

Annual Report 2014

'14



STATE OF UTAH

# LABOR COMMISSION

For the Fiscal Year Ended June 30, 2014

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October 2014

Honorable Gary R. Herbert  
Governor, State of Utah

Honorable Members of the Utah State Senate

Honorable Members of the Utah House of Representatives

It is my pleasure to provide you with the Utah Labor Commission’s FY 2014 annual report and to thank the Governor and the Utah Legislature for your support of our efforts to serve the people of Utah.

The focus for the Commission during FY 2014 has been to continue to build upon the accomplishments achieved through past implementation of the SUCCESS framework, and to remain an increasingly efficient organization dedicated to serving the needs of Utahns.

Every day, we successfully meet the demands of an increasingly diverse and growing workforce, and continue to revamp our service delivery process to exceed expectations through fiscal prudence and effective collaboration with our stakeholders.

Our challenge is to find a perfect balance between upholding our regulatory duties and remaining an asset to our vibrant business sector, while protecting the needs and rights of Utah’s workers. With your support, we are confident that we are ready to meet whatever challenges lie ahead.

As always, the Labor Commission remains committed the highest principles of ethics and professional service to the people of the State of Utah.

Sincerely,

Sherrie Hayashi  
Commissioner  
(801) 530-6848  
shayashi@utah.gov



## Major Labor Commission Initiatives

### SUCCESS FRAMEWORK

Governor Herbert has asked state agencies to undertake a thorough review of processes in order to improve quality and efficiency. The goal is successful, continuous improvement to state government operations in order to maintain Utah's standing as the best managed state in the nation. The target is a 25% improvement in state government operations over the next four years as measured by a combination of quality, cost and throughput (*the rate at which a system can produce its service or product*).

Most of the Commission's divisions have implemented process improvement strategies and have seen improvements in the work they perform. The Industrial Accidents Division's Compliance Section was the first Labor Commission program to undergo implementation of SUCCESS Framework strategies and has seen a dramatic increase in the number of employers becoming compliant with workers' compensation requirements.

The Adjudication Division has dramatically improved the timeliness of decisions it issues. The Wage Claim Unit of the Antidiscrimination and Labor Division has also reduced its wait time for decisions issued by the Unit. The Boiler, Elevator and Coal Mine Safety Division has seen an increase in timely inspections and permits.

### TECHNOLOGY

The Commission is continuing to give high priority to computer projects that can result in more accurate information; improve response times; and allow citizens to file and check the status of cases/complaints on-line. Some of the projects that have reached important milestones during fiscal 2014 include:

- ▶ Adjudication Division's project to track and report compliance with the requirements of two new bills - Senate Bill 99 "Adjudication Compliance" and Senate Bill 59 "Coordination of Benefits" was completed.
- ▶ Industrial Accidents Division's Electronic Data Interchange (EDI) project to accept injury information electronically, focusing on Second Reports of Injury, reached a milestone with the completion of First Reports of Injury. Preliminary work on Second Reports of Injury began development in the fall of 2014.
- ▶ A major technology "best practices" project for security of data was implemented to:
  - ◆ secure and update the Labor Commission's computer development environment
  - ◆ encrypt all servers
  - ◆ back up all servers
  - ◆ convert to an updated database and server software, and
  - ◆ formalize computer work projects in written documents

## 2014 Workload Accomplishments

(Additional information can be found in the reports from the Divisions)



- ▶ The Industrial Accidents Division is responsible for monitoring compliance with Workers Compensation insurance laws and supervision of the Uninsured Employers Fund (UEF).
  - ◆ The Division's work resulted in over \$1,954,831 collected for the UEF from companies that didn't comply with workers' compensation requirements.
  - ◆ Utilizing a private company to adjust and manage claims resulted in reduced prices for medical services, allowing UEF settle original billings of \$999,002 for \$576,091 – a savings of \$422,911.
- ▶ Utah Antidiscrimination and Labor Division has 3 units:
  - ◆ The Wage Claim Unit collected \$785,458 in unpaid wages to benefit claimants.
  - ◆ The Employment Discrimination Unit dramatically reduced the number of active cases over 450 days. As of the end of the fiscal year, only one case remained under investigation older than 450 days.
  - ◆ The Fair Housing Unit processed 67 claims, closing 64% within 100 days.
- ▶ Boiler, Elevator and Coal Mine Safety Division performed over 26,000 inspections of elevators, escalators, boilers and pressure vessels, an increase of 8% over the previous year
- ▶ Utah OSHA Division completed 1,883 (Compliance/Consultation) interventions, improving safety in the workplace for over 255,000 workers.
- ▶ The Labor Commission awarded grants for workplace safety programs for a total amount of \$406,050 to 16 organizations.
- ▶ The Adjudication Division issued 1,784 orders (4% increase over the previous year) and 788 final decisions (11% increase). It also conducted 242 formal evidentiary hearings and approved 524 settlement agreements.
- ▶ The backlog of Appeals to the Labor Commission's Appeals Board/Commissioner has been eliminated.
- ▶ Utah's Appellate Courts completed review of Labor Commission decisions in 13 separate appeals. The courts affirmed the Commission's decision in ten of those cases, a 77% success rate.
- ▶ The Labor Commission increased the accounts placed for collection with Office of State Debt Collection from \$5.6 million in FY13 to \$6.1 million in FY14
- ▶ The Labor Commission handled an increase in average monthly number of calls and walkins per month from 6,368 in FY13 to 8,016 in FY14, an increase of 26%



Our Mission

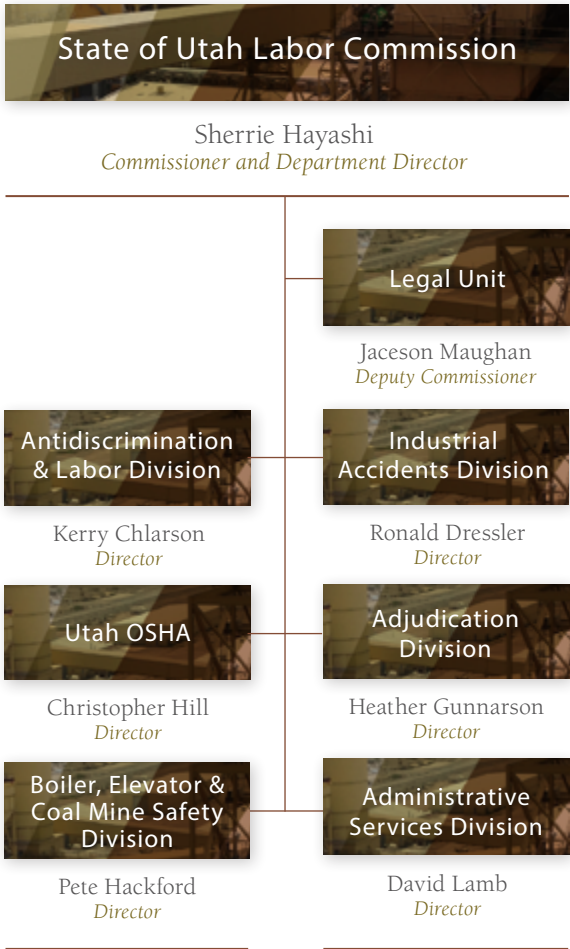
The mission of the Labor Commission is to achieve safety in Utah’s workplaces and fairness in employment and housing.

