



FY 2024 Budget Presentation

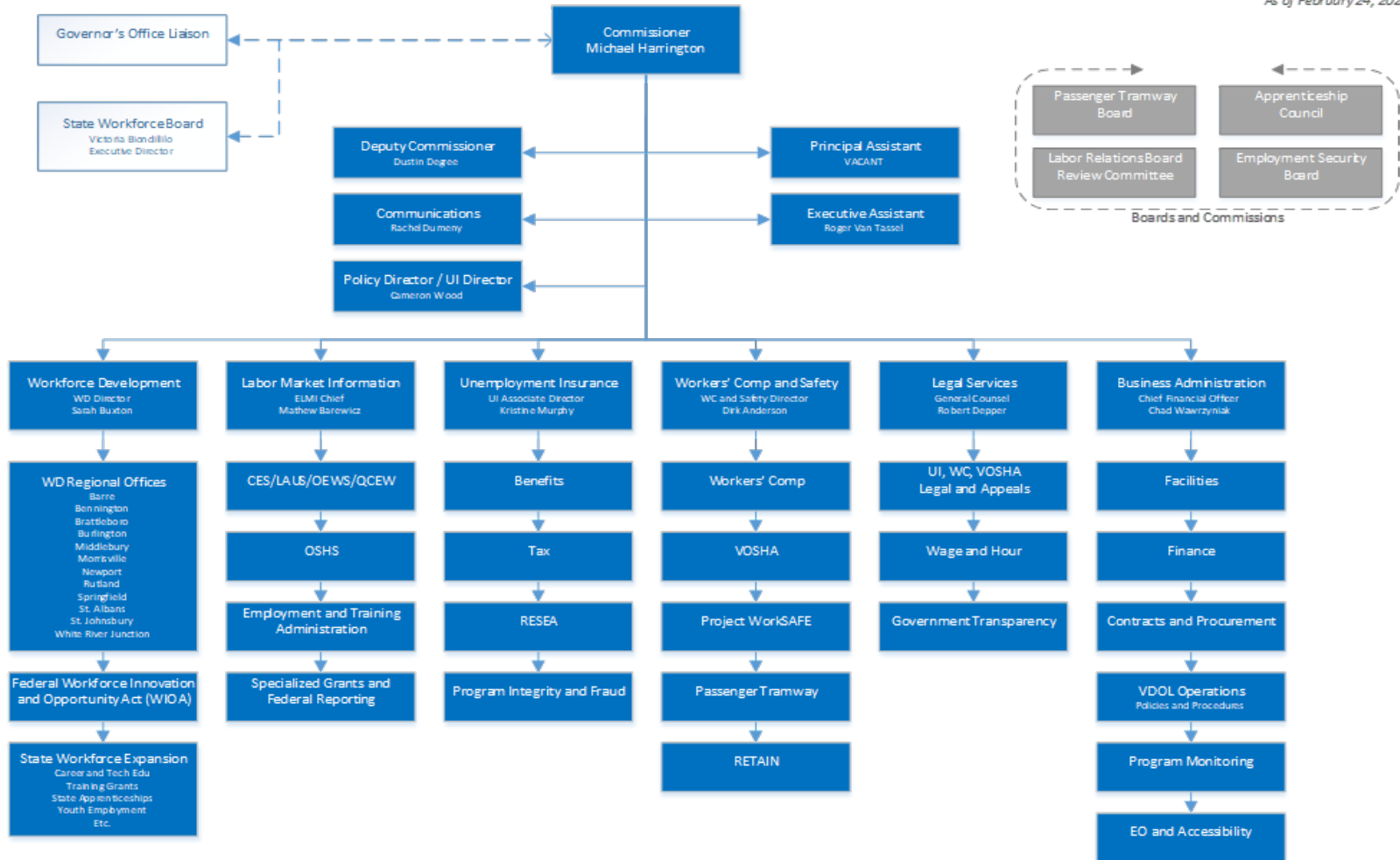
February 24, 2023



STATE OF VERMONT
DEPARTMENT OF
LABOR

Department Structure

As of February 24, 2023

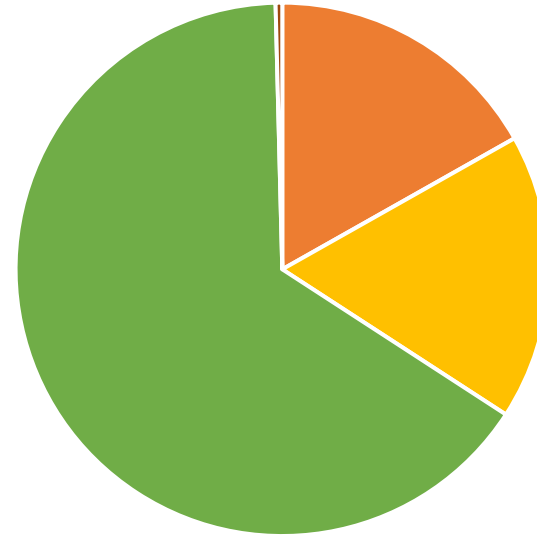


Department FY23 Overview and Funding

- **VDOL is over 60% federally funded**
(Compared to 82% in FY19)
- **≈ 245 staff members.**
- **Central Office (Montpelier)**
 - **12 Regional Offices/Teams:**
 - Barre
 - Bennington
 - Brattleboro
 - Burlington*
 - Middlebury
 - Morrisville
 - Newport
 - Rutland
 - Springfield
 - St. Albans
 - St. Johnsbury
 - White River Jct.

* Department-owned, federally certified One Stop Job Center

Department of Labor Funding Breakdown



■ General Funds
 ■ Special Funds
 ■ Federal Funds
 ■ Inter Dept. Transfers

General Funds	\$10,449,258
Special Funds	\$10,772,259
Federal Funds	\$40,639,531
Inter Dept. Transfers	\$250,000
Total Budget	\$62,111,048

FY23 Unemployment Insurance

