

2015 Annual Report



Labor Building, Raleigh, N.C.



Cherie Berry

Commissioner of Labor

Historical Note About the Cover

The Labor Building is located on West Edenton Street across from the State Capitol. It was designed in 1885 by architect Gustavus Adolphus Bauer. Bauer also assisted in the design of the Executive Mansion, which is why the two buildings share similar architectural design features. The building was dedicated on March 5, 1888, and for the first 25 years housed the Supreme Court and State Library. The red brick building, once painted gray to blend in with the stone buildings around it, was stripped of the paint in the 1980s to reveal the true rich color of the original red brick, which was made by prison labor.

The rendering of the building featured on the cover is from a watercolor created by Earle Kluttz Thompson, an artist from Salisbury. Thompson studied studio art at the University of North Carolina. While a student at UNC, she interned with muralist Michael Brown, where she learned faux techniques and how to paint outdoor and indoor murals. Thompson later studied at Lorenzo de Medici in Florence, Italy. She and her husband live in Raleigh. She and Raines Thompson are partners in Kluttz Thompson Designs.

On Sept. 11, 2001, Labor Commissioner Cherie Berry directed that the American flag be flown over the Labor Building. When advised that the building had no flagpole, she ordered the immediate printing of flags to be displayed in every window of the Labor Building. Within days every window of all NCDOL buildings across the state displayed an American flag. Fittingly, the very first flag was placed in the window of Commissioner Berry's office.

2015 Annual Report



Cherie Berry
Commissioner of Labor

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Foreword

I wish to acknowledge the cooperation of all the fine employees of the various divisions of the Department of Labor who made possible the many accomplishments and services to the people of North Carolina that are recorded in this report. The dedication shown by these employees helps make North Carolina a safe and healthy place to work and live.


Cherie Berry
Commissioner of Labor

N.C. Department of Labor

Overview

The N.C. Department of Labor, under Labor Commissioner Cherie Berry, is charged by law with promoting the health, safety and general well-being of working North Carolinians. The General Statutes provide the labor commissioner with broad regulatory and enforcement powers to achieve that objective.

The labor commissioner is the constitutional officer elected by the people of North Carolina to a four-year term running concurrently with the governor's. Foremost among her duties are the administration and enforcement of the occupational safety and health standards and working conditions in industry; wage and hour issues pertaining to maximum work hours and minimum wage laws; education, training and consultation on safe and healthy working conditions; and the administration of inspections for boilers, elevators, amusement rides, and mines and quarries.



Labor Commissioner Cherie Berry

The N.C. Department of Labor's mission is to foster a safe, healthy, fair and productive North Carolina by:

- Providing responsive, effective and efficient services
- Providing and encouraging quality education and training
- Administering consistently and fairly our regulatory mandates
- Enhancing public confidence in the Department of Labor

The Department of Labor is charged with promoting the health, safety and general well-being of 4 million workers at more than 250,000 places of business. The laws and programs the department administers affect every worker—and virtually every person—in the state.

Department of Labor history dates back to 1887, when the General Assembly created the Bureau of Labor Statistics. In a reorganization of labor functions in 1931, the General Assembly laid the groundwork for the department's transformation into an agency with laws and programs affecting most state citizens. Departmental divisions and bureaus carry out its principal regulatory, enforcement and informational programs.

The N.C. Occupational Safety and Health Review Commission operates independently from the department. The Review Commission, whose members are appointed by the governor, hears appeals of citations and penalties imposed by the Occupational Safety and Health Division.

The Department of Labor serves the workplace. Its programs, as well as the information it makes available, help industry managers, small business owners, and all those who work in North Carolina perform their work safely.

Standards and Inspections Division

The Standards and Inspections Division comprises five bureaus of the N.C. Department of Labor: Boiler Safety, Elevator and Amusement Device, Employment Discrimination, Mine and Quarry, and Wage and Hour.

Statistical Highlights for State Fiscal Year 2015

Boiler Safety Bureau

- Investigated 11 accidents during the year.
- Inspected 50,567 items of pressure equipment.
- Identified 2,933 violations.
- The average backlog for state inspectors was 0.86 percent. The average combined backlog for both state and insurance company inspectors was 1.17 percent.
- Inspected 4,743 new items.
- Conducted 717 half-day inspections in ASME Code manufacturing shops.

Elevator and Amusement Device Bureau

- Completed 25,241 routine elevator inspections, with 98.6 percent (24,877) inspected within 30 days of the inspection due date.
- Inspected 6,831 amusement devices at 1,234 locations.

Employment Discrimination Bureau

- 63.3 percent of complaints were based on workers' compensation claims, 22.3 percent were based on wage and hour concerns, 13.7 percent were based on safety and health concerns, and 0.7 percent were based on other protected activities.
- Received 453 complaints and completed 389 investigations.
- Percentage of cases settled increased from 21.4 in FY 2014 to 27.2 in FY 2015.

Mine and Quarry Bureau

- Conducted 618 on-site training programs and trained 5,052 miners and contractors.
- Conducted eight Part 48 instructor classes, certifying 72 people as MSHA-approved instructors.
- The injury and illness rate of the North Carolina minerals industry was 1.79 per 100 full-time employees during the 2015 calendar year.

Wage and Hour Bureau

- Substantiated over \$1.7 million due to employees (\$1,769,386).
- Recovered over \$1.4 million in wages due for almost 1,400 workers (\$1,415,931 for 1,399 workers).
- Opened 3,258 complaints from employees.
- Closed 3,233 cases as a result of complaints filed.
- Issued 57,034 youth employment certificates online using YEC Auto.
- Youth employment certificates issued through YEC Auto reached nearly 88 percent of all certificates issued.
- Answered 99.84 percent of 61,275 calls received on the first attempt.

Boiler Safety Bureau

During state fiscal year 2015, the Boiler Safety Bureau employed 13 field inspectors, two field supervisors, five administrative staff and two senior staff to support more than 50,000 inspections. State inspectors, along with 12 insurance company partners, conducted in-service inspections on boilers, antique boilers, model/hobby boilers, various types of pressure vessels, repair inspections, and pressure equipment accident investigations. The Boiler Safety Bureau is a receipt-supported bureau; the fees collected pay for the operation of the bureau and the salaries of the bureau staff.

Commissioned inspectors conducted third-party authorized inspector duties at companies where boilers and pressure vessels are manufactured. The bureau’s support staff processed and conducted quality control functions on all inspection reports received by hard copy or electronically.

Programs

Periodic inspection continues to be the primary focus of the Boiler Safety Bureau. The bureau also provides education and promotes voluntary safety. The bureau’s inspection program for boilers and pressure vessels covers a wide array of businesses and industries. Table 1 shows the number of inspections and violations for FY 2012 through FY 2015. The 50,567 inspections conducted in FY 2015 included inspection of 4,743 new items. The bureau investigated 11 accidents due to boiler/pressure vessel failures. None of the accidents resulted in life-threatening injuries, but there was significant property damage.

Table 1
Number of Inspections and Violations, FY 2012 Through FY 2015

Fiscal Year	Number of Inspections	Number of Violations
2012	51,597	2,545
2013	51,185	2,115
2014	50,284	2,970
2015	50,567	2,933



The staff of the Boiler Safety Bureau during FY 2015.

Backlogs

Any inspection program can have a backlog of items past-due for inspection. The combined average backlog of state objects and insurance objects was 1.17 percent in FY 2015, one of the lowest backlog rates among states inspecting boilers and pressure vessels. The average backlog for N.C. state inspectors was 0.86 percent.

Other Duties

In addition to the inspections of equipment in businesses and institutions throughout the state, inspectors with special training and endorsements carried out 717 half days of ASME Boiler and Pressure Vessel Code third-party inspections in manufacturing facilities that construct boilers and pressure vessels as well as pressure equipment repair firms known as National Board “R” Stamp holders. The bureau also has specially trained qualified review team leaders who are charged with conducting quality reviews of “R” Stamp holders.

The bureau’s support staff entered the collected data from hard copy reports into the data system and conducted quality reviews of the data entered directly by inspectors. They printed and mailed invoices and certificates and answered many questions from inspectors and the public.

Elevator and Amusement Device Bureau

The Elevator and Amusement Device Bureau is responsible for the proper installation and safe operation of all elevators, escalators, workman’s hoists, dumbwaiters, moving walks, lifting devices for persons with disabilities, aerial passenger tramways, amusement rides, and incline railways that operate in public establishments (except federal buildings) and private places of employment. Elevators are inspected annually by the bureau. It also inspects all of the amusement devices each and every time they are set up for operation in the state. The bureau inspects all inflatable amusement devices and portable rock walls. The bureau conducted 25,241 routine and 1,169 new elevator inspections as well as 6,831 amusement device inspections at 1,234 locations.

Elevator Inspections

Inspections of elevators, dumbwaiters, escalators and handicapped lifts consist of routine inspections of existing devices and new inspections. As shown in Figure 1, the number of routine inspections and the number of new inspections both increased from the previous fiscal year.

Amusement Device Inspections

Amusement device inspections consist of mechanical rides, inflatable rides, go-karts, rock-climbing walls, etc. Tramways and ski lifts are included in this inspection category. While mechanical rides at permanent parks are inspected once annually, mechanical rides with traveling amusement companies are inspected every time they are set up for operation at fairs, festivals, carnivals and other amusement events. The bureau also conducts operational inspections at least once during the operating season for permanent parks and at least once during the operation at a traveling show. The bureau inspects all inflatable amusement devices and portable rock walls that operate in the state on an annual basis.

Figure 2 indicates the total number of amusement devices inspected in FY 2012 through FY 2015. The number of individual amusement rides inspected increased from FY 2014 to FY 2015.

Accident or Incident Investigations

Accident investigations are conducted according to N.C. Gen. Stat. § 95-110.9. *Reports required.*

- (a) The owner of any device or equipment regulated under the provisions of this Article, or his authorized agent, shall within 24 hours notify the Commissioner of each and every occurrence involving such device or equipment when:

Figure 1

Routine Inspections Within 30 Days of Due Date and New Inspections, FY 2012 Through FY 2015

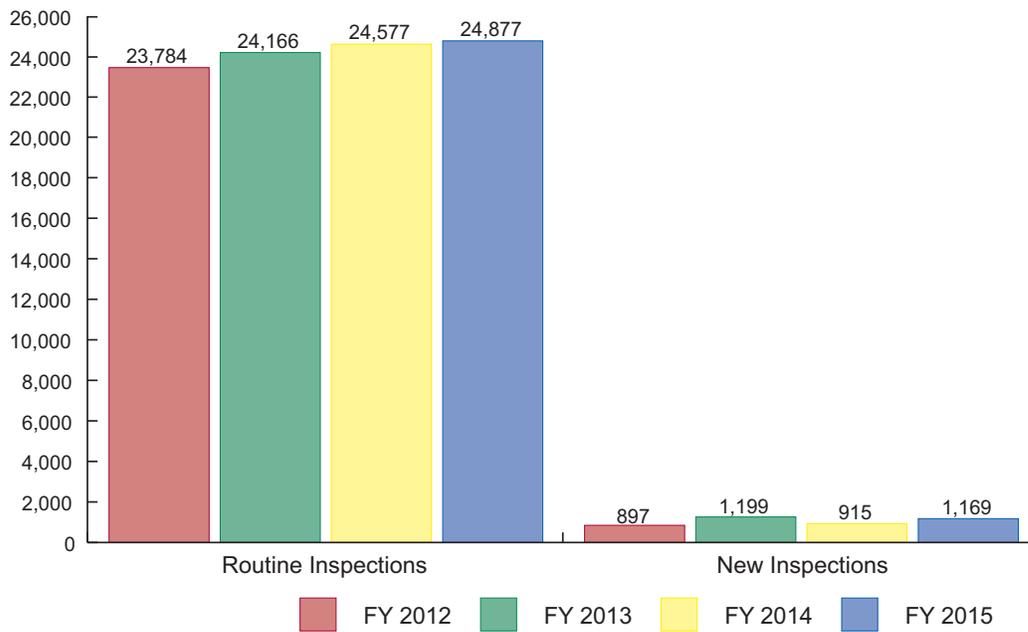
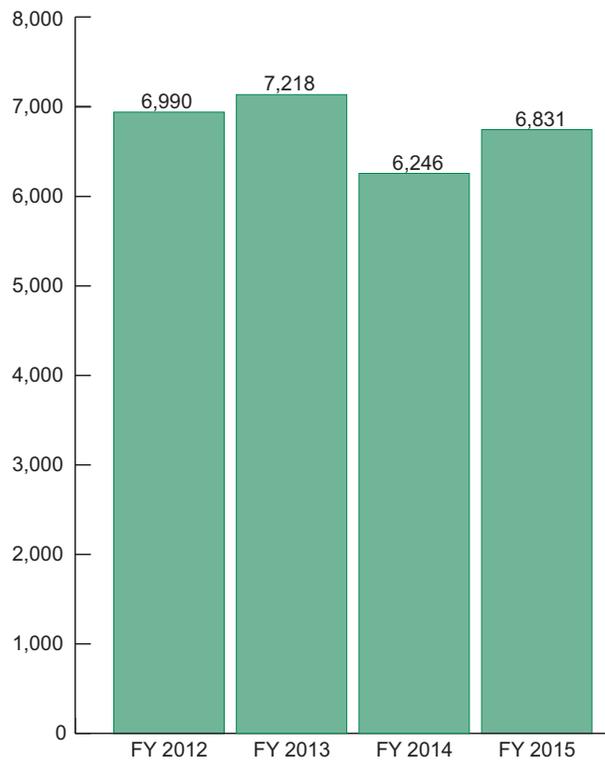


Figure 2

Number of Amusement Rides Inspected, FY 2012 Through FY 2015



- (1) The occurrence results in death or injury requiring medical treatment, other than first aid, by a physician. First aid means the one time treatment or observation of scratches, cuts not requiring stitches, burns, splinters and contusions or a diagnostic procedure, including examination and x-rays, which does not ordinarily require medical treatment even though provided by a physician or other licensed personnel; or
- (2) The occurrence results in damage to the device indicating a substantial defect in design, mechanics, structure or equipment, affecting the future safe operation of the device. No reporting is required in the case of normal wear and tear. The owner of the equipment is required to contact the Bureau.

