



SAFETY COMPLIANCE

# OSHA Expands Targeted Heat Illness Enforcement Program

FED-OSHA has extended its targeted heat illness prevention program for another five years and expanded the number of industries under scrutiny.

OSHA on Apr. 10 updated its National Emphasis Program (NEP) on indoor and outdoor heat hazards, increasing the number of targeted industries where workers face the highest risk of heat illness to 55 from 33 and extending the program through 2031.

The move comes as OSHA continues work on a long-awaited federal heat illness prevention standard that would apply to industries with indoor and outdoor workers.

### How the program works

The NEP focuses OSHA’s enforcement resources on high-risk sectors whose workers are most susceptible to heat-related illnesses.

Targeted industries include an array of sectors, both indoor and outdoor, including:

- Trucking and transportation
- Waste collection
- Certain manufacturing plants
- Warehousing
- Construction
- Agriculture
- Landscaping
- Restaurants

You can find a full list of the targeted industries in this [OSHA document](#).

### How the updated program works

- OSHA will conduct programmed, random inspections in targeted industries when the National Weather Service issues a heat advisory or warning.
- Inspectors will evaluate heat risks during routine inspections on “heat priority days,” defined as days when the heat index reaches 80 degrees or higher.
- Even inspections opened for unrelated reasons can be expanded if inspectors observe potential heat hazards or see evidence in injury logs or worker statements.

### What inspectors look for

During inspections, OSHA compliance officers assess whether employers have taken reasonable steps to protect workers from heat exposure. That typically includes reviewing:

- Access to drinking water, rest breaks and shaded or cooled areas.
- Work schedules and whether strenuous tasks are adjusted for heat.
- Acclimatization practices for new or returning workers.
- Training programs on recognizing and responding to heat illness.
- Oversight, such as designated supervisors who monitor conditions.

With no federal heat illness standard in place, OSHA can issue citations under the Occupational Safety and Health Act’s general duty clause, which requires employers to provide a workplace free from recognized hazards.

*See ‘Develop’ on page 2*




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## CONSTRUCTION INDUSTRY

# Small Firms Face Outsized Safety Risks: Report

SMALL CONSTRUCTION firms continue to shoulder a disproportionate share of workplace injuries and deaths, according to new research from CPWR – The Center for Construction Research and Training.

The “Small Establishments in Construction: Employment, Injuries, and Training” report found that establishments with up to 19 employees accounted for 50% of construction fatalities in 2022, despite only employing about 36% of the industry’s payroll workforce.

Nonfatal injury rates were also higher among small firms. The report found that establishments with one to 10 workers experienced nonfatal injury rates twice as high as firms with 1,000 or more employees. Researchers cautioned that the numbers likely understate the true scope of the problem because injuries at smaller establishments are often underreported.

The research points to several reasons smaller firms lag larger competitors on safety:

- Fewer financial resources
- Limited access to dedicated safety staff
- Less formal training programs
- Reduced access to proper equipment
- Time pressures and staffing shortages

Only 59% of firms with one to 19 employees offered training to those responsible for providing or leading safety training, according to the report. That compares to 62% of firms with 20 to 99 workers and 87% of firms with more than 100 employees.

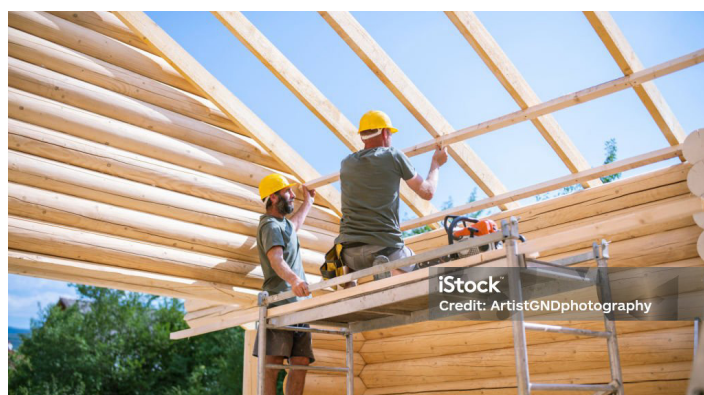
## Signs of improvement

A separate study, “Safety Management in the Construction Industry 2026,” produced by Dodge Construction Network in partnership with CPWR and funded by the National Institute for Occupational Safety and Health, found that small contractors are increasingly investing in safety management practices.

