# FY 2024 Follow-up Federal Annual Monitoring Evaluation (FAME) Report

**NORTH CAROLINA DEPARTMENT OF LABOR OCCUPATIONAL SAFETY AND HEALTH DIVISION**



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## Executive Summary

The primary purpose of this report is to assess the North Carolina State Plan’s (OSHNC’s) progress in Fiscal Year (FY) 2024, in meeting all criteria for an effective State Plan, based on the FY 2023 Comprehensive Federal Annual Monitoring Evaluation (FAME). This report is also based on the results of quarterly onsite monitoring visits, the State Office Annual Report (SOAR) for FY 2024, the State Activity Mandated Measures (SAMM) Report, as well as the State Indicator Report(SIR) ending September 30, 2024, respectively. A review of the SAMM data for FY 2024 indicated that OSHNC generally met or exceeded federal activity results. No new findings or observations were identified in FY 2024.

OSHNC's Five-Year Strategic Management Plan, ending September 30, 2028, aims to reduce the workplace fatality rate by 2% and the injury and illness rate by 5%. In FY 2024, workplace fatalities decreased to 48 from 72 in FY 2023. Targeted areas include reducing fatalities in construction, logging, and arboriculture, and lowering injury rates in industries, such as grocery wholesalers, long-term care, and food manufacturing. OSHNC is also working to reduce amputations and address health hazards such as lead, beryllium, silica, and hexavalent chromium.

OSHNC raised heat stress awareness in FY 2024 through outreach and enforcement, conducting 190 heat-related inspections and launching social media campaigns. A dedicated "Heat Illness Prevention Campaign" webpage provided resources, including webinars, presentations, and materials in both English and Spanish. OSHNC also posted heat stress prevention billboards statewide and conducted 10 public webinars and speakers bureau training events. Additionally, two Health Standards Officers served on the North Carolina Department of Health and Human Services (NCDHHS) Heat Committee and the Carolinas Heat Coalition Committee. The goal of these committees is to develop strategies to effectively address heat-related hazards in the State.

The Agricultural Safety and Health (ASH) Bureau focused on educating farmers, farm labor contractors, and other stakeholders about heat stress prevention, a significant hazard in agriculture, through in-person training sessions and the distribution of bilingual publications during preoccupancy inspections of migrant housing across the State.

OSHNC continues to improve safety programs through consultation, and training; expanding safety recognition initiatives; building partnerships and alliances; and implementing Special Emphasis Programs (SEPs) tailored to high-risk industries. Progress on activity and outcome goals is tracked monthly and reviewed during quarterly committee meetings.

Based on the most current available data, North Carolina’s injury and illness rates for Calendar Year (CY) 2023 have stayed at historic low levels. The private sector Total Recordable Case (TRC) rate was 2.2 and the Days Away, Restricted, or Transferred (DART) rate was 1.4. These rates are 19% lower and 18% lower, respectively, than the national average. When the local and state government numbers are included, the overall TRC rate was 2.4 and the DART rate was 1.4. These rates are 20% lower and 22% lower, respectively, than the national rates.

## State Plan Background

The North Carolina Occupational Safety and Health State Plan received final approval, under Section 18(e) of the OSH Act, on December 10, 1996. The official designated as responsible for administering the program is the Commissioner of Labor. The Commissioner of Labor is a constitutional officer selected through a statewide election. During the evaluation period, the Commissioner of Labor was Josh Dobson. Within the NC Department of Labor, the Occupational Safety and Health Division has responsibility for carrying out the requirements of the State Plan. Jennifer Haigwood serves as Deputy Commissioner/Director of the Occupational Safety and Health Division. Paul Sullivan served as Assistant Deputy Commissioner/Assistant Director of the OSH Division. Commissioner Dobson and his leadership team were all in their respective positions during the evaluation period.

The Occupational Safety and Health Division is organized into the following operating units: East and West Compliance Bureaus; Bureau of Education, Training, and Technical Assistance (ETTA); Bureau of Consultative Services; Bureau of Planning, Statistics, and Information Management (PSIM), and the Agricultural Safety and Health (ASH) Bureau. The main office and a district office are in Raleigh, with four additional offices located throughout the State: Asheville; Charlotte; Winston-Salem; and Wilmington. Currently, there are 196.8 positions funded under the 23(g) grant, including 102 positions, which are 100% state funded.  These positions include 64 safety compliance officers, and 45 health compliance officers assigned to district offices throughout the State.  Additional safety and health professionals work in ETTA with responsibilities related to training, development of outreach materials, standards, and the Carolina Star Program (Voluntary Protection Program). The worker population in North Carolina consists of approximately 4,436,892 workers, and nearly 282,534 establishments.

