

2010 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.

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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 the responsibility of 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; training of apprentices in the skilled trades; education, training and consultation on safe and healthy working conditions; and the administration of inspections for boilers, elevators, amusement rides, and mines and quarries.

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

According to state law, the Department of Labor promotes 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.

Apprenticeship and Training Bureau

The Apprenticeship and Training Bureau promotes and monitors a broad range of apprenticeship programs that train journeyworker level employees to meet the demand for high-skilled workers. In 2010, more than 10,500 North Carolinians were served in these industry-supported programs. Apprenticeship programs are sponsored through employers or under joint labor-management committees.



Labor Commissioner Cherie Berry

The bureau is also the State Approving Agency for veterans in apprenticeship and on-the-job training programs. Qualified veterans can receive their GI Bill benefits while they are in training.

Boiler Safety Bureau

The Boiler Safety Bureau enforces the Uniform Boiler and Pressure Vessel Act of North Carolina. The bureau regulates the construction, installation, repair, alteration, inspection, use and operation of pressure equipment that falls under the law. The bureau conducts periodic inspections of this pressure equipment and monitors inspection reports. The bureau maintains records on ownership, location and condition of working boilers and pressure vessels. It also issues certificates of inspection to boiler and pressure vessel owners and operators who meet requirements.

Elevator and Amusement Device Bureau

The Elevator and Amusement Device Bureau oversees, except in federal buildings, the installation and safe operation of elevators, escalators, workman's hoists, dumbwaiters, moving walks, aerial passenger tramways, amusement rides, inclined railways and lifting devices for people with disabilities. The bureau conducts more than 21,000 annual inspections. The bureau also approves plans and applications for equipment that falls under its jurisdiction.

The bureau conducts regular periodic inspections of all ride-operating equipment in the state and provides technical assistance. The bureau also will review, for architects and builders, plans for proposed elevators and related equipment.

Employment Discrimination Bureau

The Retaliatory Employment Discrimination Act protects employees who in good faith file or initiate an inquiry about workers' compensation claims or exercise their rights under certain other state laws. Investigators examine the complaints filed and, if the complaint is found without merit, issue a right-to-sue letter. If the complaint is found to be valid, the bureau attempts conciliation through informal means before issuing a right-to-sue letter.

Library

The NCDOL Library offers about 12,500 volumes, including 1,360 audiovisual items along with other electronic resources. The library's collection includes resources on the various topics regulated by the department. Videos and DVDs are lent free of charge, excluding return postage.

Mine and Quarry Bureau

The Mine and Quarry Bureau conducts inspections, education and training, and technical assistance on the operation of mines and quarries. The bureau helps operators to train their employees in safe working procedures. The bureau has jurisdiction over 426 private sector mines, quarries, and sand and gravel pit operations that employ more than 4,500 citizens.

The bureau also inspects abandoned surface mines for the protection of the general public, promotes rock-hound safety, and conducts an explosives safety course for anyone handling or using explosives.

Occupational Safety and Health Division

The Occupational Safety and Health Division administers workplace safety and health laws that apply to the private sector and all state and local government agencies.

OSH standards parallel the federal OSHA standards. North Carolina currently conducts one of the 22 state-administered comprehensive OSHA programs in the nation.

The OSH Division conducts about 5,000 inspections a year. The division conducts investigations of employee complaints, investigations of work-related accidents and deaths, randomly scheduled site inspections, and special emphasis program inspections. Inspection targeting schedules, inspection files and other statistical reports are maintained by the Planning, Statistics and Information Management Bureau.

The division offers free services to private and public employers through its Consultative Services Bureau. It also offers educational and technical assistance through the Education, Training and Technical Assistance Bureau. Employers may contact the OSH Division to receive free assistance, including standards interpretations or on-site visits.

The Agricultural Safety and Health Bureau enforces the Migrant Housing Act of North Carolina, which requires the registration and inspection of housing provided to seasonal migrant agricultural workers. Migrant housing must meet federal standards plus specific standards for heat, fire protection and kitchen sanitation. The bureau also conducts OSH compliance inspections in agricultural settings utilizing OSHA standards when there is employee exposure.

Research and Policy Division

The Safety and Health Survey Section of the Research and Policy Division collects and processes information on workplace injuries, illnesses and fatalities for the U.S. Bureau of Labor Statistics. Data collected by the division include the annual Survey of Occupational Injuries and Illnesses and the Census of Fatal Occupational Injuries. The Individual Development Accounts Program provides assistance to low-income individuals toward attaining self-sufficiency through homeownership, micro-enterprise, or education and training.

Wage and Hour Bureau

The Wage and Hour Bureau enforces laws that cover minimum wage, overtime, wage payment, child labor, private personnel services and controlled substance examination. Wage payment provisions—which include the payment of promised wages such as vacation, sick pay or other benefits—cover all employees except those in federal, state and local government. The bureau investigates worker complaints and collects back wages owed to employees.

Youth employment certificates are required for all workers under 18 years of age who work in non-agricultural and nongovernmental jobs. Certificates can be obtained online through the department's website, from county departments of social services and from some schools. Workers in this age group are prohibited from employment in occupations declared to be hazardous or detrimental to their health and well-being.

The bureau licenses and regulates private personnel and job listing services. Companies that charge their clients must obtain a license from the department.

The bureau also monitors procedures used to test employees and job applicants for drug use.

Standards and Inspections Division

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

Statistical Highlights for State Fiscal Year 2010

Apprenticeship and Training Bureau

- The number of completions from the apprenticeship program in FY 2010 was 3,089.
- The completion rate for registrants who began their training after July 1, 2003, and completed the program prior to June 30, 2010, was 70 percent.
- The total number served during FY 2010 was 10,997 (active apprentices at beginning of year plus new registrations).

Boiler Safety Bureau

- 51,288 items of pressure equipment were inspected during FY 2010.
- 2,771 violations were identified.
- The average combined state and insurance backlog was 0.43 percent during the fiscal year.
- There were not any major boiler or pressure vessel accidents in North Carolina in FY 2010.

Elevator and Amusement Device Bureau

- 19,534 routine elevator inspections were completed in FY 2010.
- 7,198 amusement devices were inspected.
- Patron error continued to be the leading cause of accidents, accounting for 77 percent of the accidents investigated in FY 2010.
- There were 41 elevator accidents/incidents investigated, of which 32 were reportable. Only nine of those accidents/incidents were related to a mechanical error, while the other 32 were due to patron error.
- Of the hundreds of thousands riding amusement rides, there were only 19 accidents/incidents investigated. Five of these were mechanically related errors, while the other 14 were due to patron error.

Employment Discrimination Bureau

- 58 percent of complaints were based on workers' compensation claims, 26 percent were based on wage and hour concerns, and 14 percent were based on safety and health concerns.
- 794 complaints were received and 778 investigations were completed in FY 2010.

Mine and Quarry Bureau

- Conducted 448 inspections and evaluations of active and abandoned mines.
- Conducted 531 on-site training programs and trained 5,801 miners and contractors in FY 2010.
- The injury and illness rate of the North Carolina minerals industry was 2.23.

Wage and Hour Bureau

- Recovered more than \$1.93 million in wages for 2,248 workers.
- Opened 5,647 investigations and closed 6,559 investigations.
- Issued 46,085 youth employment certificates.
- Completed investigation of all 51 youth employment complaints received during the fiscal year.

Apprenticeship and Training Bureau

The Apprenticeship and Training Bureau is the North Carolina administrator of the National Apprenticeship Act of 1937. The bureau approves apprenticeship programs, maintains records and issues certificates to apprentices who complete apprenticeship training.

The bureau's primary roles, working through its consultants, are to promote and develop new apprenticeship programs among employers, to service existing programs, and to certify completers.

In North Carolina, apprenticeship is a voluntary system of employee training combining on-the-job training and related instruction to form a quality training system for employers throughout the state. The apprentice learning a trade is taught by a skilled journeyworker.

Apprenticeship programs, which generally take three years to four years to complete, are established in 925 occupations in North Carolina. Wages usually begin at about half the journeyworker rate, but never below minimum wage, and rise as the apprentice progresses through the program, gaining skill and competence. Data for the bureau are reported for the state fiscal year (July 1 through June 30).

Highlights From Fiscal Year 2010

- The total number of new registrations in FY 2010 was 2,882.
- The number of completions from the apprenticeship program in FY 2010 was 3,089.
- The total number served during FY 2010 was 10,997 (active apprentices at beginning of year plus new registrations).
- The completion rate for registrants that began their training after July 1, 2003, and completed the program prior to June 30, 2010, is 70 percent. This completion rate is determined by apprentices entering the program that completed both the on-the-job learning and related classroom instruction training.
- During this period, 21,450 registrants completed all requirements of the program, while 8,982 canceled out of the program prior to successful completion.
- The overall average completion wage rate for all completers in FY 2010 was \$16.97.

State Approving Agency (SAA) for Veterans Affairs

The bureau contracted with the U.S. Department of Veterans Affairs in October 2004 to become the State Approving Agency for GI Bill benefits to eligible veterans training in on-the-job training and apprenticeship. During FY 2010, the bureau approved 33 new apprenticeship and on-the-job training programs. The bureau submitted 44 new occupations to the VA for approval.

Eligible veterans in North Carolina have received more than \$10 million in GI Bill benefits through apprenticeship and on-the-job training. These benefits are tax-free dollars that go directly to the veterans through their participation in apprenticeship training programs.

Incarcerated Apprentices

According to the N.C. Department of Correction, one of the most important factors affecting the success of ex-offenders is their ability to get hired and hold a steady job. An ex-offender who is gainfully employed is three times less likely to commit another crime.

Statewide efforts are underway through a joint partnership between the N.C. Department of Correction and N.C. Department of Labor to enhance and grow this opportunity in those facilities involved with apprenticeship or on-the-job training.

Developing a program for inmates who are receiving training in apprenticeship occupations continues to grow as the need to provide this type of training and credential becomes more apparent. To date, the bureau

has registered 1,603 inmates in 19 different facilities. There were 376 inmates active in Department of Correction apprenticeships at the end of FY 2010.

Construction Apprentice Contests at the N.C. State Fair

Apprentice contests in bricklaying, electrical, carpentry, plumbing and pipefitting, and HV/AC-R were held at the N.C. State Fair. Registered apprentices from across the state competed with other apprentices in the contests. Each contest has an apprenticeship committee that is made up of apprenticeship sponsors who assist in the development of the contests and assist in recruiting other sponsors to participate along with recruiting the materials needed for the contests.

In addition, the bureau helped organize the Third Annual Lineman's Rodeo, which was held in May at the State Fairgrounds during the Got to Be N.C. Festival. The Lineman's Rodeo showcased the occupation and helped recruit new employees to the trade. Apprentices and journeyworkers changed a pole-mounted transformer using a bucket truck, rescued an injured lineman from a utility pole, and removed/replaced horizontal cross arms and bracing on a utility pole. The "live line" demonstration included a mylar balloon, personal protective equipment, animals, tree limbs, an aluminum ladder and a kite string in live lines.

USDOL Implementation Grant

On Dec. 30, 2008, the U.S. Department of Labor put into effect revisions to the federal rules governing apprenticeship to align the national apprenticeship system with the tools and flexibility needed for the 21st century global economy. USDOL also provided the NCDOL Apprenticeship and Training Bureau with a grant. The NCDOL Apprenticeship Modernization and Dislocated Worker Assistance Project has:

- Updated the state administrative code, policies and procedures.
- Worked toward developing strong partnerships to integrate apprenticeship and preapprenticeship programs in emerging industries such as biotechnology, healthcare and logistics.
- Modified a new Web-based application for new reporting requirements and changes resulting from implementing new federal regulations.



Labor Commissioner Cherie Berry congratulates Percy Manuel for his first place finish in the 25th Annual Electrical Apprentice Contest. The apprentice contests showcase some of North Carolina's best apprentices and are one of the highlights of the N.C. State Fair.

Boiler Safety Bureau

During state fiscal year 2010, the Boiler Safety Bureau employed 14 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.