An inspector is sent to the location and completes a report that is kept on file. As Table 2 reflects, the number of accident investigations for elevators and related equipment stayed the same while the number for amusement rides decreased in FY 2015. Patron error accounted for 86 percent of elevator accidents and 75 percent of amusement ride accidents.

Table 2
Number of Elevator and Amusement Device Accidents, FY 2012 Through FY 2015

Fiscal Year	Elevators and Related Equipment					Amusement Rides				
	Total	Patron Error	Mechanical Error	Reportable	Non-Reportable	Total	Patron Error	Mechanical Error	Reportable	Non-Reportable
2012	84	74	10	70	14	11	11	0	9	2
2013	62	56	6	41	21	26	25	1	23	3
2014	70	62	8	55	7	21	16	5	19	2
2015	70	60	10	56	14	12	9	3	12	0

Employment Discrimination Bureau

The Employment Discrimination Bureau enforces the Retaliatory Employment Discrimination Act. The law was enacted in 1992 following the disastrous plant fire at Imperial Foods in Hamlet. REDA incorporated whistleblower protections from the Wage and Hour, the Occupational Safety and Health, and Mine Safety and Health Acts. Additional provisions protect workers’ compensation claimants, hemoglobin C and sickle cell carriers, and those subject to genetic testing, National Guard service and involvement in the juvenile justice system. In 2004 protection was added for employees seeking relief from domestic violence. In 2008 protection was added for employees who have made complaints under the pesticide regulation statutes. In 2009 protection was added for employees reporting activities of their employers under the Paraphernalia Control Act.

The bureau receives oversight from the federal Occupational Safety and Health Administration under a contract that requires the bureau to be “as effective” as the federal agency in enforcing the occupational safety and health whistleblower protections of REDA.

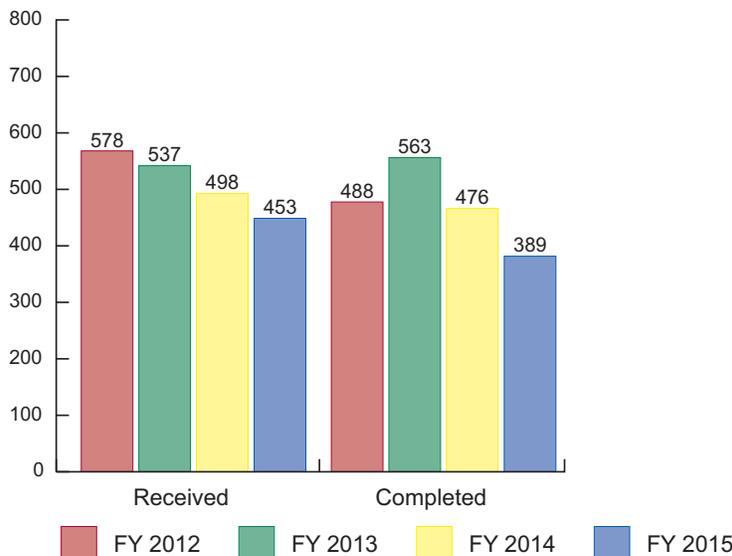
In FY 2015, the percentage of complaints based on workers’ compensation claims increased from 60.0 percent to 63.3 percent, those based on wage and hour matters decreased from 23.9 percent to 22.3 percent, those based on safety and health concerns decreased from 16.1 percent to 13.7 percent, and those based on other protected activities enforced by the bureau increased from 0.4 percent to 0.7 percent. (See Table 3.) The bureau received 453 complaints, a decrease of 9.0 percent from FY 2014. (See Figure 3.) The bureau was able to settle 27.2 percent of the 389 cases closed in FY 2015, an increase from 21.4 percent in FY 2014.

In FY 2015, 30.8 percent of the complainants were given a dismissal right-to-sue letter, 27.2 percent of the cases were settled, 1.3 percent were found to have merit, 4.4 percent of cases were withdrawn by complainants, 11.8 percent of cases were closed when the complainant failed to respond, 1.0 percent were closed administratively, and 0.3 percent were referred to other agencies. In 19.8 percent of the cases, the complainant requested a right-to-sue letter after 90 days when the investigation was not complete. In 0.3 percent of cases, the bureau did not make a determination within 180 days of the filing, and the complainant was granted a right-to-sue letter. In 2.8 percent of the cases, the bureau issued a merit right-to-sue letter.

Table 3
Number of Complaints by Type, FY 2012 Through FY 2015

Fiscal Year	Workers' Comp	Wage and Hour	OSH	Other
2012	375	118	83	2
2013	320	127	87	3
2014	279	114	81	2
2015	287	101	62	3

Figure 3
Employment Discrimination Complaints Received and Completed, FY 2012 Through FY 2015



Mine and Quarry Bureau

The Mine and Quarry Bureau is one of the earliest established units of the N.C. Department of Labor, having administered state mining laws since 1897. The bureau administers laws concerning the operation and inspection of mines and quarries. Bureau staff consists of a bureau chief, an office assistant, and four mine safety and health field representatives. Funding for mandatory safety training is provided by a federal grant from the U.S. Mine Safety and Health Administration (MSHA).

The Mine and Quarry Bureau continues to provide a wide assortment of mine safety and health services such as complete safety evaluations of the workplace, consultations, technical assistance, education and training, health surveys, safety meetings, investigations, and training plan assistance. Currently there are 384 surface mines with 3,640 employees. Instructor fundamentals, health and safety laws, and supervisory training are offered through the Mine and Quarry Bureau’s seminars and institutes. (See Table 4.)

Table 4
Mine and Quarry Training and Inspection Activities, FY 2012 Through FY 2015

	2012	2013	2014	2015
Number of Mine Safety and Health Instructors Trained	56	51	31	72
Number of Education and Training Programs Provided	596	646	620	618
Number of Miners and Contractors Trained in Parts 46 and 48	5,765	5,579	5,150	5,052

Wage and Hour Bureau

The Wage and Hour Bureau administers the N.C. Wage and Hour Act, which includes the minimum wage, overtime pay and wage payment (promised wages including wage benefits, such as vacation pay, sick leave, holiday pay, and bonuses and commissions). The bureau ensures employers make, keep and preserve records of hours worked, wages paid, and other conditions and practices of employment necessary for the enforcement of wage and hour laws.

The bureau issues youth employment certificates to protect the health and safety of minors and to preserve young workers’ rights. The bureau also enforces the statutes that regulate the licensure and reporting requirements of private personnel services, job listing service agencies and the Controlled Substance Examination Regulation Act. The bureau is responsible for the department’s toll-free telephone system. Bureau staff consists of an administrator, a deputy administrator, three supervisors, an office manager, 19 investigators, two investigative assistants and five information specialists.

Call Center

The bureau’s call center is staffed by five information specialists who are the first point of contact to the Department of Labor for most customers. Their primary job duties are to gather information relative to alleged violations of laws enforced by the bureau and to enter appropriate data into an electronic database that is used for assignment and tracking of complaints received. Additionally, they refer callers to other sections within the department, other state or federal agencies, or civic/charitable organizations that may provide assistance.

Call centers are often characterized as “high volume” centers, and the numbers in Table 5 certainly speak to this. Three of the five employees are bilingual and provide assistance to callers who speak Spanish. They also assist investigators and other departmental employees with their Spanish skills as the need arises.

Table 5
Wage and Hour Call Center Activity, FY 2012 Through FY 2015

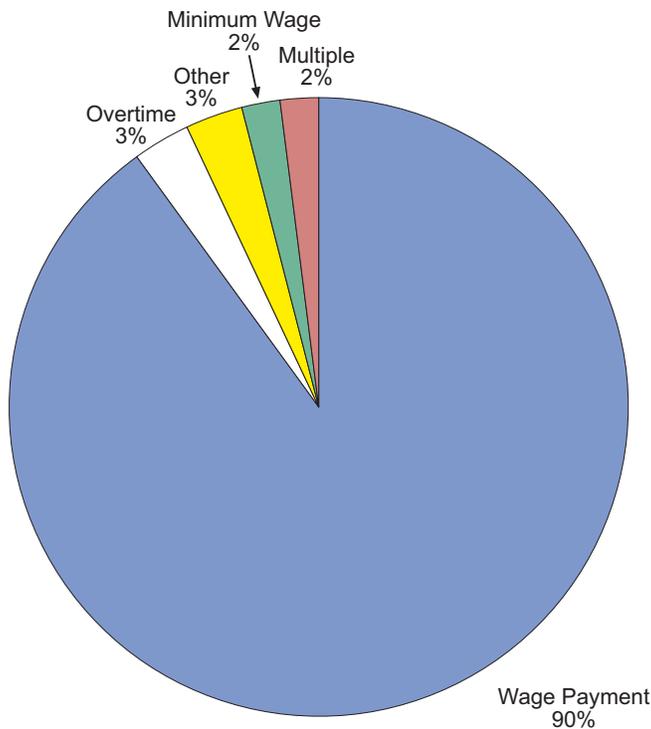
Fiscal Year	Calls Received	Calls Answered	Percent Answered
2012	75,295	73,903	98.2
2013	65,408	65,272	99.8
2014	61,527	61,451	99.9
2015	61,275	61,179	99.8

Wage and Hour Investigations

The majority of the bureau’s investigations stem from employee complaints. The bureau also conducts non-complaint investigations and industry-specific investigations to determine compliance with assigned laws.

The data in Figure 4 indicate that 90 percent of the investigations closed during FY 2015 were wage payment claims. These claims include such things as vacation/sick pay, bonuses, commissions and holiday pay. Minimum wage claims accounted for 2 percent of investigations closed; overtime accounted for 3 percent; and other (i.e., youth employment, recordkeeping, controlled substance and private personnel) accounted for 3 percent. Cases with multiple claims accounted for 2 percent of the investigations closed.

Figure 4
Types of Wage and Hour Investigations Closed, FY 2015



The investigators first try to substantiate the complaint. If substantiated, they seek recovery of the unpaid wages for the complainant. As a result of these investigations, almost 1,400 employees were paid an estimated \$1.4 million without the time and expense involved with litigation. Table 6 compares the bureau’s performance in FY 2015 with previous years. The inventory of open investigations remained essentially the same with 1,437 open at the start of FY 2015 and 1,462 open at the end of FY 2015.

Table 6
Wage and Hour Investigations Opened and Investigations Closed, FY 2012 Through FY 2015

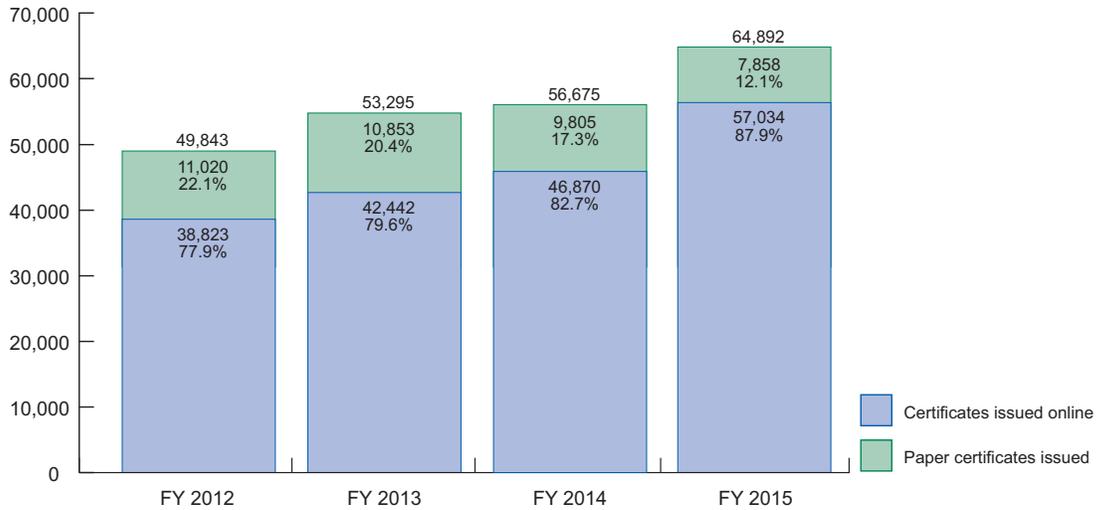
Fiscal Year	Investigations Opened	Investigations Closed
2012	4,694	5,152
2013	4,357	4,243
2014	4,096	3,695
2015	3,258	3,233

Youth Employment Certificates

Protecting young workers from inappropriate or unsafe jobs is the cornerstone of the Youth Employment Certificate Program. The timely review of certificates issued continues to be a key element in our efforts to protect young workers. The data in Figure 5 indicate that there were 64,892 youth employment certificates (work permits) issued in FY 2015, roughly a 14 percent increase from the previous fiscal year total of 56,675.

