

Vermont Department of Labor

Office of the Commissioner

Department Overview









MISSION STATEMENT

"The Vermont Department of Labor's mission is to promote Vermont's economic strength by assisting employers with job creation, retention and recruitment; coordinating the education and training of our workforce for Vermont's current and future job opportunities; ensuring that Vermont workers have well-paying jobs in safe work environments; administering economic support and reemployment assistance to workers who suffer a job loss or workplace injury; and providing labor market information and analysis to the enable effective planning and decision-making relating to economic, education, labor and employment policies and direction."



DIVISIONS

The Department of Labor has Four Divisions

- Unemployment Insurance and Wages (UI)
- Workers' Compensation and Safety (WC)
 - Workforce Development (WFD)
- Economic and Labor Market Information (LMI)

AND

- 12 Regional Career Resource Centers (CRC)
- State Workforce Development Board Support (SWDB)



Unemployment Insurance is a benefit intended to provide temporary financial assistance to unemployed, eligible workers who become unemployed through no fault of their own.

CORE FUNCTIONS

- Employer Services Unit & Claims Center
- Processes claims for unemployment compensation
- Provides guidance and enforcement in wage and hour and employment practices issues
- Oversees employer tax contributions
- Ensures UI program performance, integrity, and compliance
- Investigates fraud and misclassification

Director: Cameron Wood



HOW UI WORKS

- Every Vermont employer (few exceptions) must establish a UI Account with VDOL
 - Ul tax is paid on each employee's wages up to a maximum annual amount ("taxable wage base" is currently: \$17,300)
- UI tax reports and payments are due by the last day of the month, following the close of each calendar quarter, and are filed online (few exceptions)
- Vermont offers "New Employer" rate of 1% (est. in 2004) until they earn a rate based on their "experience" with unemployment
- The more benefits payments that are made to former employees, the higher the tax rate (up to a max, calculated annually



What is the UI Trust Fund?

- State unemployment taxes are paid to the Department of Labor, and deposited into a "trust fund" that can only be used for the payment of benefits
- Solvency of the trust fund (Dec. 2016, \$142 million) is dependent on more money being collected, then benefits being paid out
- Insolvency of the fund was experienced in 2009-2010, as did a number of other states (32) due to rising UI rates, and insufficient preparation for the recession.
- Vermont's taxable wage base hadn't changed since 1983 (stagnant at \$8,000), and wages had risen therefore, the weekly max benefit had also indexed upward as well.



What is the UI Trust Fund? (continued)

- Statutory changes to the taxable wage base formula, and the max benefit amount formula were made in 2009 to help return the fund to solvency
- Tough decisions and compromises were made by both the labor and business communities
 - Vermont, along with other states, borrowed from the federal government to achieve solvency in the meantime. That debt was paid off early a few years later.



CORE FUNCTIONS

- Responsible for the administration and adjudicating of the statewide workers' compensation system
- Offers services focused on workplace safety and resolving disputes between injured workers and their employees
 - Administration of statewide VOSHA program
 - Administration of the Project WorkSAFE
 - Administration of the Passenger Tramway Program

Director: Stephen Monahan



WHAT IS WORKERS' COMPENSATION?

Workers' compensation is a form of insurance purchased by employers that provides wage replacement and medical benefits to employees injured in the course of employment, and in turn – precludes the employee from suing his or her employer for the injuries sustained.

*administered in partnership with DFR who regulates issues relating to insurers and the market



DETERMINING RATES

WC premiums are determined by:

- Annual payroll
- Industry classification
- Classifications tie to risk factors, or recognized potential for loss within a specific industry
 - Experience rating
- If a businesses annual premium is \$4,000 or more, rates will be affected by the number and severity of work injuries "experienced" by that employer's workers.
 - *the experience rating system acts as an incentive for employers to create safe work environments



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Vermont Occupational Safety and Health Administration (VOSHA)

- VOSHA is the state-based federal OSHA program all OSHA standards were adopted in Vermont in 1975
- VOSHA is responsible for the enforcement of occupational safety and health standards for all private sector workplaces, and state and local government workers.
 - Jurisdiction includes: workplace safety and health oversight, inspecting workplaces for violations of standards, issuing penalties for violations, investigating serious workplace accidents.