Our Values

The Labor Commission’s values are instilled in our programs, our relationships with the public we serve, our colleagues, and the community in general. The Commission embraces these values in the way we lead and support the Commission every day:

- Each person has value and worth—each individual we interact with has a point of view that is important. For these reasons, we respect individual lives and histories and treat each person equitably.
- We respect and follow the statutes and regulations that govern our activities.
- The public interest is advanced by transparent and open processes.
- We owe the people of Utah and our colleagues at the Commission the highest level of competency and service.
- Commission employees deserve a workplace that provides support, safety, and respect.
- Professional development is essential to a competent, dedicated staff and, ultimately, to the success of the Commission.

Organization



Utah Labor Commission Budget Summary | FY2014

Fiscal Year Ended June 30, 2014 with Comparative Totals for Year Ended June 30, 2013

Revenues:	FY 2014	FY 2013
General Funds	\$5,790,500	\$5,527,600
General Fund that was returned at the end of the year	-2,900	-4,300
Workplace Safety Fund	1,587,100	1,573,200
Unused Workplace Safety Fund appropriation that was returned	-764,500	-562,700
Industrial Accidents Restricted Account	2,669,800	2,536,400
Employers Reinsurance Fund	73,600	73,600
Federal Grants	2,779,300	2,858,600
Miner Certification	14,200	11,800
Total Revenues	\$12,147,100	\$12,014,200

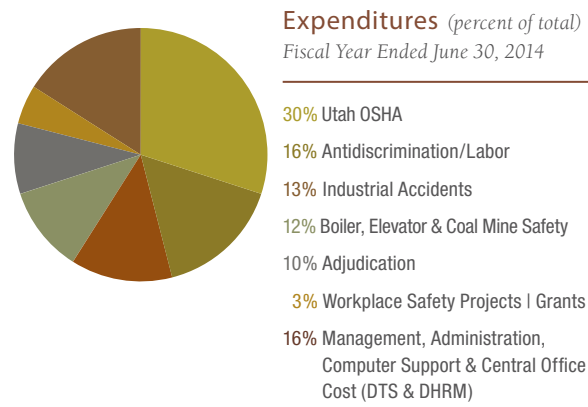
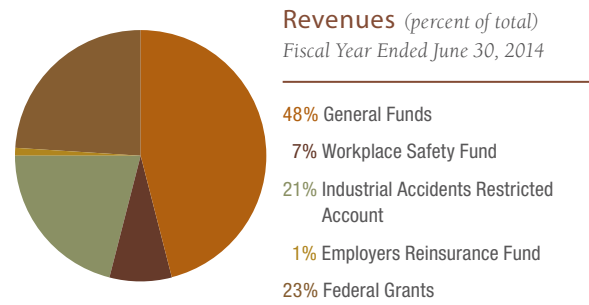
Expenditures:

By Division:

Utah OSHA Division	\$3,700,300	\$3,625,500
Antidiscrimination/Labor Division	1,896,500	1,887,600
Industrial Accidents Division	1,618,900	1,547,600
Boiler, Elevator and Coal Mine Safety Division	1,457,000	1,334,700
Adjudication Division	1,163,300	1,123,500
Workplace Safety Projects/Grants	354,600	616,300
Management, Administrative, Computer Support & Central Office Costs	1,956,500	1,879,000
Total Expenditures by Division	\$12,147,100	\$12,014,200

By Expense Category:

Salaries & Benefits	\$9,613,900	\$9,273,700
Travel Costs	77,400	82,400
Data Processing	1,105,100	990,300
Other Operating Expenses	1,071,500	1,125,300
Pass Through Workplace Safety Grants	279,200	542,500
Total Expenditures by Expense Category	\$12,147,100	\$12,014,200





# Mission

To achieve equal employment and fair housing opportunity for all, and assure that Utah employees are paid the wages they have earned.

**Kerry L. Chlarson**, *Director*  
(801) 530-6921  
kchlarson@utah.gov

## Utah Antidiscrimination & Labor Division (UALD)

### Overview

The Division enforces equal employment and housing laws, as well as Utah’s laws regarding payment of wages, employment of minors and minimum wage.

The Division is organized into three units: the Employment Discrimination Unit; the Fair Housing Unit; and the Wage Claim Unit. The Division also has an effective education program to teach employers, employees, housing providers, tenants, and the general public about the rights and responsibilities under the various laws enforced by the Division.

### 2014 Highlights

#### Employment Discrimination Unit:

- Responded to 5,206 public inquiries;
- Collected \$721,283 in damages;
- Conducted free antidiscrimination training for over 800 people, including hundreds of high school seniors entering the work force.

#### Fair Housing Unit:

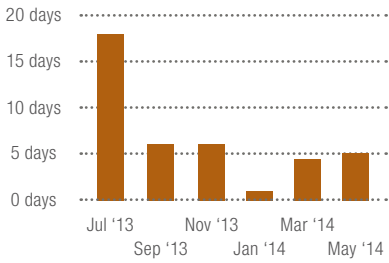
- Obtained a one-year federal grant to hire a housing outreach coordinator to train both landlords and tenants about fair housing rules and help with investigations. It also included money for litigation costs to enforce the division’s findings
- Responded to 643 public inquiries;
- Conducted 31 settlement conferences;
- Opened 73 new cases; and
- Provided free training for over 600 tenants, landlords and other housing providers on housing discrimination laws.