Employee protection from retaliation related to occupational safety and health is administered by the Employment Discrimination Bureau, which falls under the Deputy Commissioner for Standards and Inspections, in the North Carolina Department of Labor. This Bureau covers several types of employment-related retaliation, in addition to whistleblower protection that falls under the jurisdiction of the State Plan.

The North Carolina Department of Labor provides private sector onsite consultative services through a 21(d) Grant. There are 20.1 positions funded under the 21(d) grant, including consultants, administrative staff, and managerial employees. Four of the 21(d) positions are 100% state funded. State and local government 23(g) grant consultative services, enforcement, and compliance assistance activities, are accomplished by the same staff, in accordance with consultation procedures established for the private sector. OSHNC’s Carolina Star Program organizationally falls within the Education, Training, and Technical Assistance Bureau.

The table below shows the OSHNC’s funding levels from FY 2020 through FY 2024

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Fiscal Year** | **Federal Award ($)** | **State Plan Match ($)** | **100% State Funds ($)** | **Total Funding ($)** | **% of State Plan Contribution** |
| **2024** | 6,236,500 | 6,236,500 | 9,974,877 | 22,447,877 | 72.22 |
| **2023** | 6,469,500 | 6,469,500 | 9,157,287 | 22,096,287 | 70.72 |
| **2022** | 6,029,800 | 6,029,800 | 8,535,199 | 20,594,799 | 70.72 |
| **2021** | 5,900,200 | 5,900,200 | 7,788,501 | 19,588,901 | 69.88 |
| **2020** | 5,810,300 | 5,810,300 | 7,782,005 | 19,402,605 | 70.05 |

**New Issues:**

North Carolina elected a new Labor Commissioner, Mr. Luke Farley, on Nov 5, 2024. The newly elected Commissioner will assume office on January 1, 2025. In addition, organizational changes within the N.C. Department of Labor included Scott Mabry transitioning to Deputy Commissioner and Jennifer Haigwood assuming the role of Chief of Staff.

## Assessment of State Plan Progress and Performance

### Data and Methodology

OSHA has established a two-year cycle for the FAME process. This is the follow-up year, and as such, OSHA did not perform an on-site case file review associated with a comprehensive FAME. This strategy allows the State Plan to focus on correcting deficiencies identified in the most recent comprehensive FAME. The analyses and conclusions described in this report are based on information obtained from a variety of monitoring sources, including:

* State Activity Mandated Measures (SAMM) Report
* State Information Report (SIR)
* Mandated Activities Report for Consultation (MARC)
* State OSHA Annual Report (SOAR)
* State Plan Annual Performance Plan (APP)
* State Plan Grant Application
* Quarterly monitoring meetings between OSHA and the State Plan
* Limited case file review

### Findings and Observations

#### Findings (Status of Previous and New Items)

None

#### Observations

None

### State Activity Mandated Measures (SAMM) Highlights

Each SAMM has an agreed upon federal review level (FRL), which can be either a single number, or a range of numbers above and below the national average. State Plan SAMM data that falls outside the FRL triggers a closer look at the underlying performance of the mandatory activity. Appendix D presents the State Plan’s FY 2024 State Activity Mandated Measures (SAMM) Report and includes the FRLs for each measure.

The State Plan was outside the FRL on the following SAMMs:

**SAMM 7 – Planned v. Actual Inspections**

**Discussion of State Plan Data and Further Review Level (FRL)**: In FY 2024, the number of inspections conducted by the OSHNC slightly decreased but remained within range for the SAMM 17 enforcement presence metric. A total of 1,675 inspections were conducted, which was 98.5% of the planned goal of 1,700. This included 611 health inspections, below the goal of 670, and 1,064 safety inspections, exceeding the goal of 1,030. The FRL for health inspections conducted is +/- 5% of 670 inspections, which equals a range of 637 to 704 for health.

**Explanation:** OSHNC continues to face challenges in attracting and retaining safety and health professionals due to noncompetitive salaries. Although a State Fiscal Year (SFY) 2024 budget request for a graduated salary scale was submitted, it was not included in the revised budget. The Division is exploring internal budget options to raise salaries for existing staff. To address these challenges, the Division is working with the General Assembly and prioritizing salary issues in the new administration.