Of the certificates issued during FY 2015, 87.9 percent were issued online, an increase over FY 2014. Online issuance of certificates is the safest and most efficient method. Certificates issued online provide immediate feedback to employers and applicants when the age and proposed job place the employer in jeopardy of violation of state or federal child labor laws. Additionally, certificates issued online are reviewed the next business day, whereas the review of certificates issued by the Department of Social Services or designees may lag by several months. The Wage and Hour Bureau is in the process of training all social services offices about the availability of the online option for youth employment certificates.

Figure 5
Youth Employment Certificates Issued, FY 2012 Through FY 2015



Occupational Safety and Health Division

The Occupational Safety and Health Division comprises six bureaus of the N.C. Department of Labor: Agricultural Safety and Health; East Compliance; West Compliance; Consultative Services; Education, Training and Technical Assistance; and Planning, Statistics and Information Management.

Statistical Highlights for 2015

Agricultural Safety and Health Bureau

- The ASH Bureau completed 1,714 preoccupancy housing inspections of migrant farmworker housing and issued certificates to 1,720 sites.
- The bureau conducted 114 compliance inspections and issued 174 violations, with total current penalties amounting to \$153,526.
- Gold Star status was achieved by 285 growers.

Compliance Bureaus

- Compliance conducted 1,791 safety inspections and 1,101 health inspections, for a total of 2,892 compliance inspections.
- Compliance issued citations for 5,505 violations, with total current penalties amounting to \$5,287,817.

Consultative Services Bureau

- The bureau conducted 891 safety visits and 522 health visits, for a total of 1,413 consultative visits.
- Hazards identified and eliminated as a result of consultative visits totaled 7,548. Of these, 7,068 were serious hazards, 399 were other-than-serious hazards, 80 were regulatory, and one was imminent.
- The bureau recognized 62 Safety and Health Achievement Recognition Program (SHARP) worksites. There are currently 160 active private sector SHARP sites in the program.
- Eleven new public sector establishments were added, resulting in 34 public sector establishments participating in SHARP at the end of 2015.

Education, Training and Technical Assistance Bureau

- The ETTA Bureau participated in 297 courses, forums and workshops, providing training for 8,006 employers and employees.
- The bureau distributed 63,531 hard copy publications.
- The Safety Awards Program celebrated its 69th year, awarding 3,036 annual and 107 million-hour safety awards.
- The bureau recognized 10 new Star sites and recertified 24 Star sites. There were 151 companies in the Star Program at the end of the fiscal year.

Planning, Statistics and Information Management Bureau

- The PSIM Bureau completed the Public Sector Survey for calendar year 2014 with a 100 percent response rate and a 100 percent clean rate.
- The bureau received 903 disclosure requests and processed 968 requests.

Agricultural Safety and Health Bureau

Inspection Effort

In 2015 the ASH Bureau completed 1,714 preoccupancy housing inspections of migrant farmworker housing and 114 compliance inspections. Certificates were issued to 1,720 sites with total occupancy (beds) of 20,637. Sites in 100 percent compliance at the time of inspection numbered 1,079 and were operated by 599 growers. Gold Star status was received by 285 growers.

Gold Star Growers

The 21st Annual Gold Star recognition program was held in Raleigh at the Gov. James G. Martin Building on the N.C. State Fairgrounds on Feb. 4, 2015. Keynote speaker Jenny Fulton of Miss Jenny's Pickles described her journey from unemployed housewife to pickle packer. Now, Miss Jenny's unique gourmet pickles are being pickled, packed and shipped to places all over the globe.

At the recognition program, 156 Double Gold Star Growers were nominated and invited. An additional 112 were recognized as recipients of a single Gold Star designation because they were in full compliance at the time of their preoccupancy inspection, had registered 45 days prior to occupancy, had requested water and septic checks from the local health department, and had improved housing conditions exceeding the regulations. Double Gold Star Growers are eligible to conduct their own housing inspection for one year, if they attend the training luncheon and comply with registration and rules involving water and septic sanitation.

Gene Parker, Robeson County, received an award for best maintained housing. Jerome and Diane Vick, Vick Family Farms, Nash County, and Miles and Bonnie Jackson, Blue View Inc., Sampson County, received awards for exceptional migrant housing. The Ron Hudler Workplace Safety Training Award, created in honor of the memory of Christmas tree grower and former chairman of the Agricultural Safety and Health Council Ron Hudler, was presented to Tommy Ellington by Labor Commissioner Cherie Berry and Ron Wright of R.J. Reynolds Tobacco.

Compliance

ASH inspectors conducted 114 compliance inspections in calendar year 2015. These inspections included two accidents, 17 complaints, 65 referrals, 16 unprogrammed related, four follow-up and 10 programmed inspections. The bureau issued 174 violations. During this period, 34 percent of the inspections resulted in no citations. Total penalties for citations issued amounted to \$153,526. In addition, 13 unregistered, uncertified camps were discovered during 2015.

Workplace Safety Training and Outreach

During 2015, ASH conducted three outreach/training sessions for growers and migrant farmworkers on N.C. farms. The farms were Mark Ross's in Martin County, Kenneth Fann's in Sampson County and Benny Barham's farm in Wake County. At all farm locations, training stations were staffed by USDOL Wage and Hour Division staff, members of the Office of Migrant Health, and NCDOL Mine and Quarry staff in addition to staff from ASH. All sessions were conducted in both Spanish and English. Topics covered included forklift safety, green tobacco sickness recognition/prevention, hazard communication (pesticide issues), heat stress prevention, tobacco harvester and baler safety, the Worker Protection Standard, and first aid/CPR. A total of about 370 farmworkers and 75 growers received the training.

Inspector/Staff Training

Inspectors and staff attended numerous classes, including OSH compliance courses, grain bin safety, technical writing, OSH Express database training and Christmas tree loading safety training.



Scenes from a day of farmworker training at Fann Farms in Sampson County on June 10, 2015.

Publications

The Cultivator, Volume 36, issued in August, discussed the 25 years of ASH safety efforts and gave health tips such as ways to recognize and prevent heart attacks. A bilingual summer intern, a rising junior at UNC sponsored by the North Carolina State Government Internship Program, assisted with summer on-farm training programs and with the publication of *The Cultivator*. The bureau also published a hazard alert on the safe use of mowers inside greenhouses.

Partnerships, Associations and Collaborations With Groups

The ASH Bureau continues to strengthen partnerships and associations with other groups, such as NCSU cooperative extension agents, the ECU Agromedicine program and the Office of Rural Health. ASH personnel conducted training at the tobacco grower meetings sponsored by R.J. Reynolds Tobacco (RJRT), the National Christmas Tree Association meeting, and a number of other grower organizational meetings during 2015.

Telamon Corporation, a HUD-approved multi-state organization, continues to partner with many of the Gold Star Growers, and other registered growers, to provide funding for repairs to their migrant housing. For the calendar year 2015, they made agreements to assist 89 farmers/growers with funding from both the U.S. Department of Labor and R.J. Reynolds. Half way into the grant's fiscal year, \$72,548 through the U.S. Department of Labor housing funding has been obligated. R.J. Reynolds has provided \$232,031 for housing improvements. Grants are matched dollar for dollar by the grower, and funding will be disbursed as improvement projects are completed and reviewed. Repairs covered by the grants help to meet federal and state housing requirements and upgrade living and safety conditions. Upgrades included:

- Air conditioning systems, both central and window units
- Septic and well improvements
- Structural repairs: windows, roofing, doors, floors
- New appliances: washing machines, tankless hot water heaters
- New bedding

The total amount of Telemon grants was \$277,754. The average grant amount was \$4,244. Thanks to this program, 4,149 farmworkers experienced improved housing conditions. Including the amount spent by farmers/growers, nearly a million dollars went into the upgrading of labor camps in North Carolina last year through this program.

Compliance Bureaus

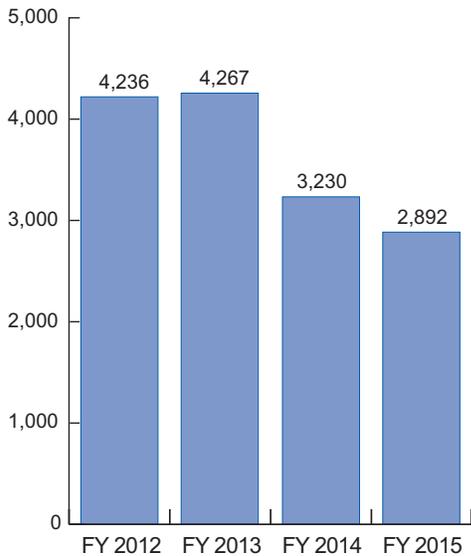
The Occupational Safety and Health (OSH) Compliance Bureaus enforce occupational safety and health laws, rules and regulations, and employee protection in workplaces throughout North Carolina through the use of professional industrial hygiene, safety engineering, administrative, training and technical services provided to all employers within the state of North Carolina. OSH Compliance identifies and analyzes workplace accidents, injuries and occupational illnesses; evaluates workplace safety methods, policies, procedures and programs; communicates workplace safety information to employees and employers; measures, analyzes and evaluates the effectiveness of safety programs, as well as affecting changes to programs to achieve optimum results in the various workplaces throughout North Carolina. The compliance activities are directly associated with the OSH Division's strategic plan. The data are reported on a federal fiscal year basis (Oct. 1 through Sept. 30).

FY 2015 compliance activities included:

- 2,892 compliance inspections (See Figure 6.)
- 1,791 safety inspections
- 1,101 health inspections
- 1,176 construction inspections
- 5,505 total violations
- 1.90 average number of violations per inspection
- \$5,287,817 in current penalties assessed
- 40 average lapsed days from inspection date to when citations were issued
- 748 informal conferences conducted
- 3,681 serious hazards abated
- 673 employer safety and health program improvements
- 54 inspections associated with the Tree Felling Special Emphasis Program
- 615 inspections in the Construction Special Emphasis Program counties
- 64 inspections in long-term care facilities
- 142 inspections associated with the Health Hazards Exposure Special Emphasis Program
- 127 inspections associated with the public sector
- 162 compliance interventions (includes speeches, training programs and program assistance)
- 45 accident (Fat/Cat) inspections, including 42 fatality inspections (OFIR)
- 669 complaint inspections
- 352 referral inspections
- 314 accident investigations
- 1,165 complaint investigations
- 43 referral investigations
- 62 employment discrimination investigations received associated with occupational safety and health
- 58 employment discrimination investigations completed associated with occupational safety and health

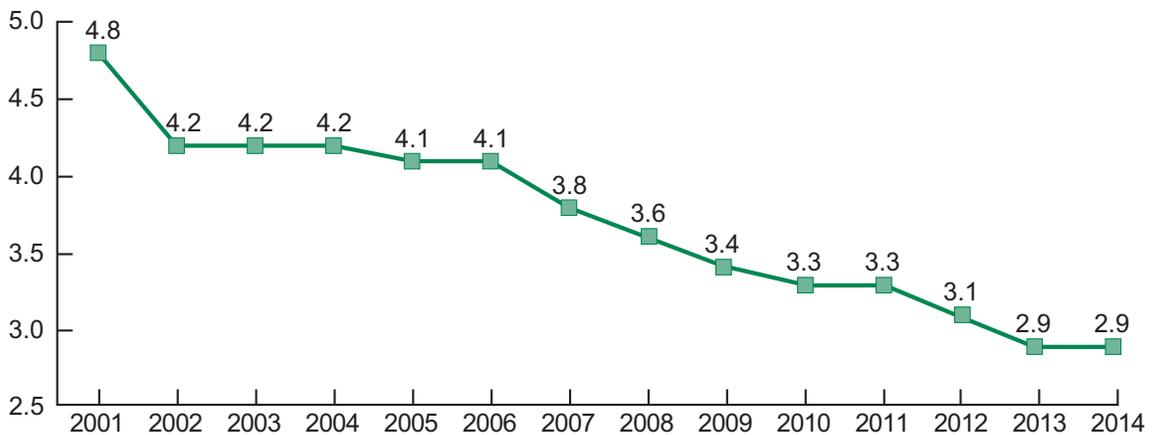
Figure 6 depicts the total number of compliance inspections conducted in North Carolina for federal fiscal years 2012 through 2015. The reduction in compliance inspections in recent years is the result of a combination of factors including reduced federal and state funding, state salaries that are not competitive with the private sector and local governments, and much higher staff turnover. The department is proactively seeking ways to address these concerns through ongoing discussions with the Office of State Human Resources, the Office of State Budget and Management, and the Legislature.

Figure 6
Number of Compliance Inspections, FY 2012 Through FY 2015



Several tools, in addition to the statewide injury and illness rates, are used to monitor inspection quality and operational efficiency. Figure 7 represents the total recordable case rate per 100 full-time public and private sector North Carolina workers. Internal case file audits, field audits, employer/employee feedback and informal conferences are some of the tools used to measure quality and consistency of the statewide work product.