#### Wage Claim Unit:

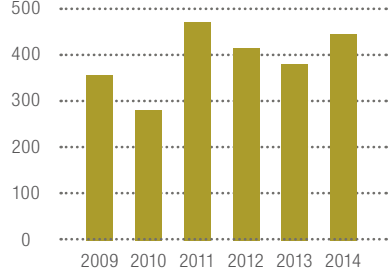
- Responded to over 30,000 public inquiries regarding wage and other employment law questions;
- Collected unpaid wages and fees totaling \$785,458;
- Reduced the average length of time a wage claim is open by 20% and
- Closed 1,395 cases



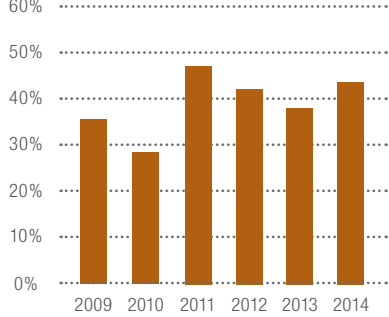
### Average Time Waiting for a Wage Claim Decision



### Employment Discrimination Determinations per year

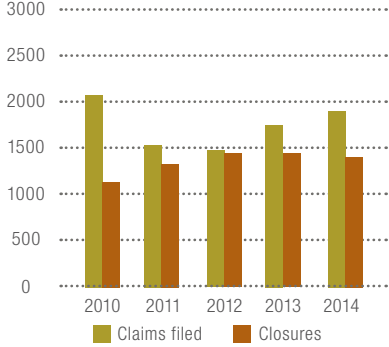


### Employment Discrimination Mediation Success Rate



Represents the percentage of cases successfully resolved through mediation, avoiding investigation and a written decision by the Division. Mediation efforts allow the division to handle more claims and reduce the time to resolve the claim, resulting in substantial savings and efficiencies.

### Wage Claim Unit Claims Filed & Closures





## Mission

To assist in resolving disputes involving workplace injuries fairly and efficiently and to regulate workers' compensation coverage requirements.

**Ronald L. Dressler**, Director  
(801) 530-6841  
rdressler@utah.gov

# Industrial Accidents Division

## Overview

The Division is responsible for administering the Workers' Compensation Act. Since 1917, Utah's workers' compensation system has provided medical care and disability payments for injured workers and immunity from personal injury lawsuits for employers. With a few exceptions, all employers must provide workers' compensation coverage for their employees.

## 2014 Highlights

### Claims and Mediation Section

This section administers the day-to-day operation of the workers' compensation system and also assists injured workers, employers and insurance carriers in resolving workers' compensation disagreements. During the last year, the Claims and Mediation Section:

- ▶ recorded 48,163 reported injuries,
- ▶ assisted 6,524 injured workers and
- ▶ held 704 dispute-resolution conferences.

### Compliance Section

The Compliance Section enforces statutory requirements that employers maintain workers' compensation coverage for employees. During FY 2014, the compliance section assessed non-compliance penalties against 467 employers and collected \$1,954,831 in outstanding penalties for the Uninsured Employers Fund. The Compliance Section has also assumed responsibility for issuing workers' compensation coverage waivers.

The Workers' Compensation Act and the Insurance Code allow the issuance of a "Workers' Compensation Coverage Waiver" to qualified partners of a partnership, officers of a corporation, or owner of a sole proprietorship, that do not have employees. The waiver acts as a declaration of non-coverage and is typically used by independent contractors who hire out their services to employers. During the 2011 legislative session Senator Mayne's S.B. 191 transferred the responsibility of processing and issuing these waivers from private insurance carriers to the Labor Commission, effective July 1st, 2011. During FY 2014 the waiver program received 7,269 applications and issued 6,500 waiver certificates. This year marks the completion of the transition for renewing waivers every three years to every year, as required by legislation.



## Outreach

This section and the Compliance Section conducted 16 educational sessions to stakeholders, with an emphasis on new small businesses.

## Employers' Reinsurance Fund (ERF)

The ERF pays benefits to workers with a permanent and total disability as a result of work accidents that occurred prior to July 1984. During FY 2014, the ERF paid \$16,318,193 in benefits to over 1,100 claimants.

## Uninsured Employers Fund (UEF)

The UEF pays benefits to the injured employees of uninsured and insolvent employers. During FY 2014, the UEF paid \$1,450,553 in benefits, which was more than offset by \$2,791,695 collected on employer and carrier non-compliance penalties, employer reimbursements on paid claims, and self-insurance fees.

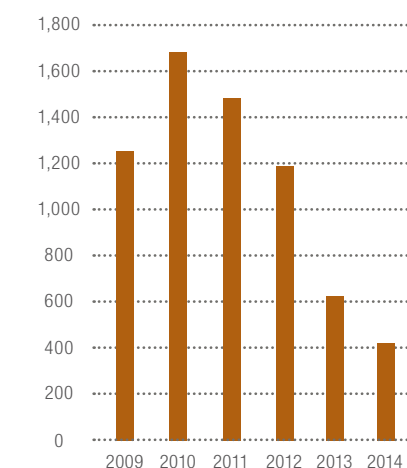
The ERF and UEF are funded in whole or in part by assessments paid by workers' compensation insurance carriers and self-insured employers. These assessments, which are subject to statutory limits, are set each Fall by the Commission in consultation with the Workers' Compensation Advisory Council. The assessment rate is based on independent actuarial evaluations of the revenue necessary to fund the ERF and UEF's future liabilities.

## Electronic Data Initiative

In January of 2013 phase I of the Electronic Data Initiative went live. This includes the reporting of all first reports of injury required on a workers' compensation claim. At the end FY 2014 Industrial Accidents reports the following:

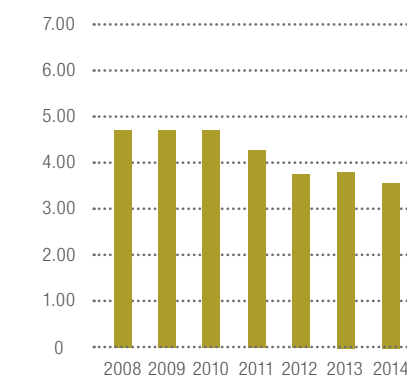
- ▶ 48,093 electronic claims transactions occurred in FY 2014;
- ▶ 533 web based claims transactions occurred in FY 2014;
- ▶ 87% of active insurers, including self-insured entities, are EDI compliant;
- ▶ 49 third party administrators (TPA) are approved to report (*some representing more than one carrier*) as well as 62 insurance carriers not reporting through a TPA.

### Number of Penalties Issued



The Industrial Accidents Division monitored workers' compensation coverage for over 80,000 Utah employers in fiscal year 2014 and issued penalties for those found not compliant.

