



June 29, 2014

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 2013.

The purpose of this legislative initiative was to maintain the existence of the Rocky Mountain Center for Occupational and Environmental Health (RMCOEH) 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.

*Last year, the RMCOEH underwent a competitive national application for its main training grant from the Centers for Disease Control/National Institute for Occupational Safety and Health. A panel of 29 national experts rated the RMCOEH a highly unusual, perfect score of “10” in this head-to-head competition with Harvard University, Johns Hopkins University and the University of Michigan. We are pleased to report that this resulted in a successful renewal of this grant, approximately \$7.2M over the next 5 years!*

**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. Receipts have been provided to all donors. Attached is a listing of receipts and expenditures for the period January 2013 through December 2013.

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 2013 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 4 additional extramural grants. We were thus far successful in achieving funding for 2 of those extramurally funded research grant proposals.
4. We now offer the Master of Science in Occupational Health (MSOH), Master of Occupational Health (MOH), and PhD in Occupational and Environmental Health degrees. Stable funding through the SB159 mechanism has helped the University to approve the degree program as a financially viable program. The MSOH/MOH program have already been producing increased numbers of highly trained graduates with much more expertise in the various aspects of occupational safety and health. The PhD in OEH program has a small number of highly trained individuals who will help replace faculty as well as to provide leadership for programs in industry. Our students are continuing to graduate with well-paid jobs.
5. New for 2013, we implemented a new graduate Certificate in Occupational Safety and Health. This certificate program is designed to address training needs of individuals already in the industrial workforce.
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 9<sup>th</sup> year of this initiative to further strengthen our faculty, provide funding to implement the new Certificate in Occupational Safety and Health program to address the needs of businesses, nurture new faculty, initiate new efforts to support businesses, continue two masters degree programs and one new PhD program (in addition to pre-existing degrees in Mechanical Engineering) 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 or 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 18 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.

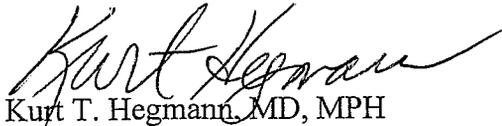
The Rocky Mountain Center trains graduate students (Masters and PhD) in Industrial Hygiene, Hazardous Substances, Occupational Injury Prevention, Occupational Medicine and Ergonomics and Safety. There have been 555 graduates since the inception of the center, and surveys of our graduates demonstrate 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 \$2M/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 particulate air exposures. 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  
Dr. Paul S. Richards Endowed Chair in  
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c. Sherrie Hayashi, Utah Labor Commissioner

**Appendix A**  
**SB 159 Expenses and Revenues**

**2013 Revenues:**

American Liberty Insurance Co., Inc	01/07/2013	\$	5,000.00
Workers Donor (chooses anonymity)	04/17/2013	\$	5,308.00
Brigham Young University	05/07/2013	\$	836.00
Workers Compensation Fund	06/05/2013	\$	175,000.00
Workers Compensation Fund	12/17/2013	\$	19,000.00
Liberty Mutual Insurance	12/20/2013	\$	10,600.00

**Total Revenue** **\$215,744.00\***

**2013 Expenditures:**

Faculty Salaries / Benefits:	\$	41,193	Hegmann, Wood, Larson, Pahler, Bloswick, Merryweather
Staff Salaries/Benefits:	\$	107,954	Bradakis, Clegg, Chambers, Effiong, Ott, Keough
Travel	\$	5,539	Administration
Telephone	\$	3,044	Telephone monthly charges / Long distance Installation / Repair/ Network access
Membership Dues	\$	4,000	AUPOHS annual membership (professional organization of the 17 NIOSH Education and Research Centers)
ABET	\$	1,350	Industrial Hygiene Accreditation Dues
Office Supplies	\$	1,882	Administration/ IH
Computer Services	\$	228	Health Science Center IT Support
Other Services	\$	165	Repairs/ locksmith
Copies	\$	420	Administration
Advertising	\$	320	Faculty Recruitment
Postage/Shipping	\$	84	Postage and Fed Ex charges

**Total Expenditures:** **\$ 166,179.00\***

**\*Revenues and Expenditures for this annual report are based on a Calendar year, January through December 2013. The University financial reporting is based on a Fiscal Year, July 1, 2013 – June 30, 2014. The balance of the funds will be expensed in the coming fiscal**

**year with the hire of new OM and IH faculty and supporting staff in 2014.**