As part of the State FY 2023 biennial budget, a 3% across-the-board salary increase for all State employees was implemented in July 2024. Compliance officers also received a 3% increase to help close the salary gap with private sector. Additionally, changes were made to the pay grade and posting language for safety and industrial hygienist trainee positions, allowing candidates with relevant degrees but no experience to be hired at a competitive salary. This program has been successful, with several trainees expected to become fully qualified by FY 2025.

The State Plan has also introduced internal policies to offer salary adjustments for professional certifications, further supporting recruitment and retention efforts by making salaries more competitive with the private sector.

In addition, OSHA recognizes the potential impact caused by reducing the fiscal year 2024 State Plan 23(g) grant funding during the last quarter of the fiscal year. In addition, at the start of FY 2025, OSHA implemented a new set of SAMMs using a FRL of -20% of the negotiated number for health inspections. Even though these SAMMs were not in effect for FY 2024, it is notable that OSHNC’s 611 health inspections would have been above the FRL of 536 under this new set of measures. For all of these reasons, OSHA will not make this issue a finding or observation and will continue to monitor during quarterly meetings.

**SAMM 9 – Percent In-Compliance**

**Discussion of State Plan Data and FRL:** For safety inspections, the FRL for percent in-compliance is +/- 20% of the three-year national average of 32.83% which equals a range of 26.27% to 39.40% of the three-year national average. The NC State Plan’s percent in-compliance for safety is 40.26% which was slightly higher than the FRL.

For health inspections, the FRL for percent in-compliance is +/- 20% of the three-year national average of 44.18% which equals a range of 35.34% to 53.01% for health. The NC State Plan’s percent in-compliance for health is 33.80% indicating strong enforcement efforts and addressing significant health hazards.

**Explanation:** The lower in-compliance rate for health inspections suggests strong enforcement efforts and attention to significant health hazards. This indicates thorough inspections and robust hazard identification by OSHNC’s health staff.

The State Plan’s safety in-compliance rate was slightly elevated above the FRL by less than 1%. This small difference does not represent a significant concern at this time, but OSHA will continue to monitor trends to determine whether further review is warranted, i.e., any corrective actions or adjustments needed to stay within the FRL.

**SAMM 8d - Average current serious penalty in private sector (greater than 250 workers)**

For SAMM 8d, the FRL range is $5650.19 to $9416.98. OSHNC’s average serious penalty was $10,606.20, exceeding the FRL.

**SAMM 12 - Percent penalty retained**

For SAMM 12, the FRL range is 60,19% to 81.44%. The State Plan’s penalty retention rate was 84.44%, also above the FRL.

OSHNC's strong case management in FY 2024 to deter future violations is reflected by the average penalty for private sector employers with more than 250 workers exceeding the three-year national average by $3,072.62 (SAMM 8d) and a penalty retention percentage of 84.44% (SAMM 12). This is well above the three-year national average penalty retention of 70.81%. The correlation between holding higher penalties and maintaining a high penalty retention percentage demonstrates the strength, consistency of OSHNC’s enforcement efforts, as well as the thoroughness of OSHNC's case files.

### Appendix A – New and Continued Findings and Recommendations

FY 2024 North Carolina Follow-up FAME Report

|  |  |  |  |
| --- | --- | --- | --- |
| **FY 2024-#** | **Finding** | **Recommendation** | **FY 2024-# or**  **FY 2023--#** |
|  | None |  |  |

### Appendix B – Observations Subject to Continued Monitoring

FY 2024 North Carolina Follow-up FAME Report

| **Observation #**  **FY 2024-OB-#** | **Observation#**  **FY 2024-OB-# *or* FY 2023-#** | **Observation** | **Federal Monitoring Plan** | **Current Status** |
| --- | --- | --- | --- | --- |
| None |  |  |  |  |

### Appendix C - Status of FY 2023 Findings and Recommendations

FY 2024 North Carolina Follow-up FAME Report

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **FY 2023-#** | **Finding** | **Recommendation** | **State Plan Corrective Action** | **Completion Date** | **Current Status**  **and Date** |
| **None** |  |  |  |  |  |