### WC Injuries per 100 Workers in Utah





## Mission

Achieving compliance  
and providing  
assistance with safety  
and health for Utah  
workplaces

**Christopher Hill, Director**  
801-530-6898  
CHill@utah.gov

# Utah Occupational Safety and Health Administration Division

## Overview

The Utah Legislature enacted the Occupational Safety and Health Act of 1973 to provide for the safety and health of Utah's workers and to establish a state plan with occupational safety and health standards equivalent to Federal OSHA standards. On July 16, 1985, Federal OSHA recognized that Utah's occupational safety and health program as being "as effective as" the federal program and relinquished authority over occupational safety and health in Utah to Utah OSHA. Utah OSHA is organized into a Compliance section and a Consultation section which covers private employers having one or more employees and all state and local government agencies, including public education. Utah OSHA has jurisdiction over approximately 1,261,000 employees and over 86,700 employers in Utah.

## 2014 Highlights

### Compliance

Utah OSHA Compliance conducts safety and health inspections in manufacturing, construction, private and public sector facilities throughout the State of Utah. Inspection activity can be triggered by accidents, referrals or complaints of an unsafe or unhealthy working condition, or through an emphasis plan that focuses on high-hazard industries such as oil and gas, grain facilities and construction. Machine Guarding and Lockout/Tagout is also part of an emphasis plan where Utah OSHA Compliance conducts inspections at industries where machinery and the potential for machine related injuries exist. The development and implementation of Utah OSHA's emphasis plans is an ongoing effort by Utah OSHA to be proactive in identifying workplace hazards and in preventing serious disabling injuries.

#### During FY 2014, Utah OSHA Compliance:

- ▶ Conducted 840 safety and health inspections/interventions;
- ▶ Issued 1184 citations; and
- ▶ Evaluated safety and health conditions at work sites employing over 138,888 employees.



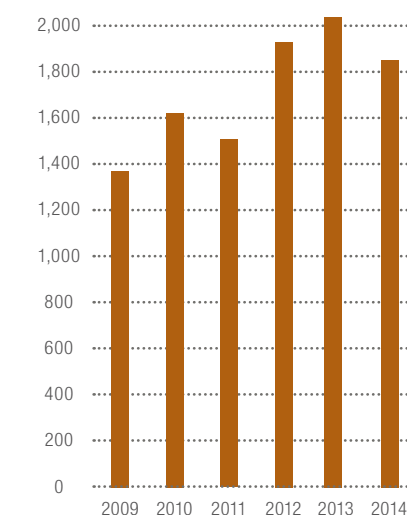
### Consultation

Utah OSHA Consultation Program provides on-site safety and health services, at no cost, to small/high-hazard businesses. The Utah OSHA Public Sector Consultation Program provides on-site safety and health services, also at no cost, to public sector agencies. The Utah OSHA Consultation Program(s) can help employers to recognize hazards in the workplace and suggest options for correcting the hazards. Consultation provided outreach and promotion in the following high-hazard emphasis industries: nursing homes, bridge and highway construction, oil and gas, and public sector.

#### During FY 2014, Utah OSHA Consultation:

- ▶ Conducted 1,043 safety and health interventions;
- ▶ Identified 2,330 hazards;
- ▶ Assisted employers in improving workplace safety and health for over 116,700 employees; and
- ▶ Trained approximately 2,334 workers from over 204 entities in industry and construction courses.

Utah OSHA Interventions





Mission

To maximize boiler, elevator and coal mine safety, and provide for effective coal mine accident response.

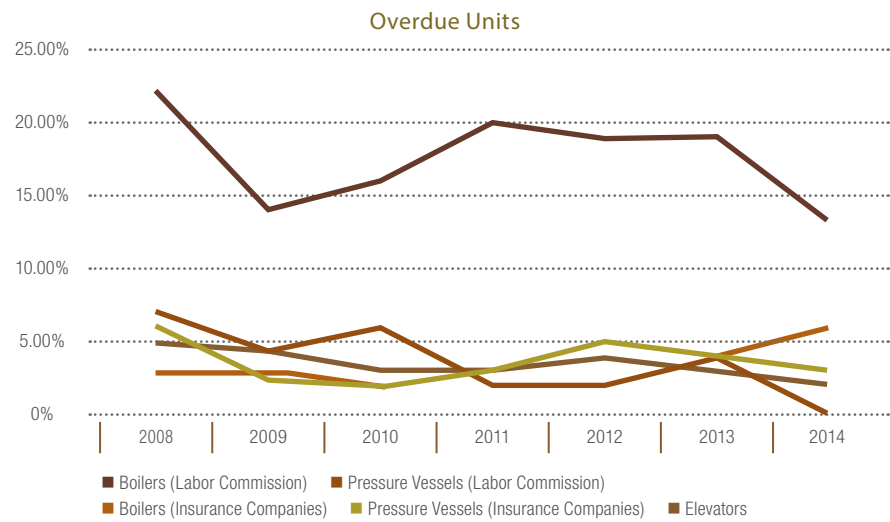
Pete Hackford, Director  
(801) 530-7605  
phackford@utah.gov

Boiler, Elevator & Coal Mine Safety Division

Overview

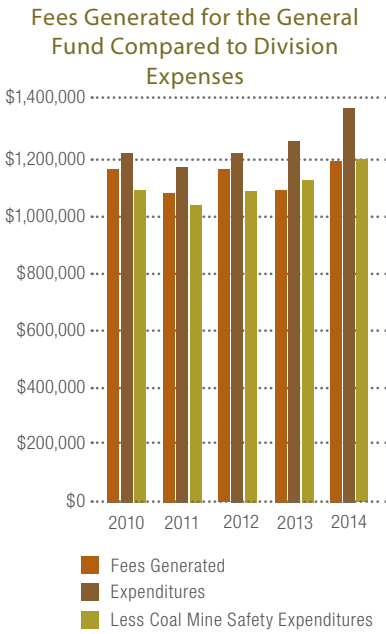
The Division is charged with the task of enforcing state laws as they pertain to boilers, pressure vessels, elevators, coal mine safety and coal miner certification. The Division employs to eleven Boiler/ Pressure Vessel and Elevator Inspectors, one Coal Miner Certification Official, one part time Coal Mine Safety Director, one part time Office Specialist, one Senior Business Analyst and a Division Director to inspect the State's boilers, pressure vessels, and elevators, and to administer the coal mine safety program. The inspection fees generated by the Division are deposited into the State's general fund where they pay for the state's appropriations for the Division's operating expenses.

The Division maintains an office in Price, Utah, housing the State's program for Coal Miner Certification and the Office of Coal Mine Safety; these offices, assisted by their associated panel and council, work to maximize safety in Utah's coal mines.