Highlights From Fiscal Year 2010

- 51,288 inspections were conducted.
- 2,771 violations were identified.
- 4,811 new items were inspected.
- The combined state and insurance backlog was 0.43 percent in FY 2010, down from 0.73 percent in FY 2009.
- There were no major boiler or pressure vessel accidents in North Carolina in FY 2010.

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 2005 through FY 2010.



The staff members of the NCDOL Boiler Safety Bureau gather on the steps of the Labor Building in Raleigh.

Table 1
Number of Inspections and Violations, FY 2005 Through FY 2010

Fiscal Year	Number of Inspections	Number of Violations
2005	52,069	1,916
2006	52,061	1,699
2007	50,537	1,714
2008	50,286	1,499
2009	52,233	2,794
2010	51,288	2,771

Backlogs

Any inspection program can have a backlog of items past-due for inspection. The combined average percentage of state objects and insurance objects improved from 0.73 percent in FY 2009 to 0.43 in FY 2010.

Additional Work

In addition to the inspections of equipment in businesses and institutions throughout the state, inspectors with special training and endorsements carried out 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 or National Board “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, aerial passenger tramways, amusement rides, incline railways, and lifting devices for persons with disabilities that operate in public establishments (except federal buildings) and private places of employment. 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 annual inspections of inflatable devices and rock walls are from March to March. The bureau was responsible for making 21,584 routine and new elevator inspections as well as 7,198 amusement devices at 1,194 locations in state fiscal year 2010.

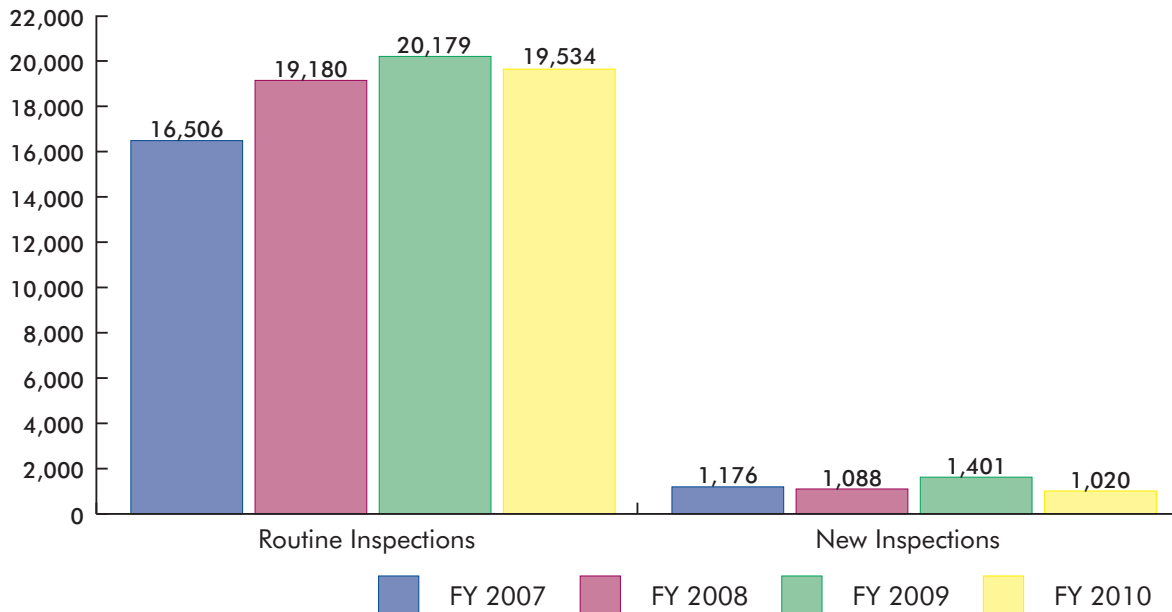
Highlights From Fiscal Year 2010

- Applications for new elevators decreased from 1,054 in FY 2009 to 632 in FY 2010, while applications for alterations and repairs decreased from 871 in FY 2009 to 849 in FY 2010.
- A total of 19,534 routine inspections and 867 new elevator inspections were completed in FY 2010.
- The bureau inspected 7,198 amusement devices at 1,194 locations in FY 2010.
- Out of the millions of people who ride or use the devices that are regulated by this bureau each year, there were only 60 incidents, of which 48 were reportable because they required treatment, other than first aid, from a physician. Of the 60 incidents, 46 were due to patron error and 14 were due to mechanical error.

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 decreased from FY 2009 to FY 2010. The number of new inspections also decreased.

Figure 1
Routine Inspections and New Inspections, FY 2007 Through FY 2010



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 but excluded from the reported data. The Elevator and Amusement Device Bureau continued the Rider Safety Program with the theme of “Measure Up to Safety.” 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.

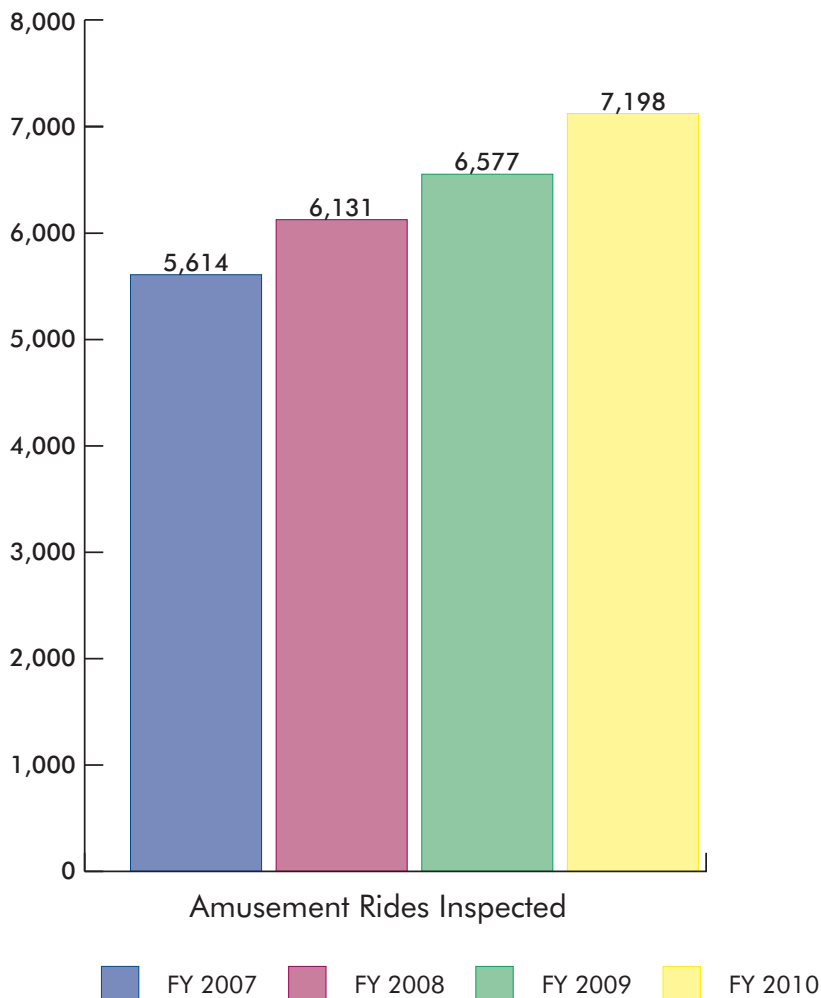
Figure 2 indicates the total number of amusement devices inspected in FY 2007 through FY 2010. The number of individual amusement rides inspected increased 9.4 percent from FY 2009 to FY 2010 and has increased 28.2 percent from FY 2007 to FY 2010.

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 2
Number of Amusement Rides Inspected, FY 2007 Through FY 2010



-
- (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 total number of accident investigations increased in FY 2010. Patron error continues to be the leading cause of both elevator and amusement ride accidents.

Table 2
Number of Elevator and Amusement Device Accidents, FY 2007 Through FY 2010

Year	Elevators and Related Equipment					Amusement Rides				
	Total	Patron Error	Mechanical Error	Reportable	Non-Reportable	Total	Patron Error	Mechanical Error	Reportable	Non-Reportable
FY 2007	29	20	9	10	19	12	7	5	6	6
FY 2008	30	25	5	7	23	12	9	3	6	6
FY 2009	36	31	5	32	4	10	10	0	8	2
FY 2010	41	32	9	32	9	19	14	5	16	3

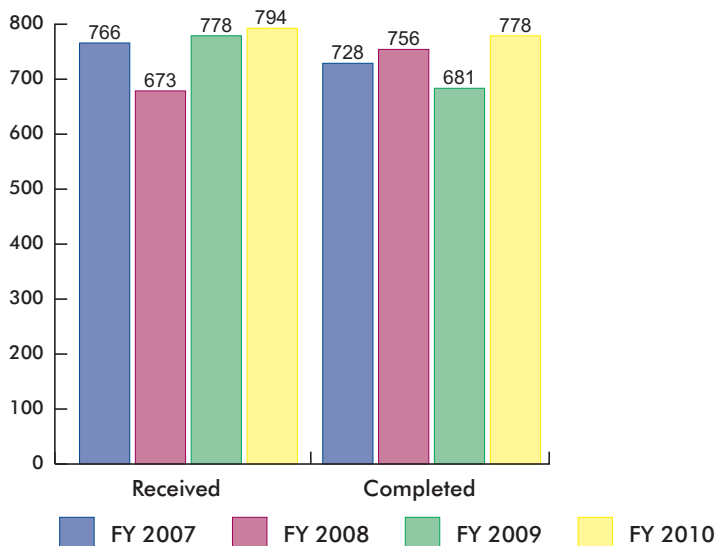
Employment Discrimination Bureau

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 and the Occupational Safety and Health acts. Additional provisions began to 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 2010, the percentage of complaints based on workers' compensation claims decreased to 58 percent, while those based on safety and health concerns increased to 14 percent, and those based on wage and hour matters increased to 26 percent. The remaining complaints fell under other laws enforced by the bureau. The bureau received 794 complaints, an increase of 2 percent over FY 2009. (See Figure 3.) The emphasis on early resolution and settlement of complaints was again a major factor in the bureau's operations in

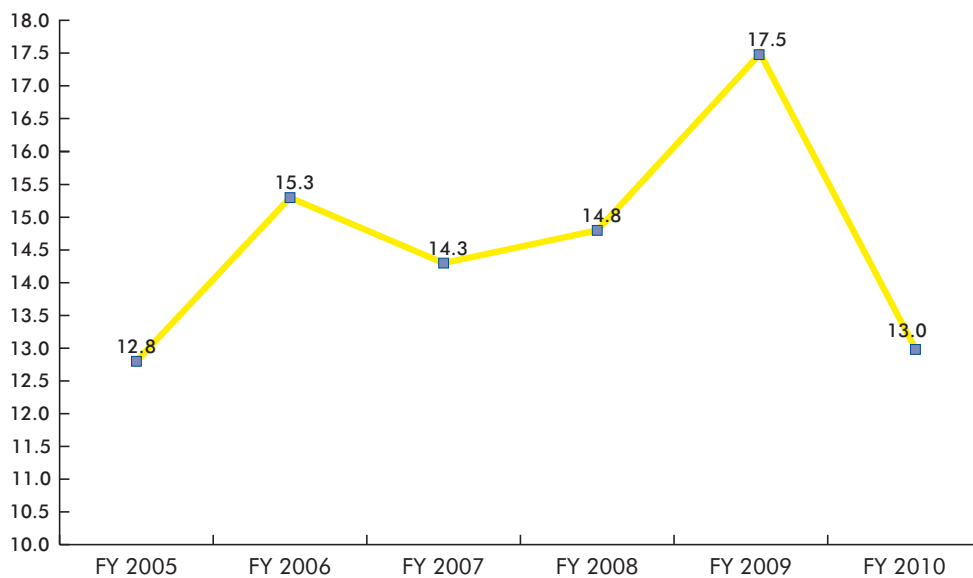
Figure 3
Employment Discrimination Complaints Received and Completed, FY 2007 Through FY 2010



FY 2010. The bureau continued to contact both the complainant (employee) and the respondent (employer) within 15 days of receiving the complaint. The bureau continued to intervene early in the investigation process, bringing the complaint to a quicker conclusion. The bureau was able to settle 13 percent of the 778 cases closed in FY 2010. (See Figure 4.)