Figure 7
Occupational Injury and Illness Rate for North Carolina, Public and Private Sectors, Calendar Years 2001 Through 2014



Source: U.S. Bureau of Labor Statistics

In addition to inspection/investigation activity, OSH Compliance provides technical assistance and outreach training to as many employers and employees as resources will permit. Additional significant activities that occurred in OSH Compliance or involved OSH Compliance participation during FY 2015 include the following:

- A total of 13 change requests were completed for the new OSHA Express System (OE) to improve reporting and tracking capabilities. The changes included the addition of a new State Activity Mandated Measures Report (SAMM), enhancements to accident/fatality “look-ups,” addition of new fields to multiple forms in regards to new OSH recordkeeping reporting requirements, enhancements to inspection summary reports, addition of a settlement authorization form, lapse time report enhancements, addition of “repeat” category to division performance statistics report, enhancements to track programmed activities by supervisor, and the interface of OSHA Express with NCDOL Budget system for penalty collection tracking purposes.
- The OSHA Express–OSHA Information System interface project was completed and successfully deployed in August 2015. This interface allows required daily transmission of OSH compliance data to federal OSHA’s national database.
- A two-day supervisor training course was developed and statewide training was conducted for all OSH Compliance Bureau supervisors. Training topics included personnel issues (hiring process, performance evaluations, training), running and utilizing OSHA Express performance reports, conducting informal conferences, interactions with the Attorney General’s Office, and policies and procedures associated with inspection activities.
- An OSH Compliance manager and an OSH supervisor participated in a Region IV Manager’s Meeting with federal OSHA. This conference was an opportunity for North Carolina, South Carolina, Tennessee and Kentucky to share their state plans with each other and federal OSHA representatives from Region IV (including Georgia, Florida, Alabama and Mississippi). Participants also shared some tips and events going on in their individual states, as well as some unusual or high profile cases.
- North Carolina adopted the revised 29 CFR 1904 OSHA Recordkeeping requirements, which went into effect on Jan. 1, 2015. Prior to the effective date, the OSH Division revised the Fatality and Catastrophe Investigations Chapter of the Field Operations Manual to reflect changes to our procedures. Additionally, the division developed intake and triage procedures and developed/deployed an online reporting mechanism that employers can access and complete on our website.
- The Compliance Bureaus revised the technical writing course curriculum, and multiple training sessions were conducted for all compliance safety and health officers. The training also addressed findings documented in previous federal OSHA audits.
- The OSH Compliance Bureaus participated with federal OSHA in the National Safety Stand Down to Prevent Falls in Construction.
- The OSH Division developed a procedure to provide guidance when conducting inspections where temporary workers are employed.
- A two-day senior compliance officer training course was developed and statewide training was conducted for all senior compliance officers in the OSH Compliance Bureaus. Training topics included compliance safety and health officer II duties, running and utilizing OSHA Express performance reports, conducting informal conferences, interactions with the Attorney General’s Office, and policies and procedures associated with inspection activities.
- Implementation of a salary policy to allow additional pay consideration for those safety and health professionals who obtained specific professional certifications and licenses resulted in 77 OSH employees receiving salary adjustments totaling \$146,470. The intent of the policy is to increase salaries so they are closer to the market value in an effort to improve the OSH employee retention rate.
- An OSH Reviewer and Program Analyst (ORPA) position was established to provide an additional level of case file review for high profile compliance inspection activity. Other duties of this position include data analysis for resource allocation, policy and procedure review and development, performance audits, quality management, and evaluation of occupational safety and health technical equipment utilized in the field.

- A total of 11 action requests were processed by the OSH Compliance Bureaus. This quality program activity provides opportunities for improvement identified by customers, division employees or as a result of internal audits and federal OSHA audits.
- The OSH complaint desk processed 1,834 complaints and 709 referrals in FY 2015. This was a significant increase over the 1,527 complaints and 190 referrals in FY 2014. Over 2,500 contacts were made with the public that did not result in a valid complaint.
- The OSH lab completed 758 in-house equipment calibrations. An additional 92 pieces of equipment were sent to the manufacturer for calibration or repair.
- Two compliance inspections were conducted of employers identified as severe violators by federal OSHA.
- A new compliance bureau chief and three new supervisors were hired for the East Compliance Bureau in 2015.
- The East Compliance Bureau oversees the OSH Division’s partnerships, which are usually developed in conjunction with high-visibility construction projects. The success of a partnership is measured, in part, by a reduction in injury and illness rates. On-site verification is a component of measuring progress toward established goals. Ongoing partnerships in 2015 included Skanska USA’s Heart and Vascular Hospital construction project at Rex Hospital in Raleigh, Holder Construction Company’s North Hills Tower II construction project, and Flatiron/Blythe Development Company’s future I-73/Piedmont Triad International/Greensboro Eastern Loop construction project.
- On Nov. 13, 2014, workers of a concrete contractor were pouring concrete on the 250-foot-long pedestrian bridge that spanned across a 40-foot ravine, as part of a Wake Technical Community College’s Northern Wake Campus expansion project, when the bridge suddenly collapsed. The bridge collapse resulted in an employee fatality and multiple employee injuries. OSH compliance officers quickly responded to the scene, noted that another similar bridge was under construction, and requested that work be immediately halted until conditions could be fully evaluated. Later that night, the second unoccupied pedestrian bridge collapsed in similar manner. OSH requested structural engineering assistance from federal OSHA’s Directorate of Construction. The bridge design was unique in that manufacturer glulam girders were being utilized to support the bridge. Glulam girders were being used primarily for aesthetic reasons, so the bridge would blend in with the environment. During the investigation it was learned that these types of girders had generally not been utilized previously as the



Above left: Collapsed glulam girder at the Northern Wake Campus of Wake Technical Community College. Above right: Temporary shoring put in place after bridge collapse.

sole means to support span bridges. After an exhaustive investigation, it was determined that engineering design deficiencies associated with notches in the glulam girders contributed to the collapse of both pedestrian bridges. The OSH Division determined that the structural engineering associated with the project should have been aware of the design flaws. OSH did not determine that there were violations of Occupational Safety and Health standards, rules or regulations associated with the collapses. However, upon establishing that the collapses were associated with engineering design flaws, the OSH Division made a referral to the N.C. Board of Examiners for Engineers and Surveyors (NCBEES). The OSH Division has shared pertinent information with NCBEES to aid its investigation.

- OSH conducted an accident investigation of a multi-employer worksite, as the result of multiple fatalities relating to a mast climber work platform collapse in Raleigh on March 23, 2015. Four employees employed by three subcontractors were working from a 45-foot long, 6-foot wide (4-foot wide main platform plus 2-foot wide extension) work platform affixed to a 12-story building under construction. The platform traveled up and down a rectangular mast to the desired location of activity by means of a drive system attached to the mast. Two of the employees on the mast climber were installing glass panels, and the other two employees were in the process of disassembling the scaffold. The accident resulted in the death of three employees and serious injuries to the fourth employee. As part of the investigative process, OSH requested and received engineering assistance from OSHA's Directorate of Construction. In September, OSH issued three willful-serious citation items and one serious citation item to one company for a total penalty of \$151,900. The citations items addressed insufficient fall protection, inadequate bracing per manufacturer's recommendations, exceeding scaffold load capacities and failure to inspect the scaffolding. In addition, several other contractors were each issued a serious citation item associated with insufficient hazard recognition training that included an assessed penalty of \$4,200.

Consultative Services Bureau

The Consultative Services Bureau continued to provide services to the employers and employees in both the private and public sectors during federal fiscal year 2015. The bureau conducted 1,413 total consultative visits. (See Table 7.)

- 891 (63 percent) safety visits; 522 (37 percent) health visits.
- 1,178 (83 percent) initial visits; 134 (9 percent) training/assistance visits; 101 (7 percent) follow-up visits.
- 1,209 (86 percent) private sector visits; 204 (14 percent) public sector visits.
- 403 (29 percent) manufacturing visits; 362 (26 percent) construction visits; 444 (31 percent) other type visits; 204 (14 percent) public sector visits.
- Hazards identified and eliminated as a result of consultative visits totaled 7,548, an 11 percent increase over the average of 6,767 during the past three fiscal years. Of these, 7,068 (93 percent) were serious hazards, 399 (5 percent) were other-than-serious hazards, 80 (1 percent) were regulatory, and one was imminent.

In FY 2015, consultants also conducted 214 safety and health interventions, which included speeches, training programs, program assistance, interpretations, conferences/seminars, outreach and other interventions. The bureau met all of its target goals for the OSH Division strategic plan by visiting employers in the Special Emphasis programs.

The Consultative Services Bureau continues to reach small employers and encourage participation in the Safety and Health Achievement Recognition Program. During FY 2015, the bureau recognized 62 SHARP employers (renewal or initial). The bureau ended the year with 160 active private sector SHARP sites. Eleven new public sector establishments were added during FY 2015, resulting in 34 public sector establishments participating in SHARP at the end of 2015.

Table 7
Consultative Services Bureau Program, FY 2012 Through FY 2015

Comparisons	FY 2012	FY 2013	FY 2014	FY 2015
Total Visits by Category				
Safety	765	911	808	891
Health	477	551	613	522
Total Visits by Type				
Initial	1,060	1,227	1,179	1,178
Training and Assistance	98	107	136	134
Follow-up	84	128	106	101
Total Visits by Industry Type				
Manufacturing	389	411	447	403
Construction	251	318	308	362
Other	393	464	459	444
Public Sector	211	209	269	204
Total Visits	1,242	1,462	1,421	1,413



Labor Commissioner Cherie Berry helps hold up the SHARP flag along with employees of Carolina Pole at a celebration at the company's Leland facility, Jan. 7, 2015.

Education, Training and Technical Assistance Bureau

FY 2015 Accomplishments

The Education, Training and Technical Assistance Bureau continued to focus on increasing efficiency and effectiveness in providing outreach and technical services to the public. The work of the bureau included safety awards, Star Program, rulemaking, publications, alliances, library services, training, and outreach.

Recognition Program

The Safety Awards Program celebrated its 69th year with another successful season. The Gold Award was presented to employer sites with a total lost workday case rate (lost and restricted workdays included) at least 50 percent below the state average for its industry. The Silver Award went to employer sites with a lost workday case rate at least 50 percent below the state average. This year 33 safety award banquets were held, with a total of 3,977 in attendance. The program distributed 3,036 annual awards and 107 million-hour awards.

North Carolina is still ranked No. 1 as a state plan state and is ranked second of all states that participate in the Voluntary Protection Programs (VPP)/Star Program. The recognition programs also enjoyed another year of growth and success. Ten new Star sites were recognized, 24 Star sites were recertified, and 169 Star interventions were conducted. There were 151 companies in the Star Program at the end of FY 2015.

Publications

ETTA Publications Sales Desk served 8,540 customers via email, fax, telephone, or walk-in. The bureau distributed 63,531 publications in support of the division's outreach and regulatory goals to promote a safe and secure work environment across the state of North Carolina. Nineteen publications were updated and seven new publications were introduced during FY 2015. Highlights include the following:

- A new quick card was developed for the updated injury and illness reporting requirements.
- A brochure for the 10 most frequently cited serious violations in 2014 was created.
- A hazard alert was developed for mower safety.
- Industry guides were developed for *OSHA Shipyard Employment Standards Requiring Programs, Inspections, Procedures, Records and/or Training* and *OSHA Marine Terminal Standards Requiring Programs, Inspections, Procedures, Records and/or Training*.
- Posters were designed for the Health Hazards Special Emphasis Program and for logging truck operators.

The following publications were developed or revised:

- Labor Laws Poster
- Quick Cards:
 - *Carbon Monoxide* (English and Spanish)
 - *New Injury and Illness Reporting Requirements*
- Brochures:
 - *Green Tobacco Sickness*
 - *Manager of Environmental Safety and Health*
 - *NCDOL* (Spanish)
 - *Labor One*
 - *Long Term Care Special Emphasis Program*
 - *Hazardous Chemicals Right to Know Act*
 - *Construction Topics Toolbox Review* booklet
- Hazard Alerts:
 - *Tobacco Harvester Safety* (English and Spanish)
 - *Mower Safety*
- Industry Guides:
 - *A Guide to Safety in Confined Spaces*

- *OSHA Shipyard Employment Standards Requiring Programs, Inspections, Procedures, Records and/or Training* (New rules)
- *OSHA Marine Terminal Standards Requiring Programs, Inspections, Procedures, Records and/or Training* (New rules)
- *OSHA General Industry Standards Requiring Programs, Inspections, Procedures, Records and/or Training* (New rules)
- *OSHA Construction Standards Requiring Programs, Inspections, Procedures, Records and/or Training* (New rules)
- *OSHA Agriculture Standards Requiring Programs, Inspections, Procedures, Records and/or Training* (New rules)
- *Occupational Safety and Health Standards for Agriculture*

Rulemaking

The Standards Section answered 4,303 inquiries for standards interpretation by phone or written correspondence for employers and employees across the state. The agency adopted the final rules for Vehicle Mounted Elevating and Rotating Work Platforms; Logging Operations; Electric Power Generation, Transmission and Distribution; Electrical Protective Equipment; Marine Terminal: Vertical Tandem Lifts; Mechanical Power Presses: Record Requirements; Cranes and Derricks: Operator Certification; and Reporting and Recording Requirements. Fifty policy documents were added to the Field Information System including updates to the Field Operations Manual and multiple federal OSHA compliance guidance documents.

Alliances

An alliance is a program enabling organizations committed to safety and health to work with OSH to prevent injuries, illnesses, and fatalities in the workplace. Alliances typically focus on specialized industry outreach and training. Current alliances include Carolinas Associated General Contractors, Forestry Mutual Insurance Co., Lamar Advertising Co., Mexican Consulate, N.C. Forestry Association, N.C. Home Builders Association, N.C. State—Industry Expansion Solutions, NUCA (National Utility Contractors Association) of the Carolinas, and the Safety and Health Council of North Carolina. An alliance with the Department of Health and Human Services is projected for 2016-2017.