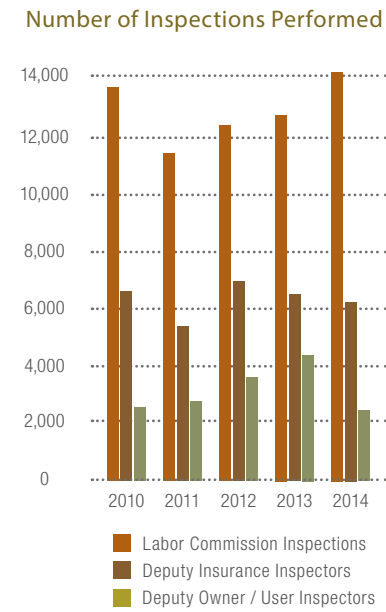


2014 Highlights

- ▶ Inspected 287 new elevators, 839 new boilers and 1,650 new pressure vessels;
- ▶ Performed 26,000 total inspections;
- ▶ Issued 18,226 operating permits;
- ▶ Administered 300 certification exams to coal miners;
- ▶ Received over 970 online payments since the implementation of the online pay system. This was a 24% increase over the prior year, and
- ▶ Completed on-line service system for Miner Certification allowing applicants to apply and pay for their application on-line. This allows staff to review all applications electronically, which virtually eliminates the need for paper files.



note: The mining section requires \$150,000 annually that is not fee based.



Labor Commission Inspectors	15
Deputy Insurance Inspectors	24
Owner/User Inspectors	28



## Mission

To conduct all formal Utah Labor Commission hearings in a fair, efficient, courteous and predictable manner.

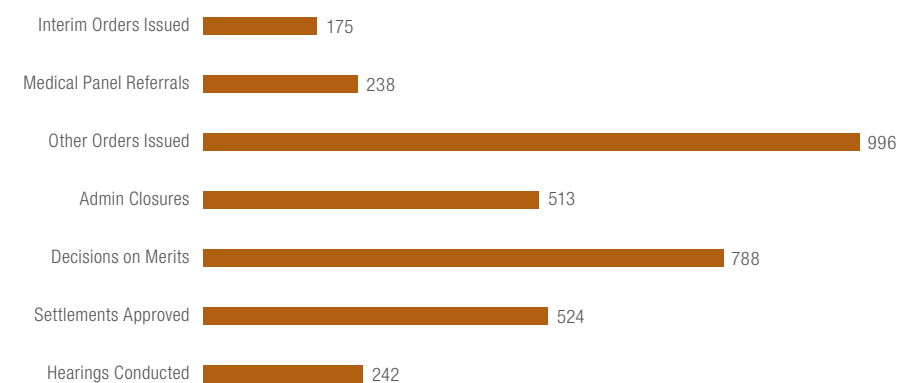
**Heather E. Gunnarson,**  
Director & Presiding Administrative Law Judge  
(801) 536-7928  
hgunnarson@utah.gov

## Adjudication Division

### Overview

The Adjudication Division is responsible for adjudicating disputed workers' compensation claims. It does so in a fair and impartial manner to ensure the quick, efficient and predictable delivery of workers' compensation benefits to injured workers at a reasonable cost to employers and insurance carriers. The Division also hears appeals of: employment and housing discrimination investigations; Utah Occupational Safety and Health (Utah OSHA) citations; and workers' compensation insurance compliance penalties. The Division employs 6.5 FTE administrative law judges and 4 FTE clerks. In the Fall of 2014, the Division moved its only other office from Parowan to St. George to better serve central and southern Utah; employees with wage claims in southern Utah may file for a hearing in the St George office.

#### What we did in 2014

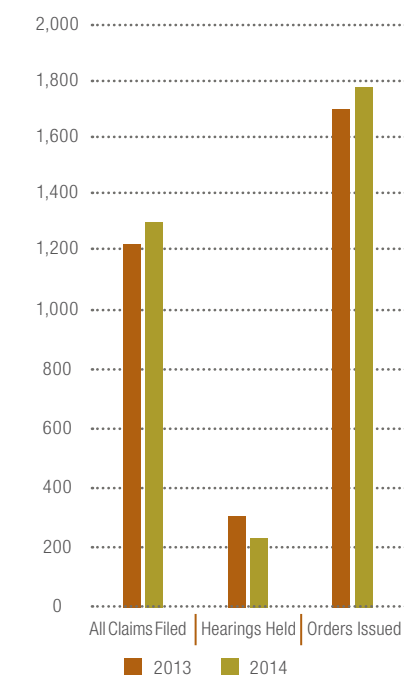


### 2014 Highlights

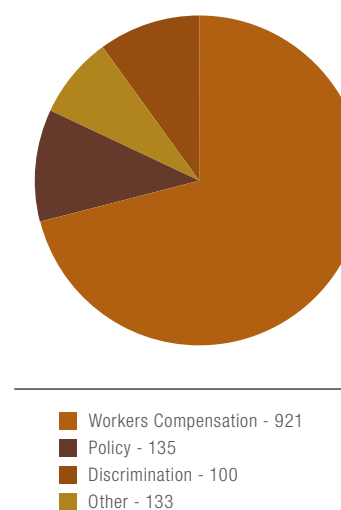
The Adjudication Division continues to make great strides in improving accountability, transparency and professionalism. In 2014, the Division:

- Eliminated the backlog of Applications for Hearing.
- Issued 100% of all final decisions within 60 days
- Issued 92% of all decisions within 60 days (up from an average of 64% over the last 2 years)
- Improved our baseline (quality and timeliness of decisions, together with the number of cases closed) by 42% over last 5 years
- Developed new managerial reports to more accurately track critical case data including the number and types of orders issued; overall age of cases; time between hearing and decision; reversal rates, etc.
- Hired a new Medical Director to help the Division recruit and train medical panels
- Required all administrative law judges to complete a comprehensive 10 week online training course on bias and ethics offered through the National Judicial College
- In conjunction with the Utah State Bar/Government Law Section, sponsored a full day continuing legal education seminar for all administrative law judges in the State

#### Adjudication Statistics



#### Claims Filed 2014





## Mission

In cooperation with the Utah Attorney General, to provide representation and counsel to the Utah Labor Commission.

**Jacson R. Maughan,**  
Deputy Commissioner/General Counsel  
(801) 530-6036  
jacsonmaughan@utah.gov

## Legal Unit

### Overview

The Legal Unit is responsible for reviewing decisions issued by administrative law judges; representing the Commission in appellate proceedings before Utah's Court of Appeals and Supreme Court; representing the Commission in the legislative process; rule-making; and providing public information about the Commission.

