



June 29, 2012

Jonathan C. Ball
Legislative Fiscal Analyst
State Capitol Complex
House Building, Suite W310
Post Office Box 145310
Salt Lake City, UT 84114

**Re: Annual Financial Report for SB 159 (2005 General Legislative Session):
“Assessment Offset for Donations Promoting Occupational Health and Safety”**

Dear Mr. Ball:

Pursuant to the terms of the above referenced legislation, and its continuation with the 2010 legislation, 1HB221, “Sunset Act and Repealers Reauthorization,” (2010 Utah General Legislative Session), please accept this letter as The Rocky Mountain Center for Occupational and Environmental Health’s report of qualified donations received, as well as expenditures made, during calendar year 2011.

The purpose of this legislative initiative was to maintain the existence of the Rocky Mountain Center for Occupational and Environmental Health at the University of Utah by providing stable funding in the face of tighter State budgets and declining state funding of the University of Utah. This legislative goal has been met.

Application of SB159 Funding support:

All SB159 funds are maintained in a separate RMCOEH account to facilitate tracking of receipts and expenditures. All funds are exclusively expended to support graduate education and training in safety and ergonomics, industrial hygiene, and occupational medicine; to support continuing education programs for employers designed to promote workplace safety; or to support reasonable administrative, personnel, equipment, and overhead costs of our Center. These funds also support ongoing outreach program efforts to improve and inform the public. Receipts have been provided to all donors. Attached is a listing of receipts and expenditures for the period January 2011 through December 2011.

The revenues and sources generated under this funding mechanism, and a summary of the expenditures are shown in Appendix A.

Specific Occupational Health and Safety Enhancements and Activities as a Result of SB159 (2005 G.S.) in 2010 include:

1. Provide salary support that continues to be critical to the successful operation of the RMCOEH. Without this line of donations and funding, the RMCOEH would not survive.
2. Maintain support for young faculty members
3. On the basis of this revenue, we applied for a total of 3 additional extramural grants. We were thus far successful in achieving funding for 1 of those extramurally funded research grant proposals.
4. We now offer the Master of Science in Occupational Health (MSOH) and Master of Occupational Health (MOH) degrees. Stable funding through the SB159 mechanism has helped the University to approve the degree program as a financially viable program. The MSOH program is already producing highly trained graduates with much more expertise in the various aspects of occupational safety and health. Our students are continuing to graduate with well-paid jobs. Another class of highly qualified students is matriculating this autumn.
5. We have developed a newly approved PhD in Occupational and Environmental Health to train highly qualified graduates for industry, as well as the next generation of teachers. As problems in industry have grown increasingly complex, the need for a select number of PhD graduates has also arisen which this funding has helped fund.
6. These SB159 funds continue to allow faculty some time to participate in the RMCOEH's Outreach efforts, including consultations to reduce injuries in Utah's workers.

In summary, the RMCOEH has used the SB159 funds obtained during the seventh year of this initiative to further strengthen our faculty, provide funding to initiate a new PhD in Occupational and Environmental Health to address the needs of businesses, nurture new faculty, initiate new efforts to support businesses, continue two masters degree programs that are better preparing our graduates for industry, and continue to recruit and enroll well-qualified students who will be working in the future to improve the health of workers in Utah, as well as the state's business climate through prevention of work-related injuries and appropriate care for injuries that occur.

We note that SB159 funding was reauthorized by 1HB221, 2010 G.S. to sunset December 31, 2020. We are grateful for this confidence in the RMCOEH.

