

June 30, 2018

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 SB 159's terms (2005 G.S.), and its continuation with the 2010 legislation (1HB221, "Sunset Act and Repealers Reauthorization"), 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 2017.

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.

During this past 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 thirty-one national experts rated the RMCOEH as the best score 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 the grant – approximately \$9.0 million over the five-year period of the grant!

Application of SB 159 funding support:

All SB 159 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, occupational injury prevention, and occupational medicine; continuing education programs for employers designed to promote workplace safety; or 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 January through December 2017.

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 SB 159 in 2017 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 three additional extramural grants. We were successful in receiving two of those grants regarding opioids and another for OSHA training. Also over the past year, we continued to develop a new Targeted Research Training Program, which is completely filled with new PhD students and one post-doctoral student to train the next generation of faculty.
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 SB 159 mechanism has helped the university to approve the degree program as a financially viable program. The MSOH/MOH program is continuing to produce 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 people who will help replace faculty as well as to provide leadership for programs in industry. This funding also assists the graduate degrees in Mechanical Engineering used by the RMCOEH's ergonomics and safety students. Our students in all of our programs are continuing to graduate with well-paid jobs.
5. These SB 159 funds continue to allow faculty some time to participate in the RMCOEH's Outreach efforts, including consultations to reduce Utah worker injuries.

In summary, the RMCOEH has used the SB 159 funds obtained during the thirteenth year of this initiative to: (1) further strengthen our faculty; (2) provide funding to further the new OSHA training and our certificate in occupational safety and health program; (3) nurture new faculty; (4) initiate new efforts to support businesses; (5) continue two master degree programs and one new PhD program (in addition to pre-existing degrees in mechanical engineering); (6) continue to recruit and enroll well-qualified students.

We note that SB 159 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 (RMCOEH) is one of the eighteen 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. Its mission 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 RMCOEH helps provide Utah with a healthy and safer workforce that makes Utah businesses more competitive 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 and 137 people die from work-related illnesses. Thankfully these numbers 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 659 graduates since the inception of the center, and surveys of our graduates demonstrate that all 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.

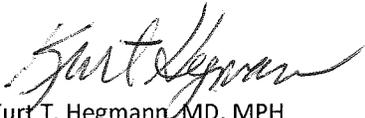
The RMCOEH additionally contributes to Utah's knowledge-based economy through major research projects that develop new and innovative methods to reduce the burden of occupational injuries. Current involvement in such research projects is approximately \$2 million a year. These projects include major 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 has 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 RMCOEH is involved in extensive outreach efforts to businesses that include assistance to over 2,000 Utah businesses and government agencies annually. This assistance includes consultations to provide 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 contact me or the financial administrator for the RMCOEH, Ms. Sheri Carp at 801.581.3532.

Sincerely,



Kurt T. Hegmann, MD, MPH
Center Director and Professor
Dr. Paul S. Richards Endowed Chair in
Occupational Safety and Health

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cc: Jaceson Maughan, Utah Labor Commissioner

Appendix A
SB 159 Expenses and Revenues
Calendar Year 2017

2017 Revenues

Brigham Young University	March	\$824.00
Anonymous	April	4,627.00
Workers Compensation Fund	May	220,000.00
Intermountain Healthcare	May	6,327.00
Workers Compensation Fund	December	5,000.00
Liberty Mutual Fire Insurance Co.	December	1,000.00
LM Insurance Corp.	December	2,000.00
Liberty Insurance Corp.	December	3,500.00
Ohio Security Insurance Co.	December	3,500.00
TOTAL REVENUE		\$246,778.00

2017 Expenditures

Salaries/Benefits	Hegmann, Wood, Thiese, Bloswick, Sleeth, Merryweather, Pahler, Handy, Ott, Boeger, Carp, Chambers, Clegg,	\$192,075.61
Travel		\$4,399.99
Telephone	Monthly charges, long distance, network	\$6,652.46
AUPOHS	Membership dues	\$3,500.00
Office Supplies		\$6,601.72
Printing/Photocopying		\$5,614.40
Other Services	Keyless security doors/Renovation	\$44,447.72
Software Licensing		\$2,430.79
Postage/Shipping		\$3,883.83
TOTAL EXPENDITURES		\$269,606.52

*Revenues and expenditures for this annual report are based on a calendar year; January through December, 2017. The university financial reporting is based on a fiscal year, July 1, 2017-June 30, 2018. The carryforward from 2016 was expensed in 2017.