In FY 2010, 73.4 percent of the complainants were given a right-to-sue letter, 13.0 percent of the cases were settled, 2.4 percent were found to have merit, 2.8 percent of cases were withdrawn by complainants, and 2.2 percent of cases were closed when the complainant failed to respond, 1.9 percent of complaints came after the statute of limitations, 1.0 percent were referred to other agencies, and 1.8 percent were closed administratively. In the remaining 2.4 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.

Figure 4
Percentage of Closed Cases Settled, FY 2005 Through FY 2010



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. Currently, the bureau administers laws concerning the operation and inspection of mines and quarries. Bureau staff consists of a bureau chief, an office assistant, and six mine safety and health field representatives. All mine safety and health field representatives are assigned a specific territory.

Highlights From Fiscal Year 2010

- Developed a Mine Safety and Health Supervisory Training Seminar. Upon completion of the seminar, students will be able to verify operational compliance with federal and state mine law and standards through use of pertinent government publications; reduce accidents and citations caused by non-compliance issues; promote the general health and safety of their operations; and understand the importance of the “safe production” process in building a lasting safety culture.
- Conducted N.C. Mine Safety and Health Eastern and Western Seminars in Wilson and Statesville.
- Conducted 448 inspections and evaluations of active and abandoned mines.
- The number of miners and contractors trained was 5,801.

- Conducted 531 on-site education and training programs during fiscal year 2010.
- Implemented a monthly schedule of training classes in order to provide independent contractors working on mine property the opportunity for mandated certification.
- The injury and illness rate of the North Carolina minerals industry was 2.23. Rates on injury occurrence are developed on the basis of 200,000 hours of employee exposure (equivalent to 100 employees working 40 hours per week for 50 weeks per year).

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. Instructor fundamentals, explosives safety, health and safety laws, and supervisory training are offered through the Mine and Quarry Bureau’s seminars and institutes. (See Table 3.)

Table 3
Mine and Quarry Training and Inspection Activities, FY 2006 Through FY 2010

	2006	2007	2008	2009	2010
Number of Mine Safety and Health Instructors Trained	20	27	56	18	60
Number of people trained in Explosives Safety	0	66	139	170	164
Total Number of Inspections and Evaluations Conducted	485	464	506	504	448
Number of Education and Training Programs Provided	550	562	525	529	531
Number of Miners and Contractors Trained	7,891	7,856	8,895	7,161	5,806

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 service and job listing service agencies, payment of furnishing any records as part of the hiring process, and the Controlled Substance Examination Regulation Act. The bureau is also responsible for the department’s toll-free telephone system. Bureau staff consists of two administrators, three supervisors, 18 investigators, five information specialists and two program assistants.

Highlights From Fiscal Year 2010

- Answered 91.6 percent of all calls placed to the call center (1-800-NC-LABOR) on the first attempt.
- Resolved 94.7 percent of 6,559 closed investigations; 67.3 percent were based on factual evidence obtained from one or both parties.
- Recovered wages exceeding \$1.93 million for 2,248 workers without litigation.

- Completed investigation of all 51 youth employment complaints received during the fiscal year.
- Completed 429 noncomplaint investigations involving youth employment issues or training during the fiscal year.

Call Center

The bureau’s call center is manned by five highly motivated and trained individuals 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 4 certainly speak to this; however, an equally important measure by industry standard is the percentage of calls answered on the first attempt. The service level line in Table 4 indicates that the call center has exceeded the 90 percent industry standard each year since FY 2003. Two of the five public information assistants 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 4
Wage and Hour Call Center Activity, FY 2003 Through FY 2010

Fiscal Year	Calls Received	Calls Answered	Percent Answered
2003	103,695	97,975	94.2
2004	83,023	78,448	94.5
2005	98,486	93,344	94.8
2006	97,351	88,862	91.3
2007	96,881	91,312	94.3
2008	103,159	93,451	90.6
2009	94,795	87,045	91.8
2010	90,399	82,777	91.6

Wage and Hour Investigations

The majority of the bureau’s investigations are based on customer complaints. The bureau also conducts non-complaint investigations and industry-specific investigations to determine compliance with assigned laws.

The data in Figure 5 indicate that the majority (90.1 percent) of the investigations closed during FY 2010 were wage payment claims. These claims include such things as vacation/sick pay, bonuses, commissions, holiday pay, and the like. Minimum wage claims accounted for 3.6 percent of investigations closed; overtime (OT) accounted for 2.9 percent; and other (i.e., youth employment, recordkeeping, controlled substance and private personnel) accounted for 3.4 percent.

Table 5 compares the bureau’s performance with previous years. The number of investigations opened and the number of investigations closed both increased in FY 2010. The inventory of open investigations decreased from 1,739 at the end of FY 2009 to 827 at the end of FY 2010.

From the complainants’ perspective, the most important aspect of the bureau’s job is the recovery of unpaid wages. The bureau was able to recover and distribute more than \$1.93 million for the citizens of the state without litigation expenses. (See Figure 6.)

Figure 5
Types of Wage and Hour Investigations Closed, FY 2010

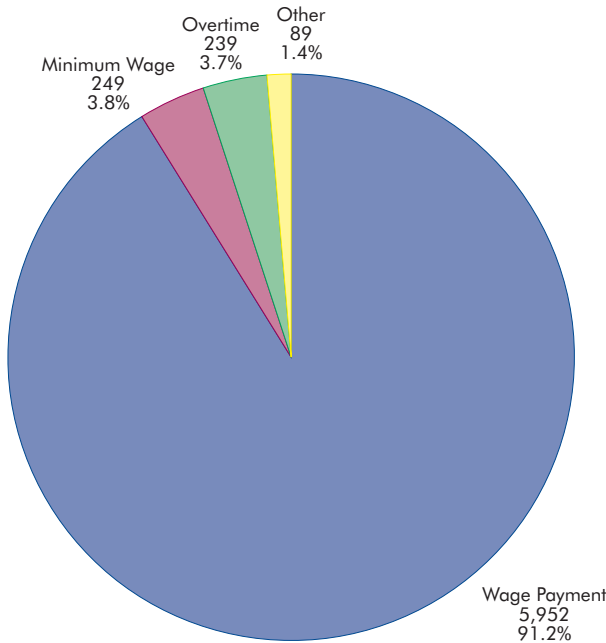


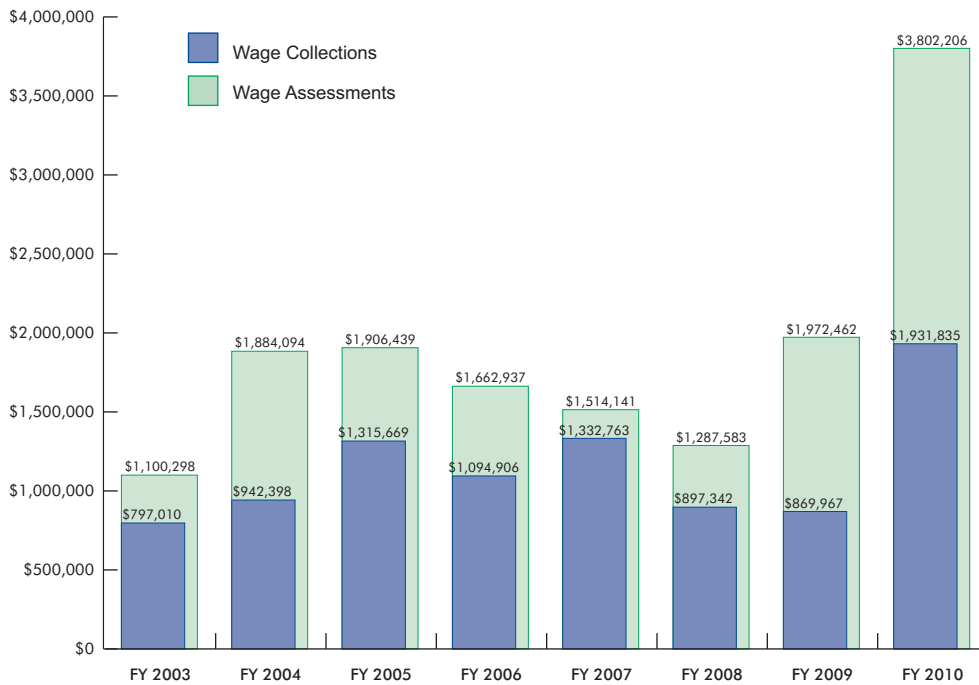
Table 5
Wage and Hour Investigations Opened and Investigations Closed, FY 2001 Through FY 2010

Fiscal Year	Investigations Opened	Investigations Closed
2001	6,493	6,198
2002	5,218	5,281
2003	4,556	4,684
2004	4,971	4,890
2005	5,537	5,384
2006	6,425	5,331
2007	4,974	5,588
2008	6,133	6,077
2009	4,917	4,501
2010	5,647	6,559

Youth Employment Certificates

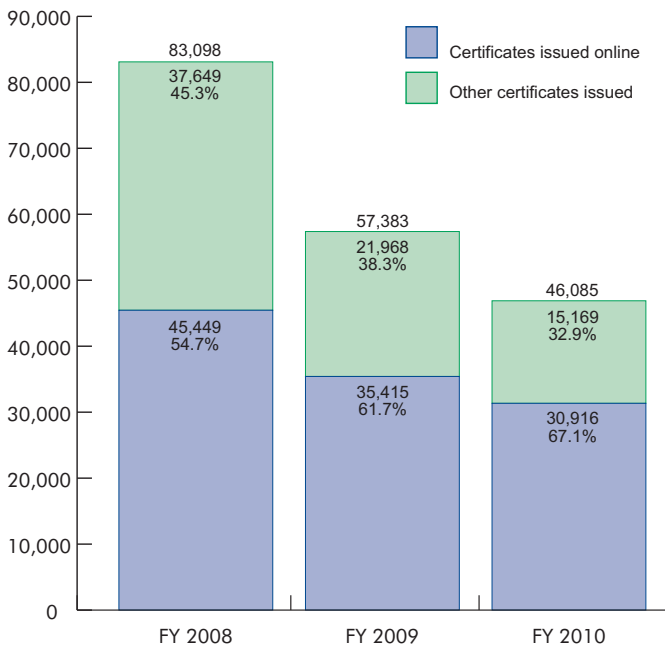
Protecting young workers from inappropriate or unsafe jobs is the cornerstone of the Youth Employment Certificates program. The timely review of certificates issued continues to be a key element in our efforts to protect young workers. The data in Figure 7 indicate that 46,085 youth employment certificates (work permits) were issued in FY 2010, a 19.7 percent decrease from the previous fiscal year. Some of the decrease was caused by the economic downturn. The figure also indicates that 67 percent of all certificates issued during FY 2010 were issued through the online system. Certificates issued online provide immediate feedback to employers and applicants when the age and proposed job place the employer in jeopardy of compliance with state or federal child labor laws. Additionally, online issued certificates are reviewed the next business day, whereas the review of certificates issued by the Department of Social Services and designees may lag by five to six months.

Figure 6
Wage and Hour Assessments and Collections, FY 2003 Through FY 2010



Bureau staff completed investigations of all 51 youth employment complaints received during FY 2010 and 11 youth employment complaints that had been received in FY 2008. Additionally, 547 noncomplaint investigations were completed, which included youth employment compliance checks.

Figure 7
Youth Employment Certificates Issued, FY 2008 Through FY 2010



Occupational Safety and Health Division

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

Statistical Highlights for 2010

Agricultural Safety and Health Bureau

- The ASH Bureau completed 1,349 preoccupancy housing inspections of migrant farmworker housing and issued certificates to 1,314 sites.
- The bureau completed segments on the Hazard Communication Standard and green tobacco sickness for its workplace training DVD.
- The bureau conducted 76 compliance inspections and issued 182 violations, with total current penalties amounting to \$73,025.