According to the report, contractors with fewer than 20 employees reported increased use of online safety training, employee assistance programs and heat illness prevention measures. Researchers said small contractors showed faster growth in several safety areas than midsize and large firms.

## What smaller contractors can do

- Develop a written safety program tailored to company operations and jobsite hazards.
- Conduct regular toolbox talks and safety meetings to reinforce safe work practices.
- Provide consistent safety training for workers and supervisors, including refresher training throughout the year.
- Properly train employees responsible for leading safety training.
- Involve foremen and crew leaders in pre-job hazard planning before work begins.
- Create site-specific safety plans for larger or higher-risk projects.
- Set reporting procedures for near misses, hazards and injuries.
- Assign a supervisor or manager to oversee safety, even if the company cannot afford a full-time safety director.
- Encourage workers to stop work if they encounter unsafe conditions and report them immediately.
- Track injuries, near misses and recurring hazards to identify patterns and problem areas.
- Require subcontractors and independent contractors to follow the company’s safety expectations.
- Incorporate safety discussions into project planning and scheduling rather than treating safety as a separate function.



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## Develop a Written Heat Illness Prevention Plan

### Protecting workers in the heat

Employers should review their heat safety practices for the summer months. Here are some best practices:

- Monitor the heat index and establish trigger points for protective measures, starting around 80 degrees and increasing precautions at higher levels.
- Provide water, rest and shade, ensuring employees have frequent and easy access and are encouraged to hydrate regularly.
- Consider adjusting work schedules by shifting physically demanding tasks to cooler parts of the day and rotating workers.
- Develop a written heat illness prevention plan that outlines hazards, controls and emergency procedures.
- Implement acclimatization programs for new or returning workers, gradually increasing exposure over several days.
- Train supervisors and employees to recognize heat illness symptoms such as dizziness, confusion or excessive sweating and to respond quickly.
- Have in place an emergency response plan if a worker needs medical attention.

## COMMERCIAL AUTO

# Insurers Scour Driver MVRs Before Policy Binding

WHEN PRICING commercial auto policies, insurers want to know that employers, especially those with fleets, have drivers with clean driving records and don't pose a risk. The main tool they use is motor vehicle records, and if one of your drivers has a bad one, the insurer may require that they don't drive for you as a condition of binding the policy.

MVRs issued by state departments of motor vehicles detail driver's license status, violations and accident history, typically covering the previous three years. While insurers rely on these reports, they are just as important to employers to better manage their organization's risk.

The Department of Transportation and the Federal Motor Carrier Safety Administration also require employers to review MVRs before hiring and at least annually. But many firms are moving toward continuous monitoring to catch problems.

Insurers define "acceptable" drivers differently, but most adhere to these guidelines (obtained from MVRs):

- **Validity:** A valid driver's license from their state of residence.
- **Experience:** At least two to five years of licensed driving experience.
- **Violations and accidents:** No more than two moving violations or at-fault accidents combined within the last three years.
- **Serious offenses:** Zero major violations in the last three to five years, including DUI/DWI, reckless driving, driving with a suspended license or hit-and-run.

If you employ drivers, define clear thresholds for driver eligibility. While policies vary, best practices thresholds generally include:

- **Major violations (typically unacceptable within 1-5 years):** DUI/DWI, reckless driving, excessive speeding, fleeing law enforcement, driving with a suspended license or leaving the scene of an accident.
- **Minor violations (limited tolerance):** No more than two

violations in the past 12 months and no more than three in 36 months.