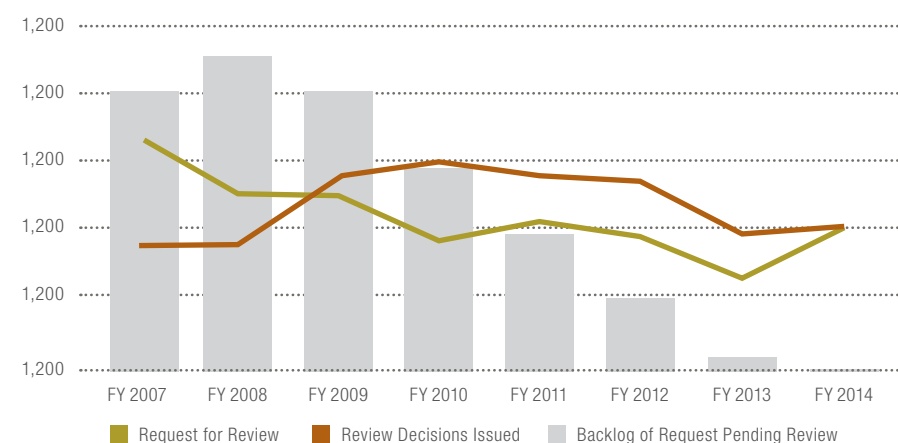
### Major Activities

#### Motions for Review

The Legal Unit assists the Commissioner and Appeals Board in reviewing decisions of administrative law judges in workers' compensation, antidiscrimination, and workplace safety cases.

In March 2008 the Legal Unit's backlog of review cases was 238. The Commission reassigned staff, obtained authorization to hire additional staff, and implemented case-screening procedures to address the backlog. Legislation passed in the 2013 general session also imposed a requirement that decisions on motions for review filed with the Commission be issued within 90 days of receipt. During FY 2014 the Commissioner and Appeals Board issued 106 decisions. Of these, 104 were issued within 90 days of receipt.

Decisions Reviewed by Commissioner of Appeals Board



### Appellate Litigation

Decisions of the Commissioner and Appeals Board are subject to review by the Utah Court of Appeals and Utah Supreme Court. The Legal Unit represents the Labor Commission in proceedings before these courts.

### Legislative Issues

The Legal Unit works with Commission staff, stakeholders, legislative counsel, and individual legislators to evaluate legislative proposals.

### Rule-Making

The Legal Unit assists the Commission in developing, drafting and enacting administrative rules.

### Public Information

The Legal Unit participates in seminars and other forums to provide information about the Commission. The Legal Unit responds to public inquiries about Commission activities.



## Awards & Honors

### Outstanding Asian Professional Award



Commissioner Sherrie Hayashi was honored as the Outstanding Asian Professional of the Year by the Utah Asian Chamber of Commerce during the Chamber's 9th Annual Scholarships and Awards Gala.

### National Association of Administrative Law Judiciary (NAALJ)

Judge Heather Gunnarson has been appointed to the NAALJ Board of Governors. NAALJ is the largest professional organization devoted exclusively to administrative adjudication in the executive branch of government. It has more than 850 members nationwide.

### Labor Commission Employee of the Quarter Awards

**Shaheen Safuillah**

Employee of the 2rd Quarter, 2014 | Utah OSHA Division

**Lola Chacon**

Employee of the 1st Quarter 2014 | Utah OSHA Division

**Jeanne Long**

Employee of the 4th Quarter 2013 | Industrial Accidents Division

**Loretta Woodmansee**

Employee of the 3rd Quarter 2013 | Utah Antidiscrimination & Labor Division

### VPP Awards Program



The Voluntary Protection Program (VPP) is a Compliance Program that recognizes comprehensive workplace safety and health management systems through cooperative relationships among management, labor, and OSHA. Admission to VPP status constitutes Utah OSHAs official recognition of company management and employees who have achieved exemplary occupational safety and health success.

### SHARP Awards Program



OSHA's Safety and Health Achievement Recognition Program (SHARP) recognizes small employers that incorporate safety and health into every phase of their business and have an exemplary safety and health management system.

**Companies who earned SHARP for FY2014 are:**

- ◆ Closure Systems, International | Litehouse, Inc.
- ◆ MOM Brands Co. | Sandy City Fire Departments 31, 32, 33, 34 and 35.

### Arches Awards

The ARCHES Award for workplace safety and health excellence is awarded to companies which exhibit excellence in workplace safety and health. In FY 2014 four companies received this award.

**Sahara Inc.** has a long standing commitment to safety and health in the workplace. The success of Sahara's safety culture has been attributed to several factors including the company's value system, employee participation, and uncompromising support for safety from all levels of management. Sahara views safety as integral to the quality of the work they perform, as well as contributing to their success in getting projects completed on schedule for their clients. Sahara has developed an exemplary safety and health culture which is demonstrated by the fact that they have not had a recordable injury resulting in Days Away Restricted or Transferred (DART) for the past three years.

**American Pacific Corporation**, Utah Operations (AMPAC) has taken a proactive approach of incorporating process safety management elements into all aspects of its operations. Safety and health tasks are clearly communicated to each department, creating ownership and accountability. Multiple third party audits of departments and/or programs are conducted throughout the year, providing a constant focus on safety, health and environmental hazards. All identified hazards are tracked from the time they are observed through correction. AMPAC's Total Recordable Case (TRC) and Days Away Restricted or Transferred (DART) rates have been on a downward trend and are currently well below industry averages.

The **North Davis Sewer District Plant** received this award due to their dedication to safety excellence in every aspect of business. The safety culture in this organization is visibly active from the top administrator to hourly workers. The North Davis Sewer District Plant goes beyond all applicable OSHA required programs to protect their employees from safety and health hazards. The organization is an outstanding public sector example of excellence in implementation and execution of safety and health programs.

**Closure Systems International** was nominated for this award because their Days Away Restricted or Transferred (DART) rates and Total Recordable Case (TRC) rates are far below the state and national rates for their industry. These accomplishments are a result of a safety culture that runs throughout the company from the top management down to the front line employee. Their safety culture is built upon all the necessary elements of a safety workplace including training, project health and safety review audits, job hazard analysis and pre-shift machine safeguarding. Closure Systems International is so attuned to detail that when OSHA consultation was ready to begin a safety walk-through, the consultant was asked to change the hearing protection being worn because company representatives could not verify the noise reduction factor of the hearing protection the consultant was wearing.



## Workplace Safety Grant Program Accomplishments

The workplace safety program is designed to support the development of safety initiatives in the workplace by reducing accidents, by facilitating strong collaborative relationships among workplace safety grant recipients, and maximizing the public utilization of programs and resources being developed with workplace safety funds.