Training and Outreach

The ETTA Bureau offers a wide variety of safety and health training and outreach services to employers and employees across North Carolina. These services include a speakers bureau, free training, and technical assistance and outreach support for safety and health schools, conferences and workshops. Training is offered on demand, as well as through a regularly scheduled training series, which can be accessed through the online calendar. In addition to traditional leader-led instruction, ETTA provides a webinar series as well. Training is offered at employers' worksites, the OSH Division field offices, and select community colleges and other sites throughout the state. To keep the public informed of upcoming courses, ETTA sends periodic newsletters to over 11,500 employers/employees every year.

In FY 2015, ETTA hosted and/or participated in 297 courses and events with a total of 8,006 personnel trained. These included seven 10-hour and two 30-hour general industry awareness courses, and 10 10-hour and two 30-hour construction industry awareness courses. Based upon course evaluations, all students who attended the courses found them to be useful for the workplace. In addition, ETTA conducted 78 webinars, 15 Spanish outreach events, and seven training events using the Labor One mobile training unit. The Consultative Services and Compliance Bureaus trained an additional 2,221 employers/employees, which brought an overall total of 10,227 workers trained. During FY 2015, ETTA also exhibited at 24 safety and health fairs, industrial conferences, and workshops.

ETTA participated in five public service broadcasts for Hispanic workers. These included one television broadcast with Univision's *Vida Carolina* show and four radio broadcasts on Curtis Media's La Ley radio. The topics included heat stress, carbon monoxide, fall protection, struck by and an introduction to OSH.

In addition to regular outreach training services, ETTA offered the NC 502 and NC 503 Train the Trainer refresher courses. These courses provide a refresher for graduates of the NC 500 and NC 501 Train the Trainer courses. Authorized trainers must complete a refresher course every four years. During FY 2015, state-authorized trainers trained an additional 341 employers/employees in North Carolina. This program leverages the ETTA Training Section, providing more safety and health trainers throughout the state.

ETTA offered 206 hours of formal training, 207 hours of continuing education training and 17 hours of other job-related training to internal personnel. Courses included the NC 100, NC 105 and NC 125 initial courses, process safety management, logging safety, first aid and CPR, technical writing, defensive driving and one eight-hour HAZWOPER refresher training course for the Homeland Security and Emergency Response Team.

ETTA graduated five OSH personnel from the OSH Construction Safety Specialist Program (OCSS). To be eligible for this program, employees must be recommended by their supervisor and/or bureau chief. This program focuses on advanced construction topics to include, but not limited to, excavations and trenching, cranes and derricks, fall protection, steel erection, electrical safety, scaffolding, residential construction (i.e., frames, trusses and roofing), health hazards, concrete and masonry, material handling equipment (i.e., loaders, bulldozers) and work zone safety. Each course contains a field portion with an emphasis on OSH inspection procedures.

In collaboration with N.C. State—Industry Expansion Solutions and the Safety and Health Council of North Carolina, ETTA graduated 32 OSH personnel from the Manager of Environmental Safety and Health (MESH), Construction MESH, Public Sector MESH and/or Industrial Hygiene MESH certificate programs. Participants receive certification after receiving 100 hours of safety and health training.

Four OSH personnel attained the OTI 500 and/or OTI 501 Train the Trainer authorization from the OSHA Training Institute at N.C. State University. To be eligible for this program, employees must be recommended by their supervisors and/or bureau chief. This authorization allows an employee to teach state and federal 10-hour and 30-hour courses

Library

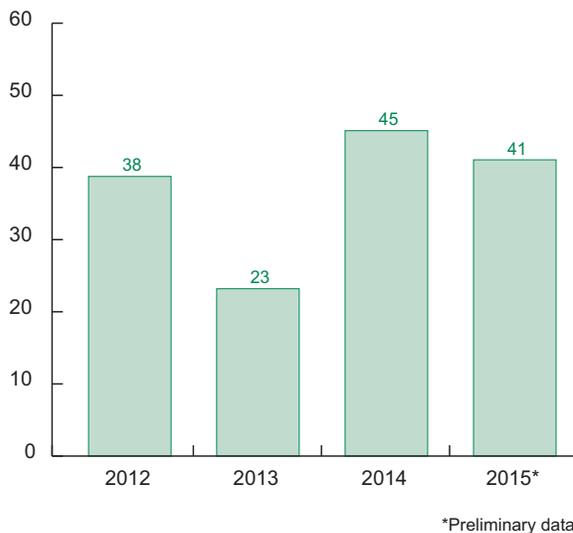
The NCDOL library loaned 1,813 volumes (primarily safety videos to registered public patrons). Additionally, the librarian responded to 1,515 information requests and 503 reference questions from both public and internal patrons. Over 270 volumes were acquired (e.g., new safety videos and consensus standards). The librarian alerted staff to webinars and OSHA-related electronic resources. The library continued to support safety training through its video program and assist agency employees in their investigations.

Planning, Statistics and Information Management Bureau

The Planning, Statistics and Information Management Bureau responds to statistical data requests and requests for the redaction and release of OSH Division investigative file documents and Employment Discrimination Bureau safety and health related investigative file documents. PSIM also gathers and analyzes injury and illness data by conducting the annual Public Sector Survey. Data are also gathered and analyzed to publish the OSH Division's Annual Program Statistics Report and several other annual department, division and legislative reports. The bureau archives all OSH Compliance investigative files. The PSIM Bureau maintains the OSH Division's private and public sector employer databases, the inspection targeting system, and statistical data related to workplace fatalities, all in support of the OSH Division's Strategic Management Plan (SMP).

- There were a total of 3,218 surveys mailed to public sector employers (collection of calendar year 2014 injury and illness data). As of the end of FY 2015, 3,203 survey responses were received with a 99.5 percent response rate and a 100 percent clean rate. All survey responses have now been collected.
- Completed an analysis of data collected from the 2011, 2012, and 2013 Public Sector Surveys, resulting in updated, established target rates for employer specific categories.
- Worked in conjunction with ETTA Bureau, Compliance Bureaus and Legal Affairs Division staff to update and revise several Field Operation Manual chapters and OPNs. PSIM staff updated OPN 128 and APN 19 for FY 2015.
- PSIM bureau chief continued to perform duties associated with the responsibility of being the medical records coordinator for the OSH Division.
- Analyzed public sector inspection activities for FY 2010-2014.
- Analyzed construction inspection activities for FY 2014.
- Completed FY 2014 Occupational Fatalities Comparison Report (OFIR Report Analysis).
- Analyzed and verified CY 2014 fatality data for Communications Division’s annual press release. See Figure 8.

Figure 8
Fatalities Included in the Occupational Fatality Inspection Review
Calendar Years 2012 Through 2015



- Continued refinement of the OSH private and public sector databases to supplement our exclusive use of the Division of Employment Security database.
- Received, researched and processed 998 requests for revisions/changes to the private and public sector databases, which helps to enhance the accuracy of these site databases and the OSH Division Targeting System.
- Various targeting schedules were updated and assignments released:
 - Public Sector Schedule
 - General Industry Schedules (Safety and Health)
 - ASH Schedule
 - Health Hazards Schedules (Asbestos, Lead and Isocyanates)

- Fatality Reinspection Schedule
- Communication Tower Schedule
- PSIM staff members continued as active Strategic Management Plan Committee members and participated in all SMP meetings, discussions, and activities, which were essential functions directly related to the success of OSH Division Strategic Management Plan goals.
- PSIM staff participated as a representative from the OSH Division to the Occupational Surveillance Advisory Group.
- Bureau operating procedures were updated and posted to the One Stop Shop.
- Compilation of OSH data was initiated for the NCDOL Annual Report, the OSH Annual Program Statistics Report and various other annual reporting requirements.
- Continued organization, coordination and management of a project contracted with an outside vendor to image closed inspection files for FY 2012 and older and to upload the electronic version of those files into our current electronic content management system. Forty boxes of files were processed and forwarded to the vendor in support of bureau inspection file archiving.
- The project of quality control review is continuing and ongoing for OSH inspection files, which have been archived through the imaging and file conversion process.
- Received 903 disclosure requests in FY 2015 and processed 968 requests (864 from FY 2015 and 104 from previous years) during this fiscal year, which resulted in a 107 percent response rate.
- PSIM provided notifications of workplace accidents and fatalities (Jan. 1, 2015, to Sept. 30, 2015) to the N.C. Department of Commerce, N.C. Industrial Commission Fraud Investigations Unit of the Insurance Compliance and Fraud Investigation Section.

Administration Division

Statistical Highlights for 2015

Budget and Management Division

- The annual budget for FY 2015 was \$33,001,909; revenue: \$17,044,163; appropriations: \$15,957,746.

Communications Division

- Released 60 news releases and media advisories.
- *N.C. Labor Ledger* database grew to 16,121 subscribers.
- Publications Bureau produced more than 1.9 million impressions and processed nearly 100,000 pieces of outgoing mail for the department's Raleigh area offices.

Governmental Affairs Division

- Monitored the long session of the General Assembly.

Human Resources Division

- 340 employees as of Dec. 31, 2015.

Legal Affairs Division

- The division collected a total of \$38,933.12 in outstanding wage collections.
- The division initiated and finalized rulemaking activity for the Boiler Safety Bureau, Elevator and Amusement Device Bureau, Wage and Hour Bureau, and OSH Division.

Research and Information Technology Division

- Conducted the Survey of Occupational Injuries and Illnesses and the Census of Fatal Occupational Injuries. The 2014 nonfatal incident rate tied the lowest on record for the state.
- The North Carolina IDA Program closed in 2015. A total of 689 IDA account holders saved an aggregate of over \$2 million, acquired more than \$1.4 million in matching grant funds, and purchased over \$53.8 million in assets since the beginning of the program.
- The IT Help Desk responded to a total of 5,485 telephone and email requests.

Budget and Management Division

The Budget and Management Division’s 13 employees are responsible for all fiscal-related areas of the agency. The division continues initiatives to streamline our operations by creative uses of technology and more effective uses of our skilled staff. These initiatives have resulted in a 13 percent reduction in divisional management and staff since the beginning of 2008.

Job responsibilities are separated into four categories: budget/accounts payable; purchasing; federal grant administration; and accounts receivable/collections. Reporting is done on a state fiscal year basis (July 1 through June 30). Table 8 provides data for each fiscal year beginning in FY 2012 through FY 2015.

Table 8
Budget and Management Division Activities, FY 2012 Through FY 2015

	FY 2012	FY 2013	FY 2014	FY 2015
Annual budget	\$32,578,991	\$32,881,551	\$33,221,825	\$33,001,909
Revenue	\$16,423,188	\$16,685,212	\$16,559,295	\$17,044,163
Appropriations	\$16,155,803	\$16,196,339	\$16,662,530	\$15,957,746
Average no. of checks written/month	394	391	358	341
Average monthly expenses	\$2,297,840	\$2,388,181	\$2,289,040	\$2,300,112
Percentage of invoices received/paid within 5 days	99	99	99	99
Average number of purchase orders issued/month	56	48	34	39
Monthly average value of purchase orders issued	\$113,871	\$131,394	\$63,962	\$61,849
Percentage of purchase orders issued within five days	100	100	100	100
Average monthly inspection fees registrations & penalties collected	\$894,713	\$941,494	\$956,023	\$886,509
Average monthly caseload for collections	2,807	4,468	3,186	3,253

Budget/Accounts Payable/Purchasing

For its part, the Budget and Management Division continues to meet its internal benchmarks by paying for and ordering items within five working days from receipt, thereby enabling the department to continue its efforts to be fiscally responsible and prudent with available resources.

Accounts Receivable/Collections

The Accounts Receivable/Collections Section is responsible for all revenue received by the department. Two bureaus are fully receipt supported, which makes it vital that all revenues are collected and deposited in a timely and accurate manner. In addition, assessed penalties are collected and distributed to local school systems throughout the state in accordance with state law.

The responsiveness of the PayPoint application for our customers allows us to provide immediate receipts either through email or by fax, which benefits our customers as they no longer have to depend on personal check copies or bank statements. Nine of the department’s bureaus are now utilizing the PayPoint application.

The Budget and Management Division continues to work closely with the NCDOL Research and Information Technology Division in developing two major new systems that will have dramatic positive impacts on all our workflow processes. These include:

- In March 2015, the Budget and Management Division implemented OnBase, which is a new custom-designed system to automate our collection of Occupational Safety and Health Division penalty payments. OnBase greatly reduces the manual processes, which results in fewer errors that have resulted from multiple data entries of the same information. This allows us to begin collecting penalties and interest on outstanding accounts, which should assist in quicker payments of the original penalties resulting from OSH inspections. Moreover, OnBase will provide more streamlined information sharing between OSH and the collection process and status of each individual case. Our goal is to provide similar services to all our bureaus.
- OnBase has been integrated with OSHA Express, the new OSH system that facilitates the workflow within the OSH environment. The OSHA Express system is designed to make it easy to perform data entry, look up information and generate reports. Successful integration of these two systems will put the N.C. Department of Labor in the forefront of states having such an enhanced system. Our hope is that our successful integration will assist other state agencies and potentially other states in enterprise planning.