- **Accidents:** One to two preventable accidents in three years may be acceptable, depending on severity.

## How insurers use MVRs

- **Underwriting and renewals:** Insurers check MVRs upon application and often during policy renewals to determine insurability and risk.
- **Preventing negligent entrustment:** Reviewing MVRs protects the company against accusations of knowingly allowing an incompetent driver to operate a company vehicle.
- **Cost management:** A clean driving record is crucial, as too many infractions can lead to more claims.

## How they benefit employers

- MVRs identify high-risk drivers before they are hired.
- They help prevent accidents tied to unsafe driving behavior.
- They help reduce exposure to lawsuits and insurance claims.
- They demonstrate compliance with DOT and federal safety rules.

## What employers can do

Employers should apply these standards to all driving staff:

- Screen all new drivers before hiring them.
- Conduct MVR reviews upon hiring and at least annually.
- Consider continuous monitoring for real-time updates.
- Establish policies outlining acceptable driving standards.
- Require drivers to acknowledge policies and consequences of breaking them.
- Investigate discrepancies between self-reported violations and MVR data.

## COMMERCIAL PROPERTY

# Lenders Crack Down on Insurance Requirements

LENDERS ARE tightening commercial insurance requirements for borrowers to ensure that they are adequately covered as property, liability and business interruption claims costs rise across the board.

That means commercial property buyers should start their insurance planning well before loan closing or refinancing discussions. Lenders want to know that the property is protected, not only for the sake of your investment but also to safeguard the money they are putting into the loan.

Besides demanding adequate coverage limits, lenders are strictly enforcing A-rated insurer requirements and requiring updated appraisals to ensure one claim doesn't wipe out a borrower's ability to repay the loan.

## Essential insurance for loans

When seeking a business loan, lenders may require borrowers to prove they have several types of insurance. Here's how lenders are scrutinizing three of the most commonly required policies:

**Property** — Lenders are concerned that property values may be understated in light of rampant rebuilding cost inflation. If a major loss occurs, inadequate coverage could create a funding gap that the policyholder would have to cover out of pocket.

**Business interruption** — Lenders prioritize business interruption coverage because it directly impacts a borrower's ability to make loan payments if disaster strikes. If a business is unable to operate due to a fire or supply chain disruption, it could severely affect its cash flow.

Business interruption may be included in the language of a commercial property policy, but it's important to ensure it is also suitable for lending purposes.

**General liability** — Lenders also want their borrowers to have a general liability policy in place that has adequate policy limits. They may require that the borrower carries additional umbrella insurance to cover the cost of large claims.

Liability insurance rates have been rising rapidly due to an explosion in large settlements, often in the tens of millions of dollars. Lenders are insisting that businesses taking out loans have policy limits that will ensure they can stay viable after a large verdict.

## Other considerations

As claims costs have risen, lenders are increasingly reviewing endorsements, limits and policy language more carefully to ensure compliance with loan agreements and confirm that insurance can cover most eventualities.

Lenders often request particular wording and endorsements that ensure their rights are protected. These may be found in certificates of insurance or within the policy, including:

**Mortgage clause and lender loss payable wording** — This clause ensures the lender is paid if a covered loss occurs. It prioritizes the lender's interest in the event of a claim.

**Proof of insurance showing correct limits and dates** — The lender may request a certificate of insurance that lists policy limits, effective dates and contact information for the insurer. Any mistake can delay closing.

**Replacement cost valuation** — Lenders want the property insured at full replacement cost. This means the policy should reflect what it would take to rebuild the structure today, not what was originally paid for it.

**Acceptable deductible levels** — Some lenders limit how high the deductible can be. If the deductible is too high, they may require changes before approving the loan.

Some issues can delay closings on properties or cause problems after the loan is made, such as:

- Missing additional insured endorsements,
- Insufficient umbrella limits, or
- Inconsistent named insured listings.

Finally, if you are applying for a loan, reach out to us early as the market has changed drastically, particularly in high-risk areas.