### Appendix D – FY 2024 State Activity Mandated Measures (SAMM) Report

FY 2024 North Carolina Follow-up FAME Report

| SAMM Number | SAMM Name | State Plan Data | Further Review Level | Notes |
| --- | --- | --- | --- | --- |
| 1a | Average number of work days to initiate complaint inspections (state formula) | 4.33 | 10 | The further review level is negotiated by OSHA and the State Plan. |
| 1b | Average number of work days to initiate complaint inspections (federal formula) | 1.64 | N/A | This measure is for informational purposes only and is not a mandated measure. |
| 2a | Average number of work days to initiate complaint investigations (state formula) | 2.17 | 4 | The further review level is negotiated by OSHA and the State Plan. |
| 2b | Average number of work days to initiate complaint investigations (federal formula) | 0.93 | N/A | This measure is for informational purposes only and is not a mandated measure. |
| 3 | Percent of complaints and referrals responded to within one workday (imminent danger) | 100% | 100% | The further review level is fixed for all State Plans. |
| 4 | Number of denials where entry not obtained | 0 | 0 | The further review level is fixed for all State Plans. |
| 5a | Average number of violations per inspection with violations by violation type (SWRU) | 1.89 | +/- 20% of 1.74 | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from 1.39 to 2.08 for SWRU. |
| 5b | Average number of violations per inspection with violations by violation type (other) | 1.07 | +/- 20% of 0.94 | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from 0.75 to 1.12 for OTS. |
| 6 | Percent of total inspections in state and local government workplaces | 6.81% | +/- 5% of  Grant 5.00% | The further review level is based on a number negotiated by OSHA and the State Plan through the grant application. The range of acceptable data not requiring further review is from 4.75% to 5.25%. |
| 7a | Planned v. actual inspections (safety) | 1,064 | +/- 5% of  Grant 1,030 | The further review level is based on a number negotiated by OSHA and the State Plan through the grant application. The range of acceptable data not requiring further review is from 979 to 1,050 for safety. |
| 7b | Planned v. actual inspections (health) | 611 | +/- 5% of  Grant 670 | The further review level is based on a number negotiated by OSHA and the State Plan through the grant application. The range of acceptable data not requiring further review is from 637 to 704 for health. |
| 8 | Average current serious penalty in private sector - total (1 to greater than 250 workers) | $3,543.92 | +/- 25% of  $3,793.81 | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from $2,845.36 to $4,742.27. |
| 8a | Average current serious penalty in private sector  (1-25 workers) | $1,898.00 | +/- 25% of  $2,498.51 | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from $1,873.88 to $3,123.14. |
| 8b | Average current serious penalty in private sector  (26-100 workers**)** | $3,553.57 | +/- 25% of  $4,322.61 | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from $3,241.96 to $5,403.26. |
| 8c | Average current serious penalty in private sector  (101-250 workers) | $5,339.95 | +/- 25% of  $6,114.84 | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from $4,586.13 to $7,643.55. |
| 8d | Average current serious penalty in private sector  (greater than 250 workers) | $10,606.20 | +/- 25% of  $7,533.58 | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from $5,650.19 to $9,416.98. |
| 9a | Percent in compliance (safety) | 40.26% | +/- 20% of  32.83% | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from 26.27% to 39.40% for safety. |
| 9b | Percent in compliance (health) | 33.80% | +/- 20% of  44.18% | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from 35.34% to 53.01% for health. |
| 10 | Percent of work-related fatalities responded to in one workday | 100% | 100% | The further review level is fixed for all State Plans. |
| 11a | Average lapse time (safety) | 55.07 | +/- 20% of 56.02 | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from 44.82 to 67.23for safety. |
| 11b | Average lapse time (health) | 58.44 | +/- 20% of 67.21 | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from 53.77 to 80.65 for health. |
| 12 | Percent penalty retained | 84.44% | +/- 15% of  70.81% | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from 60.19% to 81.44%. |
| 13 | Percent of initial inspections with worker walk-around representation or worker interview | 100% | 100% | The further review level is fixed for all State Plans. |
| 14 | Percent of 11(c) investigations completed within 90 days | N/A\* | N/A\* | This measure is not being reported for FY 2024 due to the transition to the new SAMM measures starting in FY 2025. |
| 15 | Percent of 11(c) complaints that are meritorious | N/A\* | N/A\* | This measure is not being reported for FY 2024 due to the transition to the new SAMM measures starting in FY 2025. |
| 16 | Average number of calendar days to complete an 11(c) investigation | N/A\* | N/A\* | This measure is not being reported for FY 2024 due to the transition to the new SAMM measures starting in FY 2025. |
| 17 | Percent of enforcement presence | 0.76% | +/- 25% of  1.00% | The further review level is based on a three-year national average. The range of acceptable data not requiring further review is from 0.75% to 1.25%. |