Communications Division

The NCDOL Communications Division provides publications and information to the general public and media outlets. Information is handled in a number of ways—through direct telephone contact with the members of the media and general public, releases, newsletters, social media, brochures, manuals, and other publications. The division also compiles the department’s annual report, prepares talking points for NCDOL personnel, coordinates guests and prepares questions and answers for Commissioner Berry’s monthly radio show on WSHA 88.9 FM, and promotes the department’s programs to the public. The Publications staff prints workplace safety documents and other materials the department provides to the public.

The division edits all materials printed by the Publications Bureau and coordinates the posting of items on the department’s website. The division released 60 news releases and media advisories in 2015. Topics included SHARP and Star Program ceremonies, safety award winners, and other events and programs.

The division manages the department’s social media accounts on Facebook, YouTube and Twitter, posting content for all NCDOL divisions and bureaus. The Facebook page increased from 403 likes at the beginning of the year to 515 likes at the end of the year. The division continued to use the department’s Twitter account that began in May 2012. The division tweeted 268 times during 2015. The department’s Twitter account grew from 552 followers at the beginning of the year to 784 at the end of the year.

The department’s newsletter, *NC Labor Ledger*, subscription base grew from 15,632 subscribers at the end of 2014 to 16,121 at the end of 2015. The division’s print shop provided more than 1.9 million impressions and sent 1,357 electronic items. The print shop staff also processed 97,796 pieces of outgoing mail in addition to distributing incoming mail for the department’s Raleigh area offices.

Governmental Affairs Division

The 2015-2016 General Assembly convened for a one-day organizational session on Wednesday, Jan. 14, and reconvened on Wednesday, Jan. 28, to officially commence the 2015 long session. The House and Senate concluded their long session work on Wednesday, Sept. 30, and are scheduled to reconvene for the 2016 short session on Monday, April 25. This document briefly summarizes the legislation that the Governmental Affairs Division tracked during the long session and will continue to track in next year’s short session.

HB 97—2015 Appropriations Act (S.L. 2015-241)

This bill sets forth spending for the 2015-2017 biennium and became effective on July 1, 2015. In May, the House released its proposed budget, which included reductions to the department totaling \$259,205. That version included the elimination of three vacant Occupational Safety and Health Division positions. These vacant positions were NOT eliminated in the final budget.

In June, the Senate released their proposed budget, which included reductions to the department totaling \$501,871. That version included the elimination of all state funding for the Mine and Quarry Bureau. This reduction was NOT included in the final budget.

Commissioner Berry and Governmental Affairs staff worked closely with House and Senate budget negotiators to remove these reductions from the final budget. In the final budget conference report released in September, the N.C. Department of Labor received a reduction totaling \$155,379—representing slightly less than a 1 percent reduction. The department will realize this reduction by cutting operating funds and shifting some costs to receipts. Both of these reductions were included in the House and Senate versions of the budget.

Additionally, there are several special provisions in the budget bill that apply to the department.

- **Section 6.4** requires the Office of State Budget and Management to submit a report to the General Assembly on the number of legislative liaisons and public information officers designated by each agency. The department submitted the required information in December.
- **Section 6.25** directs departments and the Office of State Budget and Management (OSBM) to abolish all positions vacant more than 12 months as of April 17, 2015, unless the budget director has provided an exemption. This provision also provides guidance as to how the departments will redistribute the funds saved from eliminating the vacant positions. The department worked with OSBM to abolish certain unnecessary positions and received exemptions for some safety and health positions.
- **Section 15.11(a)** changes the name of the Commission on Workforce Development to the NCWorks Commission and amends the membership of the commission by removing the commissioner of labor as a member of the commission.
- **Section 15.24** creates a 12-member legislative committee to oversee the functions of the Natural and Economic Resources agencies (including the Department of Labor). Specifically, the committee will study the following: programs, organization, operations and policies of the agencies; review compliance with budget actions directed by the Legislature; monitor expenditures and deviations made by the agency to the certified budget; received presentations from the agencies; monitor the quality of services provided by the agency; and identify opportunities for collaboration in order to eliminate duplicative functions.
- **Section 23.3** directs the Office of State Budget and Management to study charging state agencies rent for use of state-owned buildings (including the Labor Building and Old Revenue Building). Rent would cover cost of facility maintenance, management and other related costs.
- **Section 30.12** provides that the salary adjustment fund be used for salary range revisions, special minimum rates, grade to band transfers, and geographic site differential adjustments to provide competitive salary rates for affected job classifications or groups in response to changes in labor market rates. The provision specifies that the salary adjustment fund may not be used for in-range adjustments or career progression adjustments. The budget allocates \$12.5 million in FY 2015-16 and \$25 million in FY 2016-17 for the salary adjustment fund.
- **Section 30.18** amends Article 63 of Chapter 143, State Employees Workplace Requirements for Safety and Health, by requiring the Office of State Human Resources to develop a written police for all state agencies and for the Office of State Human Resources to create a safety and health committee.

- **Section 30.18A** provides for the payment of a \$750 bonus to state employees during the month of December 2015.

HB 39—Labor/Up Amusement Device Penalties (S.L. 2015-152)

This bill makes several changes to the Amusement Device Safety Act by increasing the civil and criminal penalties for the violation of safety laws pertaining to amusement devices. Specifically, this bill makes the following changes:

Section 2 of the bill increases civil and criminal penalties in the following way:

- Increases from a misdemeanor to a Class E felony any willful violation that results in serious injury or death.
- Allows for a misdemeanor charge against a person who willfully violates the act, regardless of whether or not the violation results in an accident or injury.
- Increases per day penalty from \$250 to \$1,250 for operation without a certificate, operation not in accordance with rules and violation of location notice requirement.
- Increases per day penalty from \$500 to \$2,500 for operation after refusal to issue or revocation of a certificate, violation of liability insurance requirements, and certain other requirements.
- Increases per day penalty from \$1,000 to \$5,000 for operation of an unsafe device or operation of an amusement device while impaired.

The civil penalty changes became effective on July 16, while the criminal penalty changes became effective Dec. 1.

Section 4 of the bill directs the department to study the need for regulation of zip-line operations. The study will include the following issues, among others: the number of zip-line operations in the state, the types of liability insurance coverage recommended for zip-line operations, costs associated with safety inspections of zip-line equipment, gear, and operations, a summary and analysis of other states' laws, ordinances, and regulations for zip-lines, and strategies for addressing the safe operations of zip-lines. The department submitted a report containing its findings and recommendations Feb. 1, 2016. This bill was signed by the governor on July 16, 2015.

HB 254—Protect National Guard Reemployment Rights (S.L. 2015-161)

This bill amends Article 16 of Chapter 127A, National Guard Reemployment Rights, which is one of the REDA protections enforced by the Employment Discrimination Bureau. This bill adds clarifying language to expand the existing employment protections to include National Guard members of any state (previously interpreted to only cover the N.C. National Guard). This bill was signed by the governor on July 17, 2015.

HB 318—Protect North Carolina Workers Act (S.L. 2015-294)

This bill makes various changes to the E-Verify law by requiring E-Verify compliance in certain governmental contracts by including a term in the contract requiring the contractor and any subcontractors to comply with the state E-Verify requirements. The bill directs the department to receive and investigate complaints regarding a violation of the E-Verify law. The bill adds a new section to Article 2 of Chapter 64, which establishes the consequences for violation of the new governmental contract E-Verify requirement. The bill requires the department to notify any governmental entity found in violation of the statute and to maintain a list of the governmental entities so notified published on the department's website. This bill was signed by the governor on Oct. 29, 2015.

HB 482—Employee Misclassification Reform

This bill enacts the Employee Fair Classification Act to prevent the misclassification of employees as independent contractors. The bill would establish the Employee Classification Division in the Department of Revenue to receive and investigate reports of employee misclassification, assess civil penalties for instances of employee misclassification, and develop methods and strategies for information sharing between state agencies, including the Department of Labor. The bill would direct the new division to provide all relevant information pertaining to each instance of reported employee misclassification to the Department of Labor, Department of Revenue, the Division of Employment Security and the Industrial Commission. The bill would require the department to include a notice on the Wage and Hour poster indicating that any employee who believes that he or she has been misclassified may report to the division. The bill would appoint the commissioner or the commissioner's designee to serve on an informal advisory council to advise the director on issues related to employee misclassification.

Overwhelmingly, the bill passed both the House and Senate, but in different forms. Ultimately, the House refused to agree to the Senate's version, due to a Senate provision that would have removed a rebuttable presumption of independent contractor status for newspaper carriers.

After returning to the House for concurrence, the bill was referred to the House Rules Committee where it remained for the remainder of the long session. The bill will be eligible for action in the 2016 short session.

SB 429—Labor/2015 Technical and Conforming Changes (S.L. 2015-221)

This department-sponsored bill makes technical and conforming changes to various provisions in Chapter 95 of the General Statutes. The bill makes conforming changes to the powers and duties section of the Boiler Safety Act, reflecting the repeal of the Board of Boiler and Pressure Vessel Rules. The bill also amends or repeals several sections of Article 1 of Chapter 95 including an update to the listed divisions to include the Division of Occupational Safety and Health instead of the Division of Statistics. The bill repeals an outdated report to the governor on legislative recommendations and amends the Boiler Safety Act, Elevator Safety Act, and Amusement Device Safety Act concerning the department's authority to shut down devices that expose the public to an unsafe condition likely to result in serious injury. The bill reduces the number of days owners are allowed to appeal the shutdown order from 60 to 15.

A provision in the bill not requested by the department amends the Wage and Hour Act to create an exception to the prohibition against employment of anyone under 18 years of age to prepare, serve, dispense or sell any alcoholic beverages at an establishment permitted for on-premises sale or consumption of alcohol. This provision was requested by the N.C. Retail Merchants Association due to the relatively new allowance of alcohol tastings at grocery stores, which routinely employ youths under age 18. This bill was signed by the governor on Aug. 18, 2015. All provisions of the bill became effective immediately upon signature.

Bills Introduced That Did Not Become Law

- Legislation that would extend protections under the Family and Medical Leave Act to employees caring for grandparents, siblings or stepparents.
- Legislation that would make it illegal for an employer to fail or refuse to hire, discharge or otherwise discriminate against an individual because of pregnancy.
- Legislation that would require employers to provide employees with advance notice of work schedules and schedule changes.

Human Resources Division

The Human Resources Division supports the department through the administration and management of workplace services and the personnel policies and procedures established by the State Personnel Act (N.C. Gen. Stat. § 126). Human Resources chronicled new hires, separations from services, promotions within the department, job postings, applications received, and total personnel actions processed. In addition, the two part-time receptionists in the Labor Building assisted the department by responding to 5,716 phone calls in 2015.

Working with a third-party administrator, Human Resources administers the department’s workers’ compensation program. There were 11 injury/illness reported claims during 2015. Of these, two qualified as OSHA recordable injuries. Table 9 provides a comparison of HR activity in calendar years 2012 through 2015.

Table 9
Human Resources Activities, Calendar Years 2012 Through 2015

	2012	2013	2014	2015
New Hires	31	24	40	42
Separations	23	47	38	49
Promotions	13	25	31	25
Job Applications Received	8,685	12,589	10,378	7,813
Personnel Actions Processed	613*	211	712**	417
Total Positions on 12/31	405	403	384	382
Total Employees on 12/31 (includes part-time employees sharing one position)	396	371	355	340
Positions Posted for the Year (internal, external and repostings)	45	67	89	91
Average Employee’s Age	50	50	50	50
Average Employee Service Months	158	179	156	158

* Includes 380 legislative increase salary adjustments.

** Includes 357 legislative increase salary adjustments.

Legal Affairs Division

The Legal Affairs Division advises the commissioner and the department as a whole on a wide variety of legal issues. The division monitors all legal issues related to the department. This includes reviewing and referring cases in need of litigation to the Attorney General’s Office; advising the commissioner and the department when policy developments involve legal issues; drafting and conducting legal reviews of policies and procedures; fielding a large number of and wide variety of constituent questions/issues on a daily basis; serving as liaison between the Occupational Safety and Health Review Commission and the department for the purpose of distributing contested case documents and maintaining and reporting availabilities and hearing schedules; maintaining a comprehensive database and auditing employee compliance with the NCDOL State Vehicle Use Policy; maintaining statute and administrative rule packets for the department; tracking and initiating appropriate action on all bankruptcy matters affecting the department from initiation to recovery/distribution of outstanding wages, invoices and civil money penalty debts; handling collection of outstanding wage and hour debts on behalf of employees before and after they have been reduced to

judgment; serving as liaison between NCDOL and the N.C. Attorney General's Office for contested case petitions filed under N.C. Gen. Stat. § 150B; conducting a variety of jurisdictional case file reviews and comprehensive reviews of potential litigation files for wage and hour/employment discrimination complaints; housing the position of chief records retention officer for the department; housing the position of agency rulemaking coordinator who is responsible for coordinating/conducting all administrative rulemaking activities for the department and preparing/filing all rulemaking reports required by N.C. Gen. Stat. § 150B; housing the position of agency ethics liaison to field ethics questions, track ethics training, and ensure conformance with the reporting requirements of the state ethics laws; and housing the position of agency business license coordinator to ensure conformance with reporting requirements of licenses/permits obtained from the department by the public.

Wage and Hour Judgments/Settlement Disbursements

Since 2009, the Legal Affairs Division has been assisting the Attorney General's Office in collecting outstanding wage and hour judgments. All outstanding judgments are in different stages of the collection process as the division continues to actively pursue collection of these wages for the employees to whom they are owed.