Compliance Bureau

- Compliance conducted 2,801 safety inspections and 1,699 health inspections, for a total of 4,500 compliance inspections.
- Compliance issued citations for 10,387 violations, with total current penalties amounting to \$5,850,453.

Consultative Services Bureau

- The bureau conducted 797 safety visits and 416 health visits, for a total of 1,213 total consultative visits.
- Hazards identified and eliminated as a result of consultative visits totaled 6,895. Of these, 5,394 were serious hazards, and 1,501 were other-than-serious hazards.
- The Safety Awards Program celebrated its 64th year awarding 2,267 Gold Awards and 325 Silver Awards, for a total of 2,592 awards distributed in FY 2010. In addition, the bureau awarded 95 Million-Hour Safety Awards.
- The bureau recognized 22 new Star sites and recertified 20 Star sites. There were 135 companies in the Star Program at the end of FY 2010.

Education, Training and Technical Assistance Bureau

- The ETTA Bureau conducted more than 300 courses, forums and workshops, providing training for more than 7,500 employers and employees.
- The bureau distributed 63,690 hard copy publications in FY 2010.
- The bureau developed the first State Plan Train the Trainer courses in the nation.

Planning, Statistics and Information Management Bureau

- The PSIM Bureau completed the Public Sector Survey for calendar year 2009 with a 99.8 percent response rate and a 100 percent clean rate.
- The bureau received 955 disclosure requests in FY 2010 and processed 850 requests.

Agricultural Safety and Health Bureau

Inspection Effort

In calendar year 2010, the Agricultural Safety and Health Bureau completed 1,349 preoccupancy housing inspections of migrant farmworker housing and 76 compliance inspections. Certificates were issued to 1,314 sites with total occupancy (beds) of 14,762. There were 851 sites in 100 percent compliance at time of inspection; 532 growers operate these sites. Gold Star status was received by 202 growers.

Gold Star Growers

The ASH Bureau hosted the 16th Annual Gold Star recognition program in Raleigh at the N.C. State Fairgrounds on Feb. 3, 2010. Forty-five Double Gold Star Growers were nominated, and an additional 136 were invited as recipients of a single Gold Star. Growers received 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 demonstrated a willingness to continually improve housing conditions. Double Gold Star Growers are eligible to conduct their own housing inspection for one year if they attend the meeting and comply with registration and rules involving water and septic sanitation.

The Ron Hudler Workplace Safety Training Award, created in memory of Christmas tree grower, Ron Hudler, was presented by his son, Dale Hudler, to Derek Bissette of Bissette Farms in Nash County.

Compliance

ASH inspectors conducted 76 compliance inspections in calendar year 2010. These inspections included one accident, 21 complaints, 14 referrals, five unprogrammed related and 35 programmed inspections that focused primarily on field sanitation compliance. Of the 76 inspections, 36 percent resulted in no citations. The bureau issued a total of 182 violations. Total current penalties for the citations issued amounted to \$73,025. In addition, a number of unregistered, uncertified camps were discovered during 2010.

Workplace Safety Training and Outreach

During the summer, ASH conducted outreach and training sessions for migrant farmworkers on North Carolina farms. Ricky and Trellis Lasley hosted the largest training event, which was a half-day on-site safety training workshop on their farm. The Lasleys invited farmers and farmworkers from nearby farms to attend. This training involved five topic-specific training stations. Training included prevention of heat stress, heat stroke, NCDOL housing regulations, ergonomics training and safe driving. The bureau also held a meeting for farm labor contractors on Aug. 23.

The bureau produced a 2011 calendar highlighting agricultural workplace safety topics during the summer of 2010. The calendar is available online at www.nclabor.com.



ASH inspector Johana Furr teaches a group of farmworkers about farm safety during a training session held at Lasley Farms in Rockingham County.

Inspector/Staff Training

Inspectors and staff attended numerous in-house training classes. Topics included the OSH 100; the Hazard Communication Standard; machine guarding; electrical hazards; accident and fatality investigation; and technical writing. Staff members also attended toxicology training at N.C. State University and in-house training conducted by NCSU staff.

Workplace Training DVD Completed

The ASH Bureau completed DVD segments on the prevention of green tobacco sickness and the Hazard Communication Standard in time for the 2010 growing season. The DVD consists of two chapters, each about 10 minutes long and filmed on North Carolina farms. These two segments were combined onto a single DVD with the previous safety segments created in 2008. The 2008 segments were forklift safety; the prevention of heat stress/stroke; safety around tobacco balers; and safety around tobacco harvesters. The DVD is in Spanish and in English. It was mailed to all N.C. registered growers. Additionally, RJR Tobacco Co. helped distribute the DVD to growers in eight additional states: West Virginia, Virginia, Georgia, Tennessee, South Carolina, Kentucky, Florida and Indiana.

Partnerships, Associations and Collaborations With Groups

The ASH Bureau continues to strengthen partnerships and associations with other groups such as the Sampson County Southeast Safety Alliance, cooperative extension agents and rural health professionals. ASH personnel conducted training at the tobacco grower meetings sponsored by Reynolds Tobacco and Phillip Morris; the National Christmas Tree Grower Association meeting; the Minority Farmer meeting; Pender County Landscaper Training; the N.C. Farm Bureau meeting on roadway safety and farm vehicles; N.C. Agricultural Extension meetings in Pasquotank County; and a number of other grower organizational meetings during 2010. ASH staff also collaborated with the National Institute for Occupational Safety and Health (NIOSH) concerning information on personal protective equipment surveillance in the agriculture program.

Compliance Bureau

Occupational Safety and Health (OSH) Compliance ensures compliance with 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).

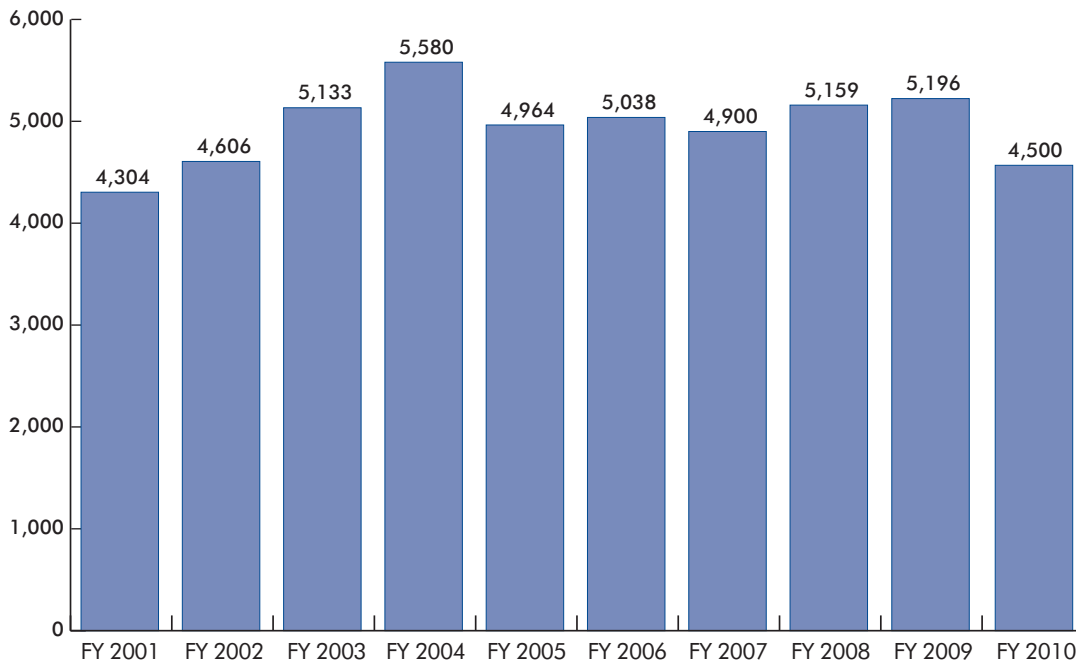
FY 2010 compliance activities included:

- 4,500 compliance inspections (See Figure 8.)
- 2,801 safety inspections
- 1,699 health inspections
- 1,551 construction inspections
- 10,387 total violations
- 3.6 average number of violations per inspection

- \$5,850,453 in penalties assessed
- 22.1 average lapsed days from inspection date to when citations were issued
- 1,089 informal conferences conducted
- 6,073 serious hazards abated
- 1,781 employer safety and health program improvements
- 70 inspections associated with the Tree Felling Special Emphasis Program
- 816 inspections in the Construction Special Emphasis Program counties
- 105 inspections in long-term care facilities
- 170 inspections associated with the Health Hazards Exposure Special Emphasis Program
- 201 site-specific targeting special emphasis-related inspections
- 131 inspections associated with the public sector
- 40 compliance interventions (includes speeches, training programs and program assistance)
- 119 accident investigations
- 970 complaint inspections
- 256 safety and health referrals inspections/investigations
- 106 employment discrimination investigations associated with occupational safety and health

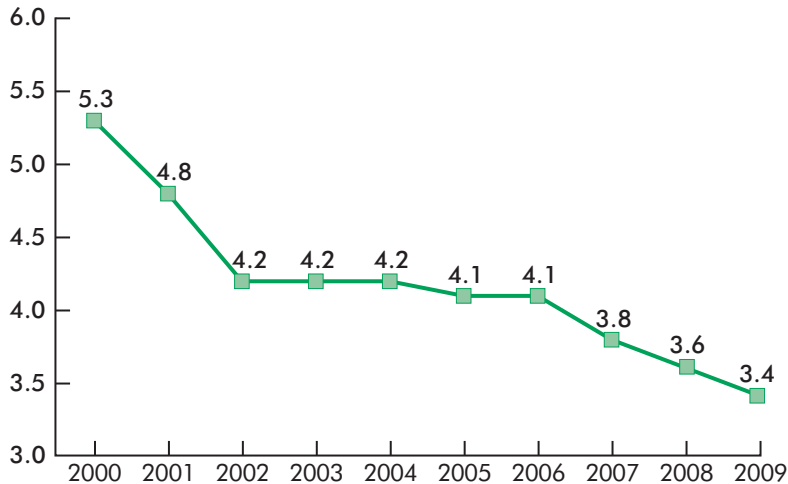
Figure 8 depicts the total number of compliance inspections conducted in North Carolina for federal fiscal years 2001 through 2010. Budgetary constraints in FY 2010 had a direct impact on the number of compliance inspection activities that could be performed. In addition to inspection/investigation activity, OSH compliance provides technical assistance and outreach training to as many employers and employees as resources will permit.

Figure 8
Number of Compliance Inspections, FY 2001 Through FY 2010



Several tools, in addition to the statewide injury and illness rates, are used to monitor inspection quality and operational efficiency. Figure 9 represents the total recordable cases rate per 100 full-time public and private sector NC 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 9
Occupational Injury and Illness Rate for North Carolina,
Public and Private Sectors, Calendar Years 2000 Through 2009



Source: U.S. Bureau of Labor Statistics

Additional significant activities that occurred in OSH Compliance or involved OSH Compliance participation during FY 2010 include the following:

- The Compliance Bureau’s quality program resulted in numerous improvements to operating procedures and policies. The Field Operations Manual (FOM), numerous Operational Procedure Notices and other policies and procedures were modified in an effort to continually improve the process, service and end product of the compliance group. All action requests submitted were reviewed by management and actions and responses were provided to those that submitted the requests.
- A nine-day process safety management course was conducted for compliance personnel and was also attended by Kentucky and South Carolina compliance personnel.



Participants in the process safety management training course enjoy a field trip to the Butterball plant in Mount Olive.

