessary to carry out their responsibilities; and create rules and procedures for the organization and administration of the committee.

Employers are prohibited from penalizing or discriminating against an employee for exercising their rights under the act. If the Department of Labor and Industry determines that an employer has failed to comply with this act, it may assess an administrative penalty of \$500 per day until the failure is cured. If a failure is not cured within 10 days, the department may assess a penalty of up to \$10,000 per day for each day exceeding 10 days. The department may promulgate any regulations necessary to effectuate the act.

The Department is required to appoint an industry workers' rights coordinator to assist with the enforcement of this act.

The act shall not be construed to diminish the rights, privileges, or remedies of an employee under a collective bargaining agreement. The provisions of the act may be waived by a collective bargaining agreement with the agreement of the union.

The act shall take effect in 90 days.

FISCAL IMPACT:

The Department of Labor and Industry has not previously had responsibilities requiring specific knowledge of the operations of the meat packing and food processing industry. The department also has incomplete information at this time regarding the number of facilities that may fall under the provisions of this act or the number of incidents and investigations that may occur at those facilities.

The department would require resources to hire the industry workers' rights coordinator stipulated in the bill as well as a clerical assistant. The department may also require additional investigators, although the precise number of additional investigators is unknown at this time. If five additional investigators were required to carry out the department's responsibilities under this act, the total personnel costs would total approximately \$685,000 per year.

In addition, the department would require funding to create and maintain a database to track complaints and compliance with the act. The operational costs for this database would likely amount to \$2 million in the first year and \$200,000 annually in subsequent fiscal years.

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House Appropriations Committee (D)

DATE: June 5, 2024

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.