The division has worked actively with employers to collect monthly payments after the employer defaults on a settlement agreement entered into with the department to pay back wages plus interest to one or more employees. In 2015, action on these outstanding settlement agreements resulted in gross collections/disbursements of \$2,944.05. The Legal Affairs Division also continued to work with Barber Scotia College (BSC) to collect and distribute interest on wages that are owed to 46 current and former employees of the college. During 2015, BSC made three quarterly payments of \$9,000 and one quarterly payment of \$8,989.07, totaling \$35,989.07. Payments were disbursed among the employees at the end of each quarter. These payments and disbursements will continue quarterly until paid in full. Total outstanding wages disbursed in 2015 were \$38,933.12.

Division/Departmental Policies and Procedures

The Legal Affairs Division continues to collaborate with both the Boiler Safety Bureau and the Elevator and Amusement Device Bureau to review and revise certain policies, practices and procedures. These revisions are an effort to streamline inspection procedures, maximize the effectiveness of penalty assessment and collections, and conserve time for field and office staff alike through a variety of revised measures. Work on revising these policies and procedures will continue into 2016.

The Legal Affairs Division is responsible for maintaining and auditing driving histories in accordance with the NCDOL Vehicle Use Policy. All NCDOL personnel who may have the potential to drive a state-owned vehicle during their course of employment with the department, or who are required to have a valid North Carolina driver's license, must submit a signed authorization to the division allowing a DMV history search to be conducted and must obtain approval prior to driving a state-owned vehicle. All individuals with the department who drive as part of their job duties or are authorized to drive a state vehicle must report any and all traffic violations to their supervisor, the motor fleet vehicle liaison and the Legal Affairs Division immediately upon being charged with the violation.

Upon request and assignment by the Office of State Human Resources (OSHR), members of the Legal Affairs Division provide mediation services to other state agencies as a part of OSHR's grievance procedure.

The division provides continuous support to the entire department through such things as administrative assistance, interpretations, guidance and assistance on specific matters and issues, and enforcement/investigation of policy and procedure violations.

Occupational Safety and Health Variances

In accordance with N.C. Gen. Stat. § 95-132, employers may apply to the commissioner for a temporary, permanent or experimental variance from a promulgated occupational safety and health standard. The Legal Affairs Division works with the Education, Training and Technical Assistance Bureau to review variance applications and to ensure compliance with the N.C. General Statutes, N.C. Administrative Code and the Code of Federal Regulations. The division also prepares and files the paperwork necessary to process a variance request in accordance with Title 13, Chapter 07A, Section .0700 of the N.C. Administrative Code, Rules of Practice for Variances: Limitations: Variations: Tolerances and Exemptions. There were no variance requests filed in 2015.

Rulemaking

Occupational Safety and Health Division

On July 16, 2014, the N.C. General Assembly enacted Session Law 2014-76, House Bill 644, entitled “An Act Relating to the Handling of Antineoplastic Agents to Prevent an Injury Caused by Exposure.” This law established N.C. Gen. Stat. § 95-156, entitled “Handling of Dangerous Antineoplastic Agents.”

Paragraph (a) under this section requires that: “The Commissioner of Labor shall adopt rules to establish requirements for the handling of antineoplastic agents in facilities where there is occupational exposure to antineoplastic agents.” Paragraph (b) under this section requires that: “[R]ules adopted pursuant to this section shall be consistent with, but not exceed, the recommendations issued by the National Institute for Occupational Safety and Health (NIOSH) of the Centers for Disease Control and Prevention (CDC), as contained in the Alert: Preventing Occupational Exposure to Antineoplastic and Other Hazardous Drugs in Health Care Settings, as published in 2004 and including subsequent amendments and editions. The Department’s adoption of the rules may incorporate updates and changes to NIOSH’s guidelines as made by CDC.” The commissioner of labor was required to adopt the rules to implement this act no later than Jan. 1, 2016. On March 5, 2015, a preliminary meeting of stakeholders and interested parties was held. Notice of text was filed on June 10, 2015, and published on July 1, 2015, in the North Carolina Register. A public hearing was held on July 16, 2015, and we received numerous comments. A submission of permanent text was filed on Sept. 21, 2015. The commission received more than 10 letters of objection to 13 NCAC 07G .0101. Pursuant to N.C. Gen. Stat. 150B-21.3, the rule is now subject to legislative review and a delayed effective date.

Periodic Review and Expiration of Rules

In the 2013 legislative session, the General Assembly enacted Session Law 2013-413. This law established N.C. Gen. Stat. § 150B-21.3A, “Periodic Review and Expiration of Existing Rules.” This statute requires the Rules Review Commission to establish a process and schedule for those covered agencies to ensure compliance with the law. This schedule and process requires agencies to review all of their active rules codified in the N.C. Administrative Code every 10 years.

As part of the process, agencies must classify each rule subject to review as:

1. “Necessary with substantive public interest,” generally meaning the rule is needed but there is a known or suspected concern about it from the public;
2. “Necessary without substantive public interest,” generally meaning the rule is needed and there is no known concern from the public; or
3. “Unnecessary,” meaning the agency determined the rule is obsolete, redundant or otherwise no longer needed.

Elevator and Amusement Device Division

On May 5, 2015, the division assisted the commissioner of labor in conducting a mandatory review of rules codified under 13 NCAC 15, Elevator and Amusement Device Division, according to the requirements of N.C. Gen. Stat. § 150B-21.3A. As a result of the review, the commissioner initially determined all rules codified under 13 NCAC 15, Elevator and Amusement Device Division, were necessary without substantive public interest. The initial determination was published in a report posted on the Department of Labor's website on June 24, 2015, and on the Office of Administrative Hearing's website on June 24, 2015. A public comment period was open from June 24, 2015, until Aug. 23, 2015. The Department of Labor received no public comments, and the commissioner finalized the determination that all rules were necessary without substantive public interest on Sept. 21, 2015.

Pursuant to 26 NCAC 05 .0211, the review of these administrative rules was completed and a final report was filed with the Rules Review Commission (RRC) before its meeting on Nov. 19, 2015. At that meeting, the RRC approved the Department of Labor's determination that all rules under 13 NCAC 15, Elevator and Amusement Device Division, were necessary without substantive public interest.

The RRC sent a report to the Joint Legislative Administrative Procedure Oversight Committee (APO) at the General Assembly on Nov. 23, 2015. The RRC's determination became final following review by the APO on Jan. 5, 2016.

Controlled Substance Examination Regulation

On May 5, 2015, the division assisted the commissioner of labor in conducting a mandatory review of rules codified under 13 NCAC 20, Controlled Substance Examination Regulation, according to the requirements of N.C. Gen. Stat. § 150B-21.3A. As a result of the review, the commissioner initially determined all rules codified under 13 NCAC 20, Controlled Substance Examination Regulation, were necessary without substantive public interest. The initial determination was published in a report posted on the Department of Labor's website on June 24, 2015, and on the Office of Administrative Hearing's website on June 24, 2015. A public comment period was open from June 24, 2015, until Aug. 23, 2015. The Department of Labor received no public comments, and the commissioner finalized the determination that all rules were necessary without substantive public interest on Sept. 21, 2015.

Pursuant to 26 NCAC 05 .0211, the review of these administrative rules was completed and a final report was filed with the RRC before its meeting on Nov. 19, 2015. At that meeting, the RRC approved the Department of Labor's determination that all rules under 13 NCAC 20, Controlled Substance Examination Regulation, were necessary without substantive public interest.

The RRC sent a report to the Joint Legislative Administrative Procedure Oversight Committee (APO) at the General Assembly on Nov. 23, 2015. The RRC determination became final following review by the APO on Jan. 5, 2016.

Office of Occupational Safety and Health

On Sept. 1, 2015, the division assisted the commissioner of labor in conducting a mandatory review of rules codified under 13 NCAC 07, Office of Occupational Safety and Health, according to the requirements of N.C. Gen. Stat. § 150B-21.3A. As a result of the review, the commissioner initially determined all rules codified under 13 NCAC 07, Office of Occupational Safety and Health, were necessary without substantive public interest, except for 13 NCAC 07F .0105, which was determined to be unnecessary. The initial determination was published in a report posted on the Department of Labor's website on Sept. 8, 2015, and on the Office of Administrative Hearing's website on Sept. 12, 2015. A public comment period was open from Sept. 16, 2015, until Nov. 16, 2015. The Department of Labor received no public comments, and the commissioner finalized the determination that all rules were necessary without substantive public interest on Dec. 1, 2015, except for 13 NCAC 07F .0105, which was determined to be unnecessary.

Pursuant to 26 NCAC 05 .0211, the review of these administrative rules was completed and a final report was filed with the RRC before its meeting on Feb. 18, 2016. At that meeting, the RRC approved the Department of Labor’s determination that all rules under 13 NCAC 07, Office of Occupational Safety and Health, were necessary without substantive public interest, except for 13 NCAC 07F .0105, which was determined to be unnecessary.

The RRC sent a report to the Joint Legislative Administrative Procedure Oversight Committee (APO) at the General Assembly on Feb. 22, 2016. The RRC determination will become final following consultation with APO or on the 61st day after the report is submitted if the APO does not meet. The APO may disagree with the RRC determination and recommend to the General Assembly that the Department of Labor conduct a review of the rule the following year.

Wage and Hour

On Sept. 1, 2015, the division assisted the commissioner of labor in conducting a mandatory review of rules codified under 13 NCAC 12, Wage and Hour, according to the requirements of N.C. Gen. Stat. § 150B-21.3A. As a result of the review, the commissioner initially determined all rules codified under 13 NCAC 12, Wage and Hour, were necessary without substantive public interest. The initial determination was published in a report posted on the Department of Labor’s website on Sept. 8, 2015, and on the Office of Administrative Hearing’s website on Sept. 12, 2015. A public comment period was open from Sept. 16, 2015, until Nov. 16, 2015. The Department of Labor received no public comments, and the commissioner finalized the determination that all rules were necessary without substantive public interest on Dec. 1, 2015.

Pursuant to 26 NCAC 05 .0211, the review of these administrative rules was completed and a final report was filed with the RRC before its meeting on Feb. 18, 2016. At that meeting, the RRC approved the Department of Labor’s determination that all rules under 13 NCAC 12, Wage and Hour, were necessary without substantive public interest.

The RRC sent a report to the Joint Legislative Administrative Procedure Oversight Committee (APO) at the General Assembly on Feb. 22, 2016. The RRC determination will become final following consultation with APO or on the 61st day after the report is submitted if the APO does not meet. The APO may disagree with the RRC determination and recommend to the General Assembly that the Department of Labor conduct a review of the rule the following year.

Verbatim Adoptions: Occupational Safety and Health

Construction (13 NCAC 07F .0201)

The division was also involved in verbatim adoptions of changes to Title 29 of the Code of Federal Regulations promulgated by federal OSHA, which included changes to Part 1926—Construction.

29 CFR 1902.2(a) and N.C. Gen. Stat. § 95-131(a) require verbatim adoptions such as this in order for North Carolina’s occupational safety and health program to be as effective as the federal program and to maintain North Carolina’s state plan status under the federal Occupational Safety and Health Act of 1970. The amended rules were adopted pursuant to N.C. Gen. Stat. § 150B and were effective in North Carolina on Oct. 2, 2015. The verbatim adoptions encompassed the following federal changes:

Confined Spaces in Construction (80 FR 25366, May 4, 2015)

On May 4, 2015, OSHA issued this final rule which adds a new subpart to provide protections to employees working in confined spaces in construction. This new subpart replaces OSHA’s one training requirement for confined space work with a comprehensive standard that includes a permit program designed to protect employees from exposure to many hazards associated with work in confined spaces, including atmospheric

and physical hazards. The final rule is similar in content and organization to the general industry confined spaces standard, but also incorporates several provisions from the proposed rule to address construction-specific hazards, accounts for advancements in technology, and improves enforceability of the requirements.

Research and Information Technology Division

The Research and Information Technology Division’s primary responsibility is the collection and support of data and information for the Department of Labor.

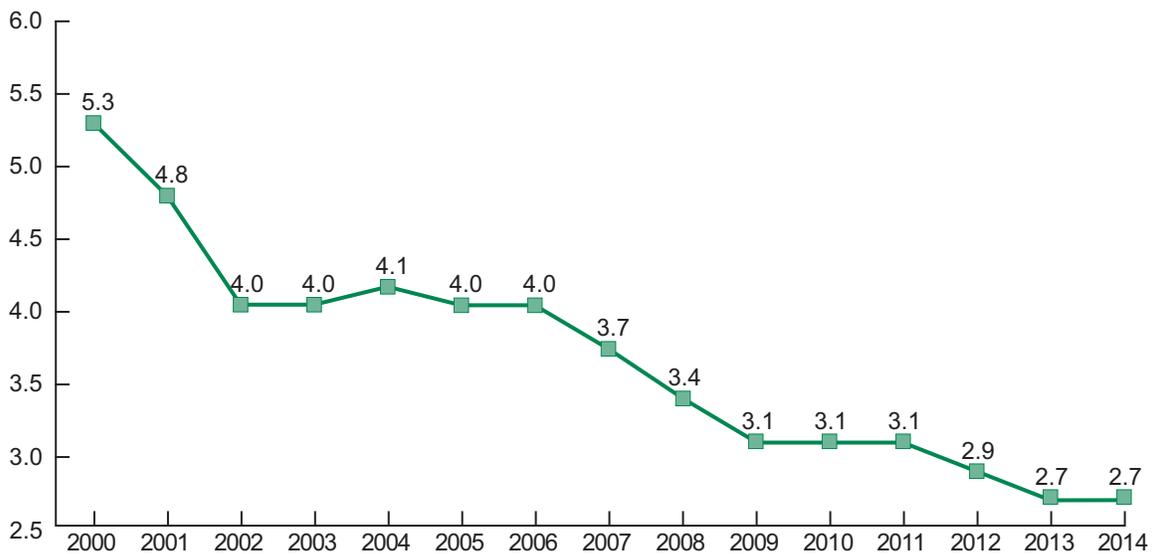
Research

The research area of the division collects information and data for use by the commissioner of labor. The division develops and implements special programs and projects. The division also provides policy staff support to the commissioner and other divisions within the department.