This program is funded by assessments on workers' compensation premiums paid by Utah employers. Money is appropriated from this fund by the Legislature to award grants for projects or initiatives designed to assist Utah employers and their employees through programs such as OSHA training, implementation of specialized safety initiatives, developing resources for existing safety programs, and safety training between organizations.

This year, the Workplace Safety Grant program made a transition to move from a fiscal year to a calendar year grant process. To accomplish the transition we provided two grant opportunities: one which was funded in the fiscal year and one that started in the new calendar year ranging from January–December 2014.

- During the FY 2013-2014 the Labor Commission received \$1,080,750 in funding requests and awarded a total of \$209,800 in workplace safety awards.
- For the new calendar year of Jan-Dec 2014 we received \$745,757 requests for funding and provided \$196,250 in workplace safety awards.

Below are some of the most notable projects funded during this fiscal year:

- Supported the joint Annual Utah Mining Association and the Utah Manufacturing Association's Safety Conference, which included presentations on safety regulations related to Occupational Safety and Health (OSHA), and the Mine Safety & Health Administration (MSHA).
- Supported a project sponsored through Centro de la Familia de Utah which provided safety training to members of the United Food & Commercial workers union, local #435 and employees of JBS, a large meat packing plant located in Hyrum, Utah which provides employment to over 1,000 people in rural Utah.
- Provided grants to the Utah Safety Council to support scholarships for safety courses for small and medium size employers, and to augment title selections on safety related topics for their Audio Visual Lending Library program.
- Provided funding to the Southern Utah Home Builders Association to implement a job safety and educational program for the Central and Southern Utah areas by assisting employers with programs and training designed to enhance safety in the workplace.

### Elena Bensor,

Public Information & Community  
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## Workplace Safety Poster Contest

Each year, as part of the Labor Commission's community relations program and by utilizing money appropriated by the legislature from the Workplace Safety Fund, the Commission sponsors a "Take Safety Seriously" poster contest among Utah's schools and specifically aimed at promoting safety awareness for Utah's future workforce.

The poster contest is currently open to all middle and junior high schools across Utah, including Charter Schools and private schools. Cash awards are given to the winners and matching awards to the school's art program for participating. This year, the School Poster contest received well over 1,400 entries from schools across the State.

From the many participating posters, the top 12 entries are selected which are then included in the Labor Commission's annual safety calendar. This year we printed about 10,000 copies of the calendar, and copies were distributed throughout the state of Utah without cost to schools, businesses, and community based organizations for purposes of increasing workplace safety awareness.

### Grand Prize Winner



Maddalena Ana Willis  
Rocky Mountain Middle School

### 1st Runner Up



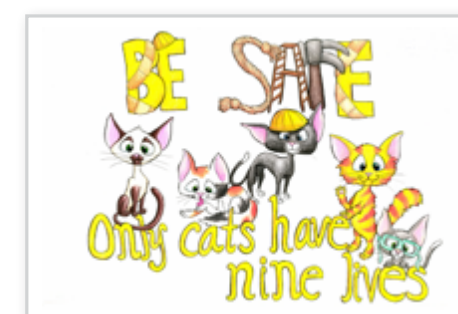
Benson Blackburn  
Centerville Jr High School

### 3rd Runner Up



Sidney Johnson  
Hillside Middle School

### 2nd Runner Up



Kaitlyn Bair  
Panguitch Middle School



## Members of Advisory Boards and Councils

### Appeals Board

- Colleen Colton, Ph.D., Chair
- Patricia Drawe, J.D.
- Joseph Hatch, J.D.

### Workers' Compensation Advisory Council

#### Employer Representatives

- Todd R. Bingham, *Utah Manufacturers Association*
- Dave Davis, *Utah Food Industry Association*
- David R. Bird, *Law Firm of Parsons, Behle & Latimer*
- Richard J. Thorn, *Utah Chapter of Associated General Contractors*
- M. Jeff Rowley, *Salt Lake County Risk Management*

#### Employee Representatives

- Reo Castleton, *Salt Lake County Fire Department*
- K. Dawn Atkin, *Law Firm of Atkin & Associates*
- Brian Kelm, *Law Office of Brian D. Kelm*
- Brandon Dew, *Engineers Local Union #3*
- William Brandt Goble, *Painters and Tapers Union Local 77*

#### Ex Officio

- Ray Pickup, *Workers Compensation Fund of Utah*
- Todd Kiser, *Utah State Insurance Commissioner*
- Dr. Edward B. Holmes, *Summit View Medical*
- Kathleen G. Bissell, *Liberty Mutual Insurance Group*

#### Legislative Liaisons

- Senator Karen Mayne
- Representative James Dunnigan

### Mine Safety Technical Advisory Council

#### Non-Voting Members

- Mike Dalpaiz, *United Mine Workers of America*
- Steven Childs, *Skyline Mine*
- Don Shelley, *United Mine Workers of America*
- John Byars, *Arch Coal*
- David W. Hibbs, *Utah American Energy*
- Mark Compton, *Utah Mining Association*
- Greg Funk, *Emery County Sheriff's Department*
- Terri Watkins, *Castle View Hospital*
- Dr. Kristine L. Pankow, *University of Utah*
- Kim McCarter, *University of Utah*
- Ralph Sanich, *Interwest Mining Company*
- Randy Tatton, *Mining Health & Safety Solutions*
- Thomas Hethmon, *University of Utah*

#### Non-Voting Members

- Sherrie Hayashi, *Commissioner, Utah Labor Commission*
- Bruce Riches, *Utah State Department of Public Safety*
- John Baza, *Utah State Department of Natural Resources*
- J. D. McKenzie, *U.S. Department of the Interior, Bureau of Land Management*

### Utah Miner Certification Panel

#### Members

- Arthur D. Bruno, *Bruno Engineering*
- Terry L. Jordan, *Deer Creek Mine (retired)*
- Wendell Christensen, *West Ridge Mine*
- Rudy Madrigal, *Deer Creek Mine*
- Fred C. Veater, *SUFCO Mine*
- Brian W. Lea, *Deer Creek Mine*
- Clark Atwood, *Horizon Mine*
- Kirt Tatton, *Dugout Mine*
- Douglas C. Luke, *Deer Creek Mine*
- Justin Barrington, *West Ridge Mine*

### Boiler and Pressure Vessel Advisory Board

#### Members

- Val Oman, *EP Energy*
- Coy D. Porter, *State Fire Marshal Office*
- Ron Wyman, *R & L Boiler*
- Michael Shaw, *Hartford Steam Boiler*
- Dean Wood, *Intermountain Power Plant*
- Wyatt Peterson, *University of Utah*
- Paul Riley, *LDS Church*
- Senator Scott Jenkins, *Legislative Liaison*

### Elevator and Escalator Advisory Board

#### Members

- Coy D. Porter, *State Fire Marshal Office*
- Todd Kodele, *Carson Elevator Company*
- Steve Hermansen, *Davis County Schools*
- Barry Smith, *Hart Fisher Smith & Associates*
- Tony Hall, *Schindler Elevator Corporation*

## Comprehensive Report of the Status of Coal Mine Safety in Utah CY 2013



### Introduction

For convenience, this report has been incorporated with the Labor Commission's annual State Fiscal Year 2014 report; however, this section of the report covers coal mining activities in the state of Utah during calendar year 2013.