Project WorkSAFE

- Project WorkSAFE provides voluntary consulting services to Vermont employers seeking to improve the health and safety condition of their workplace.
- Federal OSHA grant requirements have a target of 200 visits to the private sector for on-site safety and health consultations and review/development of safety and health programs
- Responsibilities are also: developing a providing safety and health trainings, emergency response consultation and assistance with radiological and biological issues, maintaining and increasing number of Vermont companies in the SHARP program (Safety and Health Achievement Recognition Program)



Passenger Tramway Program

- Responsible for inspecting the construction of new ski lifts, ski tows, trams and monitors for compliance with State regulations.
 - Vermont's 26 ski areas pay the cost of the program.



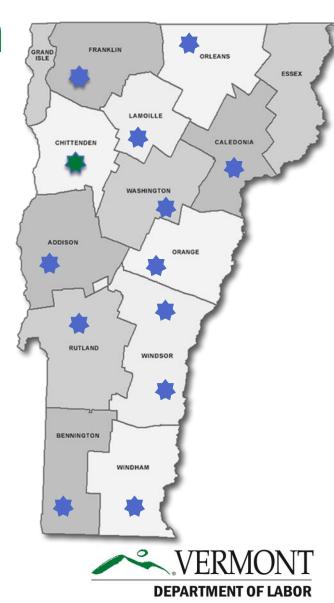
CORE FUNCTIONS

- Provide employment services and training assistance to businesses and workers through 12 regional offices
- Administration of WFD programs through three main funding streams:
 - Workforce Investment and Opportunity Act (Federal)
 - Wagner-Peyser Program (Federal)
 - Next Generation Program (State)
- Administration of various other state & federal funded WFD programs



Regional Career Resource Centers & The Wagner-Peyser Program

- The Wagner-Peyser program offers job search resources and assistance to customers through our CRC network, as well as Vermont Job Link.
- Our 12 regional Career Resource Centers are fully staffed to offer services to employers and employees alike.
 - For Employers: we offer interview spaces, assistance with job posting, hiring incentives, workforce training and help with information on human resource issues.
 - For Job Seekers: There is a "Resource Room" in each Center where we provide access to personal computers, the Internet, educational resources, information on employers.
 - We are trying to break the stigma that these regional centers are "unemployment offices".



Workforce Investment and Opportunity Act (WIOA)

The Workforce Innovation and Opportunity Act (WIOA) is a workforce system construct designed to help job seekers access education, training, and skills to match employers' needs. WIOA was signed into law in 2014 and began taking effect July 1, 2016.

The Department receives WFD monies in three different funding streams for programs: WIOA Youth, WIOA Adult, WIOA Dislocated Worker. These programs focus mainly on individuals who are at risk or who have employment barriers.



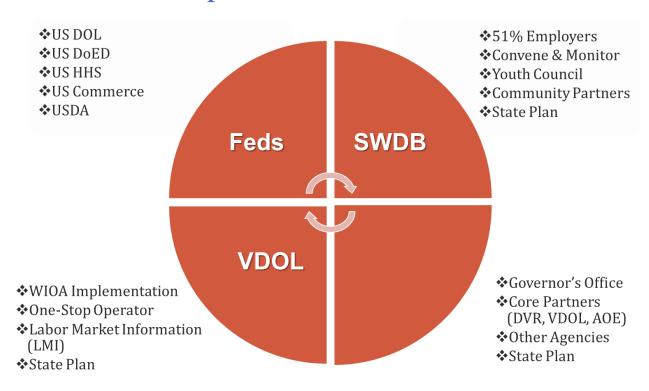
Workforce Investment and Opportunity Act (WIOA) (continued)