- Fourteen chapter revisions to the state's Field Operations Manual were submitted as state plan changes including a Penalty Chapter change relating to completion of a final probability assessment.
- OSH Compliance continued its homeland security and emergency preparedness efforts through involvement with local emergency planning committees (LEPCs), the State Emergency Response Commission, and federal agencies.
- Operational Procedure Notice 140A was updated to provide inspection procedures relating to the food manufacturing special emphasis program.
- The OSH Act of North Carolina was amended by the Legislature to increase penalties for issues relating to youth employment. The change was effective Dec. 1, 2009, and increased the penalties for serious violations that involve an injury to an employee less than 18 years of age from \$7,000 to \$14,000. Criminal penalties also changed to specifically include youths under 18 years of age and to increase penalties for this group if a death occurs on the job.
- North Carolina's new medical records rules were approved by the Rules Review Commission with an effective date of March 1, 2010. As part of this rules adoption process, federal regulation 29 CFR 1913.10 has been repealed and no longer applies in the state. The purpose of the new rules is to provide policies and procedures for accessing employee medical records for compliance inspection activity.
- A ceremony was held on March 31, 2010, to recognize the successful partnership agreement involving the construction of the NASCAR Hall of Fame in Charlotte. The companies included in the partnership were Turner Construction Co., BE&K Building Group, and Walter B. Davis Co. The partnership was originally signed on Nov. 1, 2007. A milestone in the partnership process was recognition of a Million Hour Award for no lost time injuries in August 2009. The grand opening of the NASCAR Hall of Fame occurred on May 11, 2010.
- In May 2010, the OSH Division participated in a full-scale hurricane exercise at the state emergency operations center. About 70 counties along with dozens of private and public organizations mobilized to test and validate the current plans and procedures. One of the objectives evaluated during this exercise was safety and health. Consequently, NCDOL received some direct taskings that were responded to effectively by the staff present. These large exercises help ensure the emergency responder community is prepared for any real emergency.



OSH Division employees join Labor Commissioner Cherie Berry and employees of Turner, BE&K and Davis Construction companies in celebrating the successful completion of the construction safety partnership for the building of the NASCAR Hall of Fame in Charlotte on March 31, 2010.

- The N.C. Department of Labor signed a partnership agreement with Archer Western-Granite on Sept. 29, 2010. This partnership covers the 540 toll road construction project in Wake County and will include participation by NCDOL employees in the Raleigh area.
- Debt collection procedures have been reviewed and revised in an effort to streamline the process and close cases in a timelier manner. In FY 2010, the state realized a 12.8 percent reduction in the number of open inspections.
- At the beginning of FY 2010, OSH Compliance revised penalty procedures for determining probability during penalty assessment. The intent of the change was to establish procedures that would result in a more consistent penalty assessment process.

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 2010. The bureau conducted 1,213 total consultative visits. (See Table 6.)

- 797 (66 percent) safety visits; 416 (34 percent) health visits.
- 988 (81 percent) initial visits; 79 (7 percent) training/assistance visits; 87 (7 percent) follow-up visits.
- 988 (81 percent) private sector visits; 225 (19 percent) public sector visits.
- 393 (32 percent) manufacturing visits; 254 (21 percent) construction visits; 341 (28 percent) other type visits; 225 (19 percent) public sector visits.
- Hazards identified and eliminated as a result of consultative visits totaled 6,895. Of these, 5,394 (78 percent) were serious hazards, and 1,501 (22 percent) were other-than-serious hazards.

In FY 2010 consultants also conducted 706 safety and health interventions, which included speeches, training programs, program assistance, interpretations, conference/seminars, outreach and other interventions.

Table 6
Consultative Services Bureau Program, FY 2007 Through FY 2010

Comparisons	FY 2007	FY 2008	FY 2009	FY 2010
Total Visits by Category				
Safety	749	774	783	797
Health	389	384	403	416
Total	1,138	1,158	1,186	1,213
Total Visits by Type				
Initial	959	994	1,040	1,047
Training and Assistance	88	102	70	79
Follow-up	91	62	76	87
Total	1,138	1,158	1,186	1,213
Total Visits by Industry Type				
Manufacturing	291	366	345	393
Construction	306	322	269	254
Other	335	279	375	341
Public Sector	206	191	197	225
Total	1,138	1,158	1,186	1,213

The Safety Awards Program celebrated its 64th 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 rate at least 50 percent below the state average. This year 30 safety award banquets were held, with a total of 3,200 in attendance. There were 2,267 Gold Awards, 325 Silver Awards, and 95 Million-Hour Safety Awards for a total of 2,592 annual safety awards distributed.

North Carolina is still ranked No. 1 as a state plan state and is ranked second of all states that participate in the VPP/Star Program. The recognition programs also enjoyed another year of growth and success. Twenty-two new Star sites were recognized, 20 Star sites were recertified, and 68 first-time Star interventions were conducted. There are currently 135 companies in the Star Programs.

The Recognition Programs, while managed by the Bureau of Consultative Services, continue to utilize resources provided by the Compliance Bureau for on-site evaluations, with Compliance and Education, Training and Technical Assistance helping to promote participation in the recognition programs.

The Consultative Services Bureau continues to reach small employers and encourage participation in the Safety and Health Achievement Recognition Program. In FY 2010 the bureau recognized 48 SHARP-related worksites. There are currently 99 SHARP related worksites.

Employees of Radiator Specialty Co. in Indian Trail display the SHARP banner. The company is one of 48 recognized by the program in FY 2010.



Education, Training and Technical Assistance Bureau

FY 2010 Accomplishments

The ETTA Bureau continued to focus on increasing efficiency and effectiveness in providing outreach training to workers in high-risk industries and affirming its role to ensure adherence to terms of agreement for partnerships and alliances. The work of the bureau included rulemaking, publications, partnerships, alliances, training and outreach.

Rulemaking

The Standards Section answered 6,483 inquiries for standards interpretation by phone or written correspondence for employers and employees across the state. This is a 41 percent increase over the previous year. The Standards Section continued work toward increasing publication prices as directed by the legislature and repealing the state-specific standard for shops fabricating structural steel and steel plate. Adoption of the federal cranes and derricks standard and repeal of the state-specific standard took place in November 2010. The section reviewed 51 Field Information System documents revised or approved for use during FY 2010. The new state-specific medical records rules went into effect and training was provided to internal

personnel. As a result of the new rules, four chapters of the Field Operations Manual were rewritten. Changes to 13 Operational Procedure Notices and nine chapters of the Field Operations Manual were completed during the year. The section also responded to eight compliance directives that were issued by federal OSHA.

Publications

In FY 2010, the bureau distributed 53,960 hard copy publications in support of the division's outreach and regulatory goals of the division. Comprising that number were occupational safety and health standards for the construction industry and for general industry that the division adopted or that the division promulgated as state-specific standards, industry guides, quick cards and hazard alerts, which were sent to targeted industries that experienced accidents or fatalities related to a specific hazard.

Many industry guides were recently reviewed and updated. A new industry guide on respiratory protection was written and published. New brochures for the medical and dental professions and logging and arboriculture were developed and are being distributed. A quick card for women in construction was developed and published. The federal Advisory Committee on Construction Safety and Health (ACCSH) is expected to use it in the development of the federal version of a quick card. The NCDOL quick card on portable ladders was adapted from the federal quick card. The bureau continues to expand the number and type of publications offered to employers and employees throughout the state. The publications on the website continue to grow. This year, fact sheets and index pages for hazard communication, lockout/tagout, driving safety, cranes, logging and more were added. Guides for hexavalent chromium and isocyanates are expected during FY 2011.

The bureau developed and distributed four hazard alerts for various industries during this fiscal year. The subjects of the alerts were bridge construction, pyrotechnics, tree care and gas purging. The rate of production for the various publications was also an increase over the previous year.

Partnerships and Alliances

ETTA, along with the East Compliance Bureau, oversees partnerships and alliances for the OSH Division. During FY 2010, the division had 16 active partnerships and alliances. Two partnerships came to a successful completion: the NASCAR Hall of Fame Project with general contractors Turner, BE&K and Davis and the Wachovia First Street Project with general contractors Batson-Cook, Rodgers Builders and RT Dooley. One new partnership was added: the Western Wake Toll Road with general contractors Archer Western Contractors and Granite Construction.

Two alliances were added and one was renewed. The two new alliances were with Sampson Community College and the Carolinas AGC. The alliance agreement with N.C. Public Safety Divers Association was renewed for another two years.

The Alliances and Partnerships Special Emphasis Committee developed a Web page with an online application process to provide more outreach to the public regarding the benefits of alliances and partnerships. A listing of all current alliances and partnerships is also accessible from the Web page.

Training and Outreach

Internal Training

In FY 2010, ETTA scheduled and/or conducted numerous internal training events for OSH personnel. These events included a nine-day process safety management course, a six-day logging and arboriculture course, a two-day electrical safety course, and a one-day work zone safety course.

The Training Section restructured and updated all the internal core courses and developed one new core course—accident investigation and interviewing techniques. They also completed two initial compliance courses, one introduction to safety standards and one health standards for industrial hygienists course, an

SCBA refresher, a CPR/first aid/AED course, and a defensive driving course. Based on the new medical records rule and the recordkeeping National Emphasis Program, several webinars and on-site training for each was provided to OSH personnel.

ETTA also oversaw the development and implementation of the One Stop Shop. The One Stop Shop is an intranet-based website for OSH personnel to use as a resource where all forms, state and federal links, publications, field information system documents, and other information can be accessed.

New Outreach Efforts

In FY 2010, ETTA developed the first State Plan State 500 and 501 Train the Trainer courses. The project took more than a year to design, develop and implement with initial courses to be offered in October 2010. The Train the Trainer Program is an additional vehicle for the OSH Division to train North Carolina workers in the basics of occupational safety and health. The program will be offered free of charge except for the cost of course materials. Through the program, individuals who complete a one-week trainer course are authorized to teach OSH 10-hour and 30-hour courses in construction or general industry. This program is a special offering for public sector employees and employers/employees targeted by the following OSH Special Emphasis Programs:

SEP Program	NAICS Code
Construction	23
Long Term Care	623
Food Manufacturing	311
Logging/Arboriculture	56173, 11331
Wood Products	321

During each course, students provide a one-hour presentation on an assigned OSH outreach topic individually or as part of a group and successfully pass a written exam at the end of the course. Authorized trainers are required to attend a trainer refresher at least once every four years to maintain their trainer status. This training effort is an effort to ensure adequate focus on the OSH Division special emphasis programs. In addition, it helps leverage the OSH NC training staff and allows them to reach out to members of the work force that would not otherwise be able to afford this level of training.

In addition to the Train the Trainer Program, ETTA continued to provide training to workers in high-risk industries such as construction, logging, arboriculture and agriculture at or near their worksites using the Labor One mobile training unit.

During FY 2010, ETTA designed and developed a new automated course registration system. The system is expected to go live in FY 2011 and will be used to process both internal and external registrations, as well as confirmations, course cancellations and certificates. The automated system will allow ETTA to offer more courses and will greatly improve the efficiency of the section by removing time-consuming administrative procedures from the training staff workload.

Ongoing Outreach Efforts

ETTA continues to offer a wide variety of safety and health training topics to employers and employees across North Carolina. These courses are offered through a variety of sources, including the OSH speaker's bureau, 10- and 30-hour awareness courses, and individual topic workshops through Web-based training and at the Charlotte, Raleigh, Winston-Salem, Wilmington and Asheville Field Offices.

In FY 2010, ETTA hosted multiple 10- and 30-hour general industry and construction awareness courses. These included seven 10-hour and two 30-hour general industry courses, and nine 10-hour and two 30-hour construction industry courses. Nearly 100 percent of students who attended the courses found them to be useful in the workplace.

Overall, ETTA offered more than 300 courses, forums and workshops in FY 2010. Thirty-five of these events were conducted in Spanish. In addition, ETTA provided and exhibited at 21 health and safety fairs and industrial conferences. Throughout the fiscal year, the bureau provided training to 7,577 employers and employees throughout the state. In addition, the Consultative Services Bureau along with both Compliance Bureaus trained another 3,946 employers/employees, for a total of 11,523 workers trained during FY 2010.

The training calendar continues to be successful and is available to the public on the NCDOL website. The calendar outlines course offerings and allows for on-line registration. To market the training courses, ETTA e-mailed its training newsletter to more than 7,500 employees/employers 12 times during the fiscal year. The newsletter highlights the upcoming training schedule and offers information with regard to a variety of NCDOL services.