Section 40-2-303 of the Utah Coal Mine Safety Act directs the Utah Labor Commission, with its Office of Coal Mine Safety (OCMS) and Mine Safety Technical Advisory Council (MSTAC), to submit to the Governor and Legislature an annual comprehensive report regarding coal mine safety in Utah for the preceding calendar year. The statute requires that the report include: **1)** a compilation of major coal mine accidents or other coal mine emergencies within the state during the calendar year;<sup>1</sup> **2)** a statement of actions by the commission, office, or council to implement this chapter; **3)** without a breach in confidentiality, a summary of reports of alleged unsafe conditions received by the office, with a statement of the office's responses; **4)** recommendations for additional action to promote coal mine safety; and **5)** any other items the commission, office, and council consider appropriate. Each of these items are discussed in this report.

<sup>1</sup> Though not inclusive, the list of accidents or emergencies includes:

1. A death of an individual at a mine;
2. An injury to an individual at a mine which has a reasonable potential to cause death;
3. An entrapment of an individual for more than thirty minutes or which has a reasonable potential to cause death;
4. An unplanned inundation of a mine by a liquid or gas;
5. An unplanned ignition or explosion of gas or dust;
6. In underground mines, an unplanned fire not extinguished within 10 minutes of discovery; in surface mines and surface areas of underground mines, an unplanned fire not extinguished within 30 minutes of discovery;
7. An unplanned ignition or explosion of a blasting agent or an explosive;
8. An unplanned roof fall at or above the anchorage zone in active workings where roof bolts are in use; or, an unplanned roof or rib fall in active workings that impairs ventilation or impedes passage;
9. A coal or rock outburst that causes withdrawal of miners or which disrupts regular mining activity for more than one hour;
10. An unstable condition at an impoundment, refuse pile, or culm bank which requires emergency action in order to prevent failure, or which causes individuals to evacuate an area; or, failure of an impoundment, refuse pile, or culm bank;
11. Damage to hoisting equipment in a shaft or slope which endangers an individual or which interferes with use of the equipment for more than thirty minutes; and
12. An event at a mine which causes death or bodily injury to an individual not at the mine at the time the event occurs.



I. Summary of Coal Mine Accidents/Emergencies

Date	Mine	Accident or Emergency
2/13/2013	Bowie Resources Dugout Canyon Mine	On February 13, 2013 a weekly examination detected a non-inert atmosphere behind the Rock Canyon North Main #17 seal. The oxygen reading was 14.8% and the methane reading was 9%. The mine was evacuated, CO2 was pumped in behind the seal which lowered the oxygen level to reduce the risk of fire. The mine was allowed to resume mining operations. No injuries or fatalities. The Director of the OCMS assisted MSHA with the investigation.
2/23/2013	Bowie Resources SUFCO Mine	On February 23, at 11:55 a.m. the mine's tracking system lost communication in the bleeder area of 2 South section. Two employees were dispatched to the location and found a roof fall. All entrances to the area were immediately blocked off and MSHA was notified. No injuries or fatalities. The Director of the OCMS assisted MSHA with the investigation.
3/22/2013	Rhino Energy Castle Valley Mine	On March 22, at 3:05 p.m. a roof fall occurred during a retreat mining operation. A shuttle car operator found a continuous miner under the roof fall. The shuttle car driver found the miner operator and his helper were under a slab of rock from the roof fall. The miner operator did not survive the roof fall but the helper did. The Director of the OCMS assisted MSHA with the investigation.
11/13/2013	Bowie Resources SUFCO Mine	On November 13, at 8:30 a.m. a roof fall occurred in the return escape way of the mine. The fall was 10 feet long by 15 feet wide and 7 feet high. There were no injuries or fatalities. The Director of the OCMS assisted MSHA with the investigation.

II. IMPLEMENTATION OF THE COAL MINE SAFETY ACT

The OCMS has continued to implement the Coal Mine Safety Act. Major activities in 2013 include:

- ▶ MSTAC held quarterly meetings in March, June, September, and December.
- ▶ The OCMS Director visited all the operating coal mines in the state at least once per quarter to discuss safety related issues.
- ▶ The OCMS Director routinely visited the training facilities that provide mine safety training throughout the state.
- ▶ OCMS also maintains a safety hot line that allows miners and mine operators to report any unsafe mining conditions. During 2013 there were no hot line calls to the OCMS.
- ▶ The OCMS Director has also been active in the community and has been involved with various mining organizations. He attended the Utah Mine Association Annual Safety conference in August, participated in the annual Utah Mine Rescue competition in Price Utah in June and attended all Local Emergency Planning Committee meetings in Carbon, Emery, and Sanpete counties.

III. SUMMARY OF REPORTS OF ALLEGED UNSAFE CONDITIONS

There were no reports of unsafe conditions during 2013.

IV. RECOMMENDATIONS

The purpose of the Office of Coal Mine Safety is to maximize safety in Utah's Coal Mines. As part of the yearly report to the Governor and legislature, OCMS and MSTAC provide the following recommendations in furtherance of this goal:

1. Full-time OCMS Director: The Labor Commission and the Mine Safety Technical Advisory Council recommend funding be provided for a full-time OCMS Director. This will improve the ability of the OCMS to promote safety in the coal mining industry and further meet the requirements of the Coal Mine Safety Act.
2. MSTAC recommends providing funding for the University of Utah Center for Mining Safety and Health Excellence Training Program and designating it as the Utah Research Center for Mine Safety and Productivity:

The Center will undertake and develop a safety roundtable for government agencies and miner representatives, in coordination with the MSTAC and conduct a symposium on 'mine bumps' in coal mines and improve mine safety, in coordination with the MSHA and BLM.

CONCLUSION

During calendar year 2013, the OCMS continued its role as an ombudsperson for coal mine safety throughout the State of Utah. In working with various federal, state, research, emergency responders, education, the mining industry, and coal miners, OCMS continues to work to improve safety with limited resources and fulfill the statutory intent of the Coal Mine Safety Act.





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