- Main Objectives of Funding and Partnerships:
 - Align programs and services.
 - Tailor services to meet job demand.
 - Leverage investments across programs.
- Engage employers (SWDB) in monitoring performance and overseeing system improvement.
 - Achieve better employment outcomes for at-risk Vermonters.
 - Improve return on investments by using evidence-based strategies and continuously monitoring results.
 - Interim Director of Implementation: Sarah Buxton

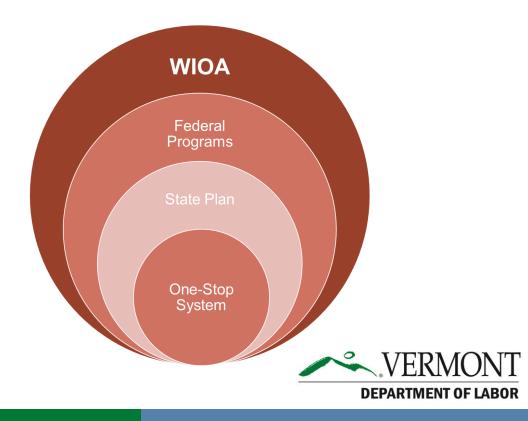


Workforce Investment and Opportunity Act (WIOA) (continued)

Implementation Partners



Governing Structure



Workforce Investment and Opportunity Act (WIOA) (continued)

- VDOL oversees **8 of 19 WIOA programs** including Adult, Dislocated Worker, Youth, Wagner-Peyser Employment Services, Migrant and Seasonal Farmworker, Trade Assistance, Jobs for Veterans, and Trade Adjustment Assistance.
- Over **\$12 million** in WIOA funding flows through VDOL
- VDOL served **29,155 Vermonters last year** with WIOA funding
- VDOL is responsible for coordinating compliance with WIOA (3 State Agencies, Federal Partners, Community Partners, SWDB, Governor)

VT WIOA Funds

Core Programs	Adult VDOL Disloc. Worker VDOL Youth VDOL Wagner-Peyser VDOL Adult Basic Ed AOE Voc Rehab DVR	\$2 m \$890 k \$2.1 m \$2.2 m \$915 k \$10.4 m
Z	TOTAL	\$18.5 m







Next Generation Program
Funded Via Workforce Education and Training Fund (WETF)

- The Next Generation Program funds a variety of programs that promote the creation and retention of high quality jobs, and the growth of a highly skilled workforce by funding:
- Occupational skills trainings, internships for secondary and post-secondary students, and other specialized training activities that lead to employment with new or existing businesses.



Workforce Development DivisionState-Funded Programs

- Registered Apprenticeship Program
- Able-Bodied Adults Without Dependents



Economic and Labor Market Information Division

CORE FUNCTIONS

• LMI is a State partner to the Federal Government's US Bureau of Labor Statistics which provides 70% of the division's overall funding.

 The LMI Division Director serves as an economic consultant to Vermont state agencies, the State Workforce Development Board, and other outside entities.

Director: Mat Barewicz



Economic and Labor Market Information Division

CORE FUNCTIONS (continued)

- LMI produces a wide variety of Vermont related reports and data:
 - Employment by industry
 - Unemployment and labor force statistics
 - Wage data by occupation
 - Produce monthly jobs/unemployment report
 - LMI offers presentations to Vermont businesses, trade associations, regional workforce development groups, high schools and universities, state agencies and the legislature



State Workforce Development Board

CORE FUNCTIONS

- The State Workforce Development Board is designated as the official state board under WIOA, and under VT Statute (10 VSA §541).
- Chaired by Frank Cioffi (GBIC), the SWDB facilitates partnerships between local businesses, develops sector strategies and advise the Governor on workforce policy and initiatives.
 - The Board's guidance is compromised business owners, members of the General Assembly, local elected officials, and representatives from the labor community.

Executive Director: Dustin Degree



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