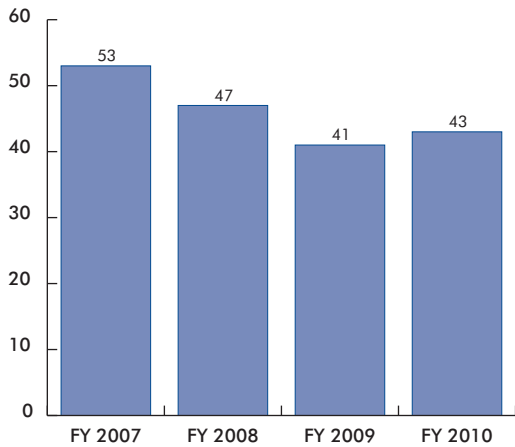
ETTA made more than 60 standardized safety and health presentations available for download to the public via the Internet. Industry-specific presentations were developed and also made available to the public based on the OSH Division's special emphasis programs.

Planning, Statistics and Information Management Bureau

The Planning, Statistics and Information Management (PSIM) Bureau responds to statistical data requests and requests for the release of OSH Division investigative file documents. PSIM also gathers and analyzes injury and illness data by conducting two annual surveys, the Public Sector Survey and the OSHA Data Initiative Survey. Data are also gathered and analyzed to publish the OSH Division's Annual Comparison Report. 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 and in support of the OSH Division's Strategic Plan.

- Completed the Public Sector Survey (collection of calendar year 2009 injury and illness data) of 3,250 employers with a 99.8% response rate and a 100% clean rate. A total of 18 nonresponders were referred to the Compliance Bureau. As of the end of FY 2010, all but four surveys have been collected.
- Completed an analysis of data collected from the 2006, 2007, and 2008 Public Sector Surveys, resulting in updated, established target rates for employer specific categories.
- Worked in conjunction with ETTA Bureau, Compliance Bureau and Legal Affairs Division staff to update and revise several Field Operation Manual chapters. PSIM staff also updated OPN 124 and OPN 128. Updated APN 19 for FY 2011.
- PSIM bureau chief participated as a member of a committee to draft the general rules and operational procedures for how the OSH Division will obtain and maintain medical records related to OSH inspection and file activities. PSIM bureau chief was also assigned the responsibility of medical records coordinator for the OSH Division.
- Analyzed public sector inspection activities for FY 2005–2009.
- Analyzed private sector site-specific inspection activities for FY 2005–2009.
- Analyzed construction inspection activities for FY 2009.
- Completed FY 2009 Occupational Fatalities Comparison Report (OFIR Report Analysis). See Figure 10.
- Analyzed and verified CY 2009 fatality data for Communications Division's annual press release.
- Continued refinement of the OSH private and public sector databases to supplement our exclusive use of the Employment Security Commission database.
- Received, researched and processed 1,592 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.

Figure 10
Fatalities Included in the Occupational Fatality Investigation Review, FY 2007 Through FY 2010



- Various targeting schedules were updated and assignments released:
 - SST schedule
 - Public sector schedule (utilizing 2008 survey data)
 - General industry schedules (safety and health)
 - ASH schedule
 - Health hazards schedules (asbestos, lead and isocyanates)
 - Fatality reinspection schedule
 - Communication tower schedule
 - NEP recordkeeping schedule
- Revised the lead, asbestos and isocyanates/health hazards targeting schedules.
- PSIM staff members continued as active SMP Committee members and participated in all SMP meetings, discussions, and activities, which were essential functions directly related to the success of OSH Strategic Plan goals.
- Collection of ODI data for calendar year 2009 officially concluded in October 2010 with a 100 percent response rate and a 100 percent clean rate. Three survey mailings and over 900 phone calls were made to 3,170 survey participants resulting in only seven nonresponders, which were referred to the Compliance Bureau.
- Bureau operating procedures were updated as needed.
- Compilation and analysis of OSH data was completed for the OSH Annual Comparison Report (FY 2008–2009).
- Organization, coordination and management of a large project contracted with an outside vendor to convert all OSH inspection files from 1973 through 1996 currently stored on microfiche and microfilm and closed inspection files through FY 2007 to imaged documents and to upload those files into our current document management system.
- The project of quality control review is continuing and ongoing for OSH inspection files that have been archived through the imaging process.
- Received 955 disclosure requests in FY 2010 and processed 850 requests (692 from FY 2010 and 158 from previous years) during this fiscal year, which resulted in an 89 percent response rate.
- Prepared and processed for archiving 45 boxes of closed OSH fatality, catastrophe, and high profile inspection files for transfer to the State Records Center.

Administration Division

Statistical Highlights for 2010

Budget and Management Division

- The annual budget for FY 2010 was \$33,205,759; revenue: \$15,568,920; appropriations: \$17,636,839.
- The department's FY 2011 appropriation was decreased by 4.5 percent from FY 2010.

Communications Division

- Released 72 news releases and media advisories.
- *N.C. Labor Ledger* database grew to 11,914 subscribers.
- Publications Bureau produced nearly 2.9 million impressions and processed more than 113,000 pieces of outgoing mail.
- The NCDOL Library's circulation of audiovisual materials totaled 3,843 items at an average of 320 per month.

Governmental Affairs Division

- Monitored the session of the General Assembly.

Human Resources Division

- 387 employees as of Dec. 31, 2010.

Information Technology Division

- The help desk answered 3,065 calls.
- The department's website had 1,482,607 hits.

Legal Affairs Division

- The division spearheaded a review of all NCDOL rules and regulations to determine which ones were no longer necessary.
- The division initiated rulemaking for the Apprenticeship and Training Bureau and the Occupational Safety and Health Division.

Research and Policy Division

- Conducted the Survey of Occupational Injuries and Illnesses and the Census of Fatal Occupational Injuries. The 2009 SOII rate is the lowest number on record for the state.
- 570 IDA account holders have saved an aggregate \$1,836,999, acquired more than \$1,140,000 in matching grant funds, and purchased an estimated \$46,588,800 in assets since the beginning of the program.

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 7 provides data for each fiscal year beginning in FY 2007 and going through the first half of FY 2011.

Table 7
Budget and Management Division Activities, FY 2007 Through FY 2011

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Annual budget	\$30,009,525	\$31,212,573	\$33,080,501	\$33,205,759	\$32,735,101
Revenue	\$13,632,158	\$13,920,958	\$14,370,689	\$15,568,920	\$15,892,422
Appropriations	\$16,377,367	\$17,291,615	\$18,709,812	\$17,636,839	\$16,842,679
Average no. of checks written/month	509	489	462	407	397
Average monthly expenses	\$2,357,893	\$2,558,832	\$2,567,270	\$2,290,096	\$2,367,635
Percentage of invoices received/paid within 5 days	98	99	99	96	98
Average number of purchase orders issued/month	34	39	44	64	49
Monthly average value of purchase orders issued	\$51,872	\$55,594	\$87,041	\$72,833	\$113,880
Percentage of purchase orders issued within five days	100	100	100	100	100
Average monthly inspection fees and penalties collected	\$622,883	\$684,099	\$738,665	\$729,125	\$889,574
Average monthly caseload for collections	1,742	2,195	2,387	2,963	3,582

Budget/Accounts Payable/Purchasing

In the 2010 legislative session, N.C. Department of Labor appropriations were reduced in the 2010-11 fiscal year by 4.5 percent from the previous fiscal year. In addition, for FY 2010-11, the Department of Labor is currently under an annualized 3.5 percent cut in state allotments. Department of Labor management had foreseen the probability of these state-mandated allotment reductions (that actually took place at two different times during the first six months of FY 2010-11) and planned accordingly. A 3 percent expense reduction expectation was put in place on July 1, 2010, for all Department of Labor divisions and bureaus. Therefore, any resulting negative impacts from Office of State Budget mandated allotment reductions were effectively minimized. For its part, the Division of Budget and Management 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 division took numerous actions throughout the year to increase the effectiveness of collection efforts. These include:

- The responsiveness of the PayPoint application for our customers allows us to provide immediate receipts either through e-mail or by fax, which benefits our customers as they no longer have to depend on personal check copies or bank statements. We continue to phase in bureaus to the PayPoint option, with the goal of having all 13 of our bureaus having the ability to utilize PayPoint applications. Meanwhile, the efficiency and effectiveness of our accounts receivable staff has increased as e-mail receipts can now be sent as payments are processed; two databases are automatically updated when payments are posted; and accounts receivable staff can see detailed reports in real time, which assists with reconciliation activities.
- In 2010, we worked with the Office of the State Treasurer to increase operational efficiencies and auditing procedures by incorporating check scanning into our daily activities. This increased use of available technology provides a variety of benefits including:
 - Provides a better documented audit trail of all checks received;
 - Helps increase the effectiveness in segregation of duties whereby one person receives all checks, appropriately sorts by bureau payee, scans the checks, and distributes to accounts receivable staff;
 - The state receives the funds immediately through the scanning methodology;
 - Eliminates the need for staff to physically take the checks to the bank for deposit, which increases the security of both the funds and staff; and
 - Detailed transaction reports are generated through the scanning, which provides for quicker and more concise posting and reconciliation processes.

Moreover, our new check scanning process allowed us to reorganize staff resources whereby we were able to reallocate one position to making delinquent account calls full time. Immediate results were seen through a significant reduction of delinquencies where these calls were made.

- In response to the adding of private industry apprentice fees by the General Assembly in 2009, and public apprentice fees in 2010, the Budget and Management Division worked in conjunction with the Apprenticeship and Training Bureau and the Information Technology Division to create an application that would invoice and receive those fees. In addition to invoicing and posting, the application will be able to provide necessary reports to NCDOL management and to the General Assembly. Two apprenticeship collection enhancements were also added in 2010: a prepayment collection process was implemented to particularly assist those in the military who are subject to immediate deployment; and we now have a dedicated employee who contacts sponsors and apprentices to make payment arrangements. Both of these changes have proven effective in enhancing our revenue stream and providing increased customer communication and satisfaction.

Communications Division

The NCDOL Communications Division provides direct support and assistance in publications work, library services, 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, brochures, manuals and other publications. The division prepares speeches for

NCDOL personnel, and the division’s publications staff prints workplace safety 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 72 news releases and media advisories, including workplace fatalities, safety award winners, fair safety updates and other safety training events.

The department’s newsletter, *NC Labor Ledger*, subscription base grew from about 10,897 subscribers at the end of 2009 to about 11,914 at the end of 2010. The division’s print shop provided more than 2.89 million impressions and sent 1,201 electronic items. The print shop staff also processed 113,410 pieces of outgoing mail in addition to distributing incoming mail for the department’s Raleigh area offices.

Library

The N.C. Department of Labor Library’s collection contains about 12,500 volumes, including 1,360 safety-related audiovisual items and numerous electronic resources on various labor-related topics. The library provides a comprehensive program of informational services for NCDOL employees, other state employees, other libraries, organizations and the general public. Its purpose is to support the mission and goals of the department to promote the health, safety and general well-being of the 4 million workers in the state. The library staff of two provides assistance in using the library’s physical and electronic resources.

To fulfill the needs of the agency and the public in 2010, the library staff responded to 2,555 telephone, fax and e-mail requests, 529 reference questions, and registered 223 new audiovisual patrons.

In light of significant budget reductions, the library cancelled two of its subscriptions in April and ceased ordering material toward the end of the year.

The library acquired 78 new audiovisual volumes this year (most of them also in Spanish), in addition to 93 non-audiovisual volumes (i.e., books, standards, CD-ROMs). The audiovisual circulation totaled 3,843 audiovisual items (including 447 renewals) at an average of 320 per month. (See Table 8.) Circulation peaked in March, when 402 audiovisual items (including 46 renewals) were loaned out. Demand remained substantial in spite of the recession’s impact on the business community.

Table 8
Library Statistics, 2009 and 2010

	2010 Total	2010 Monthly Average	2009 Total
Phone, E-mail and Fax Inquiries/Requests	2,555	213	2,696
Audiovisual Loans	3,843	320	3,927
Reference Questions	529	44	604
Walk-in patrons	786	66	958

In addition to circulating a large volume of audiovisual and print material, as well as fulfilling the informational needs of its patrons, the library also arranged the cataloging of its material and the binding of many of its journals: 70 titles were cataloged and added to the library’s collection; 41 volumes were bound.