Rocky Mountain Center for Occupational and Environmental Health Background:

The Rocky Mountain Center for Occupational and Environmental Health (Rocky Mountain Center) is one of the 17 national Education and Research Centers sponsored by the National Institute for Occupational Safety and Health (NIOSH). It was established at the University of Utah in 1977 and has been funded continuously by major NIOSH grants since 1978. The mission of the Rocky Mountain Center is "*Protecting the worker and the environment through interdisciplinary education, research, and service.*"

Through training graduate students in occupational safety and health disciplines, providing short courses to enable these professionals to maintain and advance their capabilities, and research, the Rocky Mountain Center helps provide Utah with a healthy and safer workforce that makes Utah businesses more competitive in the world climate through reductions in workplace injuries and diseases that otherwise would cost businesses higher workers compensation costs. For example, our graduates directly work to address the nation's occupationally-related illnesses and injuries that cost more than \$240 billion annually, equal to the cost of heart disease or cancer. Each day, 9,000 of the nation's workers sustain disabling injuries on the job; 137 people die from work-related illnesses, although these are slowly trending down. The efforts of professionals who have completed RMCOEH programs help prevent the daily toll of such illnesses and injuries in Utah's workers.

The Rocky Mountain Center trains graduate students (Masters and PhD) in Industrial Hygiene, Hazardous Substances, Occupational Injury Prevention, Occupational Medicine and Ergonomics and Safety. There have been over 500 graduates since the inception of the center, and surveys of our graduates demonstrate that all of our former graduates rate our programs as Excellent or Very Good in preparing them for their careers. We also conduct over 180 Continuing Education Courses and other outreach activities annually with over 5,000 participants to update and improve the existing OSH programs managed by these professionals in Utah's businesses.

The Rocky Mountain Center additionally contributes to Utah's knowledge based economy through major research projects that develop new and innovative methods to reduce the burden of occupational injuries. Current involvement in such research projects is approximately \$22M/year. These projects include major investigations of truck drivers health and risk of crashes, common musculoskeletal disorders (carpal tunnel syndrome, low back pain, shoulder tendinitis, etc), and the National Children's Study, for which we provide the expertise and measurements of exposures to demonstrate what exposures, if any result in childhood illnesses. Additionally, we have major expertise in chemical/biological/nuclear terrorism preparedness, and our faculty have worked with the Department of Health to lead the development of the state's Medical Surge Capacity Plan, and another plan for a Regional Homeland Defense Medical Center for such untoward events.

The Rocky Mountain Center is involved in extensive Outreach efforts to businesses that include assistance to over 1,100 Utah businesses and government agencies annually. Such assistance

includes consultations to education to healthcare.

We would welcome an invitation to appear before a Legislative Committee to present this report or answer any questions Legislators may have about RMCOEH or occupational health and safety issues in Utah. If you have any additional questions, please do not hesitate to contact me or the financial administrator for the Rocky Mountain Center, Ms. Deanne Clegg at 581-3532.

Sincerely,



Kurt T. Hegmann, MD, MPH
Center Director and Professor
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c. Sherrie Hayashi, Utah Labor Commissioner

Appendix A
SB 159 Expenses and Revenues

2011 Revenues:

American Liberty Insurance Co., Inc	01/04/2011	\$ 4,500.00
Workers Donor (chooses anonymity)	03/31/2011	\$ 4,278.00
Brigham Young University	05/03/2011	\$ 837.00
Intermountain Healthcare	05/04/2011	\$ 2,626.00
Workers Compensation Fund	06/06/2011	\$ 125,000.00
Intermountain Healthcare	12/16/2011	\$ 6,190.00
Workers Compensation Fund	12/16/2011	\$ 22,000.00

Total Revenue **\$165,431.00***

2011 Expenditures:

Faculty Salaries / Benefits:	\$ 59,472	Moser, Hughes, Larson, Pahler, Merryweather
Staff Salaries/Benefits:	\$ 73,069	Bradakis, Clegg, Keough
Telephone	\$ 163	Telephone monthly charges / Long distance Installation / Repair
Membership Dues	\$ 4,900	AUPOHS annual membership (professional organization of the 17 NIOSH Education and Research Centers)
Postage/Shipping	\$ 32	Postage and Fed Ex charges

Total Expenditures: **\$ 137,637.00***

***Revenues and Expenditures for this annual report are based on a Calendar year, January through December 2011. The University financial reporting is based on a Fiscal Year, July 1, 2011 – June 30, 2012. The balance of the funds will be expensed by the end of the fiscal year, June 30, 2012.**