Safety and Health Survey Section

The Safety and Health Survey Section of the division collects, reviews, refines and publishes the Survey of Occupational Injuries and Illnesses (SOII) data for certification to the U.S. Bureau of Labor Statistics (BLS). The data—used by both state and federal departments of labor—provide accurate estimates of North Carolina’s work-related injury and illness rates as well as details about demographic and case characteristics for injured workers. The state incidence rate for injuries and illnesses in the private sector was 2.7 for every 100 full-time employees in 2014, which was significantly below the national rate of 3.2. The 2014 SOII figure for North Carolina remained the lowest on record for the state. (See Figure 9.)

Figure 9
Occupational Injury and Illness Rate for North Carolina, Private Sector, Calendar Years 2000 Through 2014



Annually, North Carolina samples roughly 8,900 establishments for the Survey of Occupational Injuries and Illnesses. For the 2014 SOII (collected during 2015), the state sampled 8,877 establishments, of which 7,964 remained collectible after accounting for business closures, sampled unit changes and duplicate sampled units. This total collectible number ranks as the fifth highest total among all states and represents 24.4 percent more collectible units than the next closest state.

The sample selection process begins with North Carolina providing a list of important industries to BLS. When BLS randomly selects establishments for participation in SOII, it does so within those targeted industries in order both to ensure that SOII produces usable estimates for industries important to North Carolina and to guarantee that North Carolina’s sample reflects the business community generally. Within those targeted industries, BLS then draws a random sample of establishments using data obtained from the Quarterly Census of Employment and Wages (QCEW).

The survey includes private, local and state entities sampled at the establishment level, not the business or corporate level. Thus BLS may sample one company more than once if it owns or operates multiple locations. BLS then mails survey participants a prenotification letter informing them about SOII and asking them to maintain injury and illness records for the following year. The mailing also provides all necessary documents such as a copies of the OSHA 300A logs since federal regulations require all sampled establishments to participate regardless of whether or not they normally maintain annual OSHA logs.

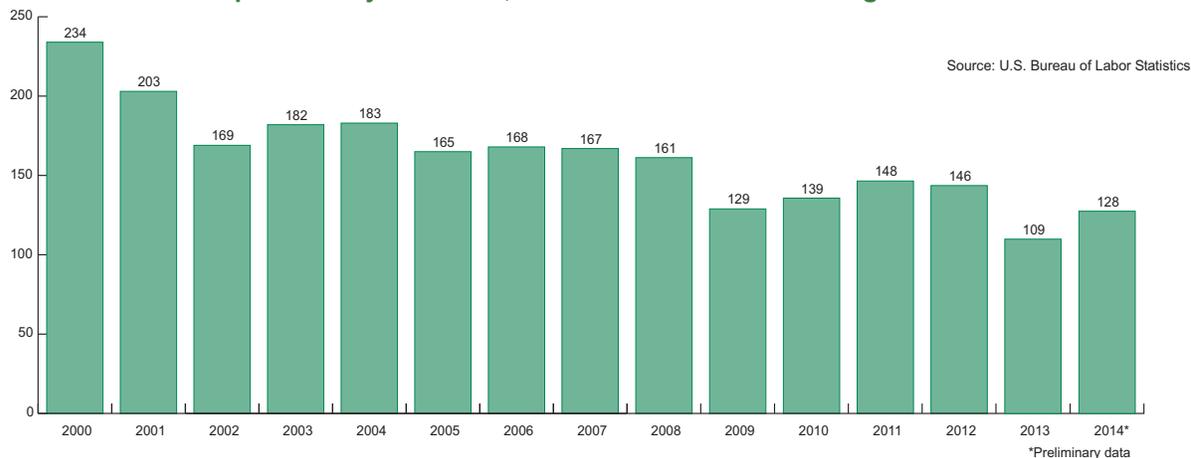
Sampled units receive the actual survey in January following the surveyed year. In 2015, 89.25 percent of sampled establishments responded to North Carolina’s 2014 SOII. NCDOL staff members refer any establishments that have failed to respond or have expressly refused to respond to the survey to the federal Bureau of Labor Statistics for further action.

After the survey collection period ends, the Bureau of Labor Statistics aggregates all of the data. It then produces injury and illness estimates for each targeted industry as well as an overall state injury and illness rate, private sector injury and illness rates, and local and public sector injury and illness rates.

Many stakeholders use the data. North Carolina OSH employs SOII to target hazardous industries. Businesses in nearly every sector use SOII data to benchmark themselves and to evaluate the relative safety of their workplaces. Academics also analyze SOII data for safety trends, and even journalists have made use of SOII data to inform and support stories as well as pinpoint industries worth investigating.

The section also codes, analyzes and publishes statistical data on occupational fatalities in the state to build the BLS-sponsored Census of Fatal Occupational Injuries (CFOI). The information is obtained from employers, death certificates, medical examiner reports and other sources. Fatality and injury and illness information enables NCDOL to better understand how and where accidents are occurring. The figures also are used to assist those industries with high rates of injuries and fatalities to target safety and health education and training where needed. Bureau of Labor Statistics preliminary figures (from the Census of Fatal Occupational Injuries) show that North Carolina suffered 128 workplace deaths in 2014. (See Figure 10.)

Figure 10
Census of Fatal Occupational Injuries Data, Calendar Years 2000 Through 2014



Individual Development Accounts Program

The North Carolina Individual Development Account (IDA) Program was designed to help low-wealth individuals build financial assets through the startup of new businesses, post-secondary educational investments or the purchase of a home. The program uses matched savings accounts, financial literacy training, credit counseling and coaching to provide assistance to low-income individuals seeking to attain self-sufficiency.

The statewide IDA Program began in North Carolina when the General Assembly passed a law in 1997 appropriating \$600,000 for the N.C. Department of Labor, in conjunction with the N.C. Department of Health and Human Services, to establish a pilot project creating individual development accounts to assist working families. At the time, Labor Commissioner Cherie Berry was serving in the House of Representatives. She and Representative Julia Howard of Davie County saw that such a program could become a major part of welfare reform for our state.

The N.C. Department of Labor acquired additional funding for the program over the years through a series of grants, including five grants through the federal Assets for Independence (AFI) Act and a contract with the N.C. Department of Health and Human Services under the Temporary Assistance for Needy Families (TANF). NCDOL's final AFI grant ran through August 2015, marking the end of the department's IDA Program.

NCDOL has played a significant role in the IDA movement in our state. The department worked in partnership with the N.C. Housing Finance Agency and the IDA and Asset Building Collaborative of North Carolina (now known simply as The Collaborative) to support and increase the number of IDA programs. The NCDOL IDA Program has been a participant in the North Carolina Assets Alliance, which educates the public and policymakers about asset-based strategies that promote economic security and prosperity.

NCDOL held a celebration for its partners in the North Carolina IDA Program on July 7, 2015, at the N.C. Museum of History in Raleigh. The event honored the many community-based organizations that had partnered with the department over the past 19 years. Two IDA Program graduates spoke at the celebration about how the program had helped them succeed. At the end of the event, Commissioner Berry recognized all of the partner agencies in attendance with certificates. She also presented special awards to the Collaborative and the N.C. Housing Finance Agency.

Over the course of the program, the NCDOL partnered with 35 local community-based organizations to operate the program, serving 68 counties across the state. By the end of 2015, a cumulative total of 689 participants had graduated from the North Carolina IDA Program. These graduates purchased 577 homes, started 72 business and made 40 educational investments. From 1999 to the end of the program in 2015, IDA account holders saved an aggregate of over \$2 million, acquired more than \$1.4 million in matching grant funds, and purchased over \$53.8 million in assets.

The North Carolina IDA Program has touched the lives of hundreds of families. Nationally, our program has shown a great deal of resilience during trying economic times, making it one of the longest-running programs in the country. A periodic review of the program showed an extremely low, almost nonexistent foreclosure rate among its homeowners.

Information Technology

The information technology area of the division provides the department with information technology services for the administration, design, engineering, and acquisition of all software and hardware, while providing daily computer service and support. It also supports a federal-level information system (Integrated Management Information System (IMIS)), which is used by the Occupational Safety and Health Division.

PC Support Section

In 2015 PC Support Section accomplishments included:

- Server Migration—Coordination with the Department of Information Technology (DIT, formerly ITS) to continue migration of the DOL servers to DIT hosting environment.
- OnBase document management system—OnBase has continued to grow to become part of the daily routine for the bureaus. The PC Support Team has provided OnBase system support in the following areas:
 - Training design
 - Reporting
 - System enhancements
 - Design of Budget Accounts Receivable/OSH Collections Workflow
 - Planning the move and upgrade of OnBase to DIT
- OSHA Express (OE) information management system—In August 2015, the PC Support Team provided support for the installation of an interface module to allow the transfer of data between the DOL OSHA Express system and the federal OSHA Information System. In addition, the team provided the following OE support:
 - Daily support of OSHA Express users
 - Support of the Citrix Server
 - Planning and developing the Citrix-OE server’s move to the N.C. Division of Information Technology
- Website hits—Total visits: 2,197,254.
- Help Desk email requests totaled 2,635, a 12 percent increase from the previous year.
- Voice call support totaled 2,850, a 31 percent increase from the previous year.
- There were two PC, 224 laptop and 65 printer refreshes for 2015.

Applications Services Section

During 2015, the Applications Services Team was engaged in several major initiatives. To modernize our IT infrastructure, the Applications Team:

- Completed a major upgrade of two main platforms used across the Department of Labor, which required extensive planning and testing and resulted in substantial rework of some existing applications. These platforms include:
 - The Oracle database management system, which stores data for most DOL applications as well as the data for our enterprise content management system, OnBase.
 - The ColdFusion development platform, which runs most DOL-developed systems.
- In collaboration with the PC Support/Infrastructure Team, we are engaged in a server refresh and migration from the current server installation at DOL to the server farm at the DIT Eastern Data Center.
 - This extensive effort was initiated mid-2015, and is expected to conclude by second quarter of 2016.
 - When complete, more than 15 virtualized servers will have been built at DIT and their corresponding systems reinstalled and updated there as needed, with all DOL data and applications migrated to the new servers and tested.

To develop and/or expand software systems used by DOL bureaus:

- The OnBase Accounts Receivable System went into production in the second quarter of 2015. The AR System is being used by the DOL Budget and Management Division to collect OSH citation fees.

Administration Division

- The Wage and Hour Investigations System is being enhanced to streamline document creation and increase overall functionality.
- The Amusement Device Inspection System is being restructured into a ColdFusion application to centralize its data and expand functionality and accessibility.

The Applications Services team continually supports, maintains and enhances existing DOL applications to support the department's missions. Among these efforts:

- Extensive content management for all bureaus on the DOL intranet.
- OSH Targeting System—new targeting lists and integration of quarterly ESC data.
- Public Sector Survey System—ongoing data management.
- ASH Migrant Housing Inspection System—updates and data management.
- Support for Communications Division applications.
- Budget and Management Division data management and systems support.
- ETTA systems support.
- Updates and maintenance for Standards and Inspection Division systems:
 - Wage and Hour Bureau
 - Elevator and Amusement Device Bureau
 - Employment Discrimination Bureau
 - Mine and Quarry Bureau

Notes

Fiscal years are designated by the year they end. The state fiscal year begins July 1 and ends June 30. State Fiscal Year 2015 thus began July 1, 2014, and ended June 30, 2015. The federal fiscal year begins Oct. 1 and ends Sept. 30. Federal Fiscal Year 2015 thus began Oct. 1, 2014, and ended Sept. 30, 2015.

All of the bureaus of the Standards and Inspections Division report data based on the state fiscal year. Most of the bureaus of the Occupational Safety and Health Division report data based on the federal fiscal year. The Agricultural Safety and Health Bureau is the exception. It uses the calendar year as the basis for reporting its data.

Within the Administration Division, the Budget and Management Division uses the state fiscal year for reporting its data, while the remaining divisions report data on a calendar year basis. Some of the data are reported for the bureaus and divisions on a preliminary basis and are subject to change in subsequent annual reports.

Reporting Years for NCDOL Divisions and Bureaus

Calendar Year (Jan. 1 through Dec. 31)

- Agricultural Safety and Health Bureau
- Communications Division, including Publications Bureau
- Governmental Affairs Division
- Human Resources Division
- Legal Affairs Division
- Research and Information Technology Division

State Fiscal Year (July 1 through June 30)

- Boiler Safety Bureau
- Budget and Management Division
- Elevator and Amusement Device Bureau
- Employment Discrimination Bureau
- Mine and Quarry Bureau
- Wage and Hour Bureau

Federal Fiscal Year (Oct. 1 through Sept. 30)

- Compliance Bureaus
- Consultative Services Bureau
- Education, Training and Technical Assistance Bureau
- Planning, Statistics and Information Management Bureau

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