The requests for information covered an interesting array of topics in 2010. Information requests included restaurant safety, automotive shop safety, fatigue management, battery safety, dust, isolation gowns, work zone safety, and hog/swine safety. The library also received requests for standards on auto lifts, jacks, emergency eyewash, stairs, first aid kits, footwear, trucks, lighting, ladders, compressed gases, fall protection, tree care, work zone safety, etc.

Governmental Affairs Division

The 2010 short session of the General Assembly convened on May 12, 2010, and adjourned July 10, 2010. The Governmental Affairs Division tracked dozens of bills that directly and indirectly affected NCDOL. Following are selected highlights of legislative issues relevant to the department.

FY 2010-2011 Budget

SB 897—Appropriations Act of 2010

2010 marked the second consecutive year of a significant budgetary shortfall. The N.C. Department of Labor experienced a reduction of \$1,102,555, or 6.3 percent; four vacant positions were eliminated and another four were shifted to receipt-support. During the 2009-2011 biennium, the department experienced a combined 14.5 percent reduction to its general fund appropriation.

Section 12.1 amended NCGS 94-12 (Apprenticeship Fees) in two ways. (1) It deleted the provision that exempted public sector programs and apprentices from the registration and annual fees. (2) It deleted language that specified the portion of the fee payable by the sponsor and the apprentice and which directed that the program sponsor be responsible for the collection and remittance of fees. The effect of this provision is that apprentices of any government agency, state or local, will now be required to pay a \$50 registration fee as well as a \$50 annual fee, just as the private sector does.

New Laws Affecting NCDOL

HB 961—Government Ethics and Campaign Reform Act of 2010

This bill was one of the final pieces of legislation to pass during the short session and represents the compromise package of ethics and campaign reform that had been in the works throughout the session. Early versions of the bill included language that would have added the commissioner of labor's race and most other Council of State races to the list of offices eligible for public financing. Those versions included various fee increases, including an additional \$5 per each elevator and boiler inspection, as a mechanism for financing the Voter-Owned Elections Fund. Due to the lobbying efforts of department staff and many others, all provisions related to public financing and increased fees were amended out of the bill. The final version of the bill creates the 10-member Public Funding of Council of State Elections Commission.

Among many other changes, the bill also expands the amount of personnel information that state agencies must make available to the public.

SB 1242—Clarifying Changes to General Statutes

This bill includes one change relevant to the department. Section 9 amends G.S. 95-25.5 (n) by clarifying that "qualified youth under 18 years of age" means an uncompensated fire department or rescue squad member who is at least the age of 15 (was "over the age of 15"). Section (n), added last year, seeks to clarify that youths participating in training with a fire department are exempt from the youth employment provisions of the Wage and Hour Act.

SB 900—Studies Act of 2010

This bill represents the list of issues authorized by the General Assembly to be studied. There are several provisions of interest to the department.

- **Section 2.3** authorizes the Legislative Research Commission (LRC) to study the consolidation of state agencies and departments in order to achieve increased efficiency and cost savings.

- **Section 2.18** authorizes the LRC to study consolidation or elimination of state boards and commissions.
- **Section 6.2** authorizes the Environmental Review Commission to study the impact of environmental toxins on human health. The commission may study other states' bans on certain toxins and chemicals as well as current state programs that are currently in place to regulate toxins and chemicals. The department will track this due to recent contact with DENR regarding permissible exposure limits associated with dry cleaning chemicals.
- **Part XXVIII** extends the Poverty Reduction and Economic Recovery Legislative Study Commission to the convening of the 2011 General Assembly. The Commission was originally created in S.L. 2008-181 (Studies Act of 2008). Commissioner Berry serves on this commission.
- **Part XXXV** establishes the Joint Select Committee to Study the Adoption of Comparative Negligence and Abrogation of Joint and Several Liability. For several sessions, the department has tracked bills related to contributory negligence, contributory fault and comparative negligence due to their potential impact on the amusement device industry. The industry would likely view a shift away from contributory negligence as less friendly to their business. The department believes that this would increase the possibility of the industry pushing some type of "Rider Safety" legislation that would serve to protect the legal interests of the amusement device industry.

Bills Introduced That Did Not Become Law

- Legislation to delegate OSH enforcement authority of poultry processing facilities to the state health director.
- Legislation to require that employers provide paid sick time.
- Legislation that would establish a temporary agricultural labor cost share program that would reimburse farmers for expenses related to H2A workers. The commissioner of labor would serve as a member of the review committee.
- Legislation to require all employers to use a federal work authorization program such as E-Verify. Some versions of the legislation would designate the N.C. Department of Labor as the enforcing authority.

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 17,405 phone calls in 2010.

Working with a third party administrator, Human Resources administers the department's workers' compensation program. There were 25 injury/illness reported claims during 2010. Of these, three qualified as OSHA recordable injuries. Table 9 provides a comparison of HR activity in calendar years 2007 through 2010.

Table 9**Human Resources Activities, Calendar Years 2007 Through 2010**

	2007	2008	2009	2010
New Hires	51	20	14	27
Separations	42	33	20	37
Promotions	21	25	12	12
Job Applications Received	1,828	2,416	1,035	2,453
Personnel Actions Processed	493	273	102	133
Total Positions on 12/31	430	434	419	411
Total Employees on 12/31*	421	407	398	387
*includes part-time employees sharing one position	6	6	6	6
Positions Posted for the Year	100	66	36	51
Average Employee's Age	48	49	49	50
Average Employee Service Months	135	159	148	151

Information Technology Division

The Information Technology Division provides the N.C. Department of Labor with information technology services for the analysis, design, engineering, and acquisition of all hardware and software, while providing daily service and support through installation, operation and maintenance of computers, servers, printers, local area networks and wide area networks. Support is provided to application software and server operating systems software as well as hardware. The division also provides database design and administration. Also supported is a federal-level information system (Integrated Management Information System (IMIS)), which is used by the Occupational Safety and Health Division.

The IT Division has successfully modernized its hardware infrastructure during this past year by replacing old hardware servers with new ones. This effort also included implementation of an off-site alternate processing backup and recovery capability as well as virtualization software that will enable accommodation of new planned applications, e.g., a replacement enterprise content management system, Web content management software, and business process management systems software. Based upon previously identified bureau needs within the department, Applications Services staff has explored new technologies throughout the year, which will serve as a basis for future acquisition and/or development of more effective software to its customers.

PC Support Section

- Acquired and installed new hardware servers.
- Implemented virtualization software on the new servers.
- Added an off-site alternate backup and recovery system for servers.
- Acquired and installed a temperature monitoring alarm system for the server room.
- Provided technical advice for OSH Division for new videoconferencing bridge.
- Coordinated and assisted with oversight of installation of new phones, network cabling and equipment in support of move by East Compliance Bureau from Chapanoke to Lake Boone Trail location.
- Assisted PSIM Bureau with microfiche and microfilm conversion preparation.
- Coordinated and assisted the installation of check scanning equipment and software for the Budget and Management Division.

Applications Services Section

- Continued development and testing for a new Web-based apprenticeship automated system.
- Explored new technologies to support enterprise content management, Web content management, and business process management to prepare for issuance of a request for proposal.
- Provided vendors on state contract with copies of the RFP and assessed their proposals.
- Gathered and analyzed Budget Division requirements for an accounts receivable system.
- Coordinated a demonstration for check scanning software and hardware for the Budget Division.
- Conducted analysis for Elevator Bureau for GIS requirements to include coordination with vendor and DOT for specific guidance related to tool sets needed for the routing management process.
- Examined and chose applications software to assist with management of IT projects and in support of the agency governance process.
- Participated with other agencies in a statewide Web portal planning committee.
- Participated in a statewide enterprise content management workgroup to explore common requirements and recommend standards.
- With PC Support and Applications Services Sections participation and ITS technical staff, a detailed examination was conducted of the DOL IT servers and network infrastructure resulting in a decision for the agency to replace and continue to host the necessary equipment and operating systems software.

Legal Affairs Division

The Legal Affairs Division of the Department of Labor advises the commissioner and the department as a whole on a wide variety of legal issues. Among other things, the division monitors all legal issues related to the department, reviews and refers cases in need of litigation to the Attorney General's Office, advises the commissioner and the department when policy developments involve legal issues, conducts legal reviews of policies and procedures, conducts mediations for the Office of State Personnel and NCDOL's Employment Discrimination Bureau, and conducts rulemaking activities for the department.

Wage and Hour Judgments

In 2009, the Legal Affairs Division began assisting the Attorney General's Office in collecting outstanding wage and hour judgments. All outstanding judgments have had some type of action taken on them during 2010 and are now in different stages of the collection process. The division will continue to actively pursue collection of these wages for the employees to whom they are owed.

Bankruptcy Disbursements/Settlement Disbursements

In November 2010, the Legal Affairs Division received word from the Attorney General's Office that the Chapter 7 trustee was prepared to make disbursements to certain employees who were owed vacation pay in the 1988 involuntary bankruptcy case of Futura Health Care Services Inc., aka Blackwelder Hospital. Checks made payable to the 44 employees totaling \$6790.43 were received on Dec. 22, 2010, and the Legal Affairs Division immediately started verifying, locating and calling the former employees. The checks were mailed out on Dec. 23, 2010, and while 22 years is a long time to wait for wages, it was a welcomed holiday gift for many.

The Legal Affairs Division has continued to receive monthly payments throughout the year from Barber Scotia College toward a settlement agreement relating to wages that are owed to 46 current and former employees of the college. Payments have been disbursed to the employees every few months throughout 2010 and will continue until paid in full.

Executive Order No. 70

On Oct. 21, 2010, Gov. Perdue issued Executive Order No. 70 in which she ordered all cabinet agencies to change the way in which they draft, adopt, modify and review rules and regulations. Commissioner Berry decided that, as a Council of State agency, NCDOL would abide in part with the order and that all NCDOL rules and regulations would be reviewed to ensure that they were necessary, not unduly burdensome, and consistent with Chapter 95 of the N.C. General Statutes. A rules modification committee was established. The committee consisted of members of Legal Affairs, Research and Policy, and Education, Training and Technical Assistance. All departmental rules are being reviewed in depth, and meetings with bureau chiefs regarding proposed changes will be scheduled upon conclusion of the review.

Rulemaking

Apprenticeship and Training Bureau

Pursuant to the National Apprenticeship Act of 1977, the Apprenticeship and Training Bureau must remain in compliance with the federal requirements promulgated by the U.S. Department of Labor to continue to be recognized under 29 CFR 29.13(c). Therefore, to remain in compliance with federal requirements and continue to be recognized under 29 CFR 29.13(c), it was necessary for the N.C. Department of Labor to repeal, amend and adopt certain rules contained in Title 13, Chapter 14, of the N.C. Administrative Code. These proposed rule changes were published in the North Carolina Register on July 15, 2010, and became effective Dec. 1, 2010.

Occupational Safety and Health

Incorporation by Reference and Copies Available (13 NCAC 07A .0301 and .0302)

13 NCAC 07A .0301 (Incorporation by Reference) incorporates by reference certain federal standards for the Occupational Safety and Health Division. 13 NCAC 07A .0302 (Copies Available) was first enacted in 1993 and includes the costs for materials that are incorporated by reference in Title 13, Chapter 07, of the N.C. Administrative Code. For purposes of clarity, the department proposed to repeal 13 NCAC 07A .0302 and to incorporate the information contained therein into 13 NCAC 07A .0301 and to make certain corresponding changes. In addition, during the 2009 Session of the General Assembly, the department's budget was reduced by \$1,663,966.00. Pursuant to the Money Report to Senate Bill 202, a portion of that cut was to be accomplished by having the department's Occupational Safety and Health Division raise the costs it charges for publications and to take a corresponding general fund reduction. As a result in the overall reduction in the department's operational budget and the increase in the associated costs, this increase was necessary to allow us to continue to purchase and print all of our publications. The proposed repeal of 13 NCAC 07A .0302 and amendment of 13 NCAC 07A .0301 were published in the North Carolina Register on Aug. 16, 2010, and became effective Dec. 1, 2010.

Structural Steel (13 NCAC 07F .0400)

The rules contained in 13 NCAC 07F .0400 contain state-specific safety requirements for handling, storing, preparing, fitting, fastening and shipping structural and plate steel at fabricated structural steel fabricating shops or firms primarily engaged in fabricating structural steel and steel plate. These standards were adopted in 1976 and were based upon a then-existing national consensus standard, ANSI Z229.1-1973. At the time these rules were adopted, there were not comparable standards promulgated by federal OSHA. However, a recent comparison of the rules contained in Section .0400 and those contained in the current general industry standards in 29 CFR 1910 revealed that the vast majority of the hazards addressed in these rules are covered by those current general industry standards. As a result, the rules contained in Section .0400 were no longer necessary. The proposed repeal 13 NCAC 07F .0401-.0426 was published in the North Carolina Register on Aug. 16, 2010, and became effective Dec. 1, 2010.

Crane and Derrick Rules (13 NCAC 07F .0901–.0927)

Beginning in 2008 and continuing through the majority of 2010, the Legal Affairs Division was involved in the department’s proactive approach toward protecting those in North Carolina who operate and work around cranes. As a result, new state-specific rules for cranes and derricks were adopted that mirrored, with some exceptions, the federal consensus document submitted to federal OSHA that the Cranes and Derricks Negotiated Rulemaking Committee (C-DAC) had been working on since 1998. 13 NCAC 07F .0902–.0927 became effective Oct. 1, 2009. However, due to receiving numerous objections to 13 NCAC 07F .0901 (Scope), it was withdrawn from consideration by the Rules Review Commission while the department worked with industry to come to a mutually agreeable rule. After much discussion, 13 NCAC 07F .0901 was refiled with the Rules Review Commission for consideration on June 23, 2010, and became effective Sept. 1, 2010.

Meanwhile, as was published in the Aug. 9, 2010, Federal Register, the U.S. Department of Labor revised its Cranes and Derricks Standards along with related sections of the construction standards (29 CFR 1926) to update and specify industry work practices necessary to protect employees during the use of cranes and derricks in construction. These federal standards became effective Nov. 8, 2010. Since North Carolina is a state plan state that must remain at least as effective as the U.S. Department of Labor, the N.C. Department of Labor filed proposed temporary repeals of 13 NCAC 07F .0901–.0927, which became effective Nov. 8, 2010, along with a verbatim adoption of the federal standards to avoid any overlap or confusion between the state specific and federal rules. Permanent repeals were filed simultaneously with the temporary rules/verbatim adoption and were published in the Oct. 1, 2010, North Carolina Register. The permanent repeals will be heard before the Rules Review Commission on Jan. 20, 2011.

Medical Records (13 NCAC 07A .0901, .0902, .0903, .0904, .0905, .0301)

Effective Aug. 22, 2007, the Occupational Safety and Health Administration issued Directive Number CPL 02-02-072, which provided guidance to OSHA personnel concerning the application of the rules set forth at 29 CFR 1913.10 when accessing personally identifiable employee medical records. Guidance was also provided concerning authorization to conduct limited review of specific employee medical information when OSHA standards require such information and there is a need to gain access for the purpose of determining compliance. However, there were certain provisions of CPL 02-02-072 and 29 CFR 1913.10 that do not comport with current practices of NCDOL’s Occupational Safety and Health Division. Therefore, NCDOL proposed to amend 13 NCAC 07A .0301 to remove the incorporation by reference of 29 CFR 1913.10 and to adopt 13 NCAC 07A .0901–.0905, which are at least as effective as the federal standards referenced above to effectively safeguard personally identifiable employee medical records. The rules were filed in October 2009 and became effective March 1, 2010.

General Industry (13 NCAC 07F .0101), **Construction** (13 NCAC 07F .0201), and **Shipyard Employment** (13 NCAC 07F .0501)

The division was also involved in verbatim adoptions of changes to Title 29 of the Code of Federal Regulations promulgated by federal OSHA, including changes to Part 1910—General Industry, Part 1915—Shipyard Employment, and Part 1926—Construction. These verbatim adoptions are required to ensure that North Carolina’s state plan is “at least as effective as” the federal OSHA program. Below are summaries of some of the topics covered by the 2010 verbatim adoptions:

Revising the Notification Requirements in the Exposure Determination Provisions of the Hexavalent Chromium Standards: On March 17, 2010, in 75 FR 12681–86 and on May 14, 2010, in 75 FR 27188–89, OSHA published a final rule to confirm the effective date of its direct final rule (“DFR”) revising the employee notification requirements in the exposure determination provisions of the standards for hexavalent chromium (Cr(VI)). In the March 17, 2010, DFR document, OSHA stated that the DFR would become

effective June 15, 2010, unless one or more significant adverse comments were submitted by April 16, 2010. OSHA did not receive significant adverse comments on the DFR, so by the May 14, 2010, publication, OSHA confirmed that the DFR would become effective June 15, 2010. The affected standards were 29 CFR 1910, 1915 and 1926.

Safety Standards for Steel Erection: On May 15, 2010, in 75 FR 27428–29, OSHA published a final rule to add a nonmandatory note to the OSHA standards governing Federal Highway Administration regulations that may apply to employers engaged in activities covered by OSHA’s steel erection standard. The affected standard was 29 CFR 1926.

Cranes and Derricks in Construction: On Aug. 9, 2010, in 75 FR 47906–8177, OSHA published a final rule to update and specify industry work practices necessary to protect employees during the use of cranes and derricks in construction. This final standard also addresses advances in the designs of cranes and derricks, related hazards, and the qualifications of employees needed to operate them safely. The affected standard was 29 CFR 1926.

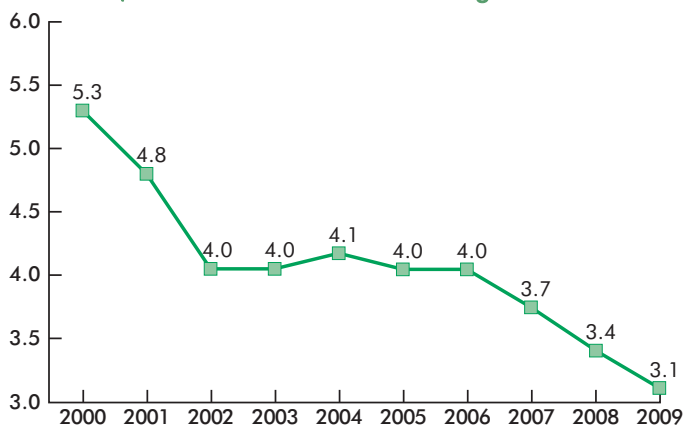
Research and Policy Division

The Research and Policy Division’s primary responsibility is collecting information and data for use by the Commissioner of Labor. The division develops and implements special programs and projects. The division also provides staff support to the commissioner and other divisions within the department and helps to establish and revise policy guidelines. The Individual Development Accounts Program provides assistance to low-income individuals toward attaining self-sufficiency through homeownership, micro-enterprise, or education and training.

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. The data—used by both state and federal departments of labor—provide an accurate measurement of the work-related injury and illness rates, and demographic and case characteristics data on employees in North Carolina. The state incidence rate for injuries and illnesses in the private sector was 3.1 for every 100 full-time employees in 2009, which was below the national average of 3.6. The 2009 SOII figures for North Carolina are the lowest on record for the state. (See Figure 11.)

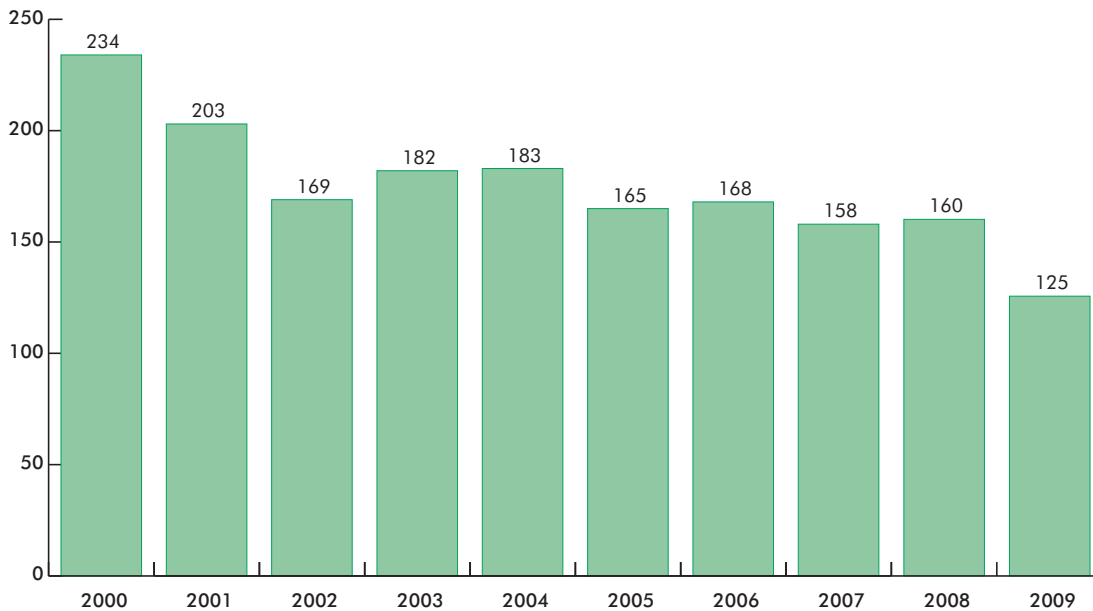
Figure 11
Occupational Injury and Illness Rate for North Carolina,
Private Sector, Calendar Years 2000 Through 2009



Source: U.S. Bureau of Labor Statistics

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 figures (from the Census of Fatal Occupational Injuries) show that North Carolina suffered 125 work-related deaths in 2009. The 2009 CFOI figures for North Carolina are the lowest on record for the state. (See Figure 12.)

Figure 12
Census of Fatal Occupational Injuries Data, Calendar Years 2000 Through 2009



Source: U.S. Bureau of Labor Statistics

Individual Development Accounts Program

The Individual Development Accounts, or IDA, Program is 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 of matched savings accounts, financial literacy training, credit counseling and coaching to provide assistance to low-income individuals seeking to attain self-sufficiency.

The Department of Labor continues to play a major role in the IDA movement. The division is working in partnership with the IDA and Asset Building Collaborative of North Carolina, the N.C. Division of Community Assistance, the N.C. Housing Finance Agency, the N.C. Cooperative Extension Service, EITC Carolinas, and the N.C. Division of Social Services to support and increase the number of IDA programs. The NCDOL IDA Program is also a participant in the North Carolina Assets Alliance. The Alliance educates the public and policymakers about asset-based strategies that promote economic security and prosperity for all North Carolinians.

The NCDOL IDA Program continues to host training for IDA program sites throughout the state, bringing in outside speakers as well as involving members of local program staff who are knowledgeable in various aspects of the program. The training focuses on IDA implementation, best practices, effective outreach and

other critical aspects of program development. This training provides valuable information and serves as a support network for everyone involved.

According to year-end statistics for 2010, the NCDOL IDA Program consists of 23 sites that serve 43 counties.

Total Graduates From NCDOL IDA Programs: By the end of 2010, a cumulative total of 570 participants had graduated from the IDA Program in homeownership, micro-enterprise or post-secondary education. These graduates purchased 504 homes, started 35 businesses and made 31 educational investments. From 1999 through 2010, IDA account holders saved an aggregate \$1,836,999, acquired more than \$1,140,000 in matching grant funds, and purchased an estimated \$46,588,800 in assets.

Notes

Fiscal years are designated by the year they end. The state fiscal year begins July 1 and ends June 30. State Fiscal Year 2010 thus began July 1, 2009, and ended June 30, 2010. The federal fiscal year begins Oct. 1 and ends Sept. 30. Federal Fiscal Year 2010 thus began Oct. 1, 2009, and ended Sept. 30, 2010.

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.

Reporting Years for NCDOL Divisions and Bureaus

Calendar Year (Jan. 1 through Dec. 31)

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

State Fiscal Year (July 1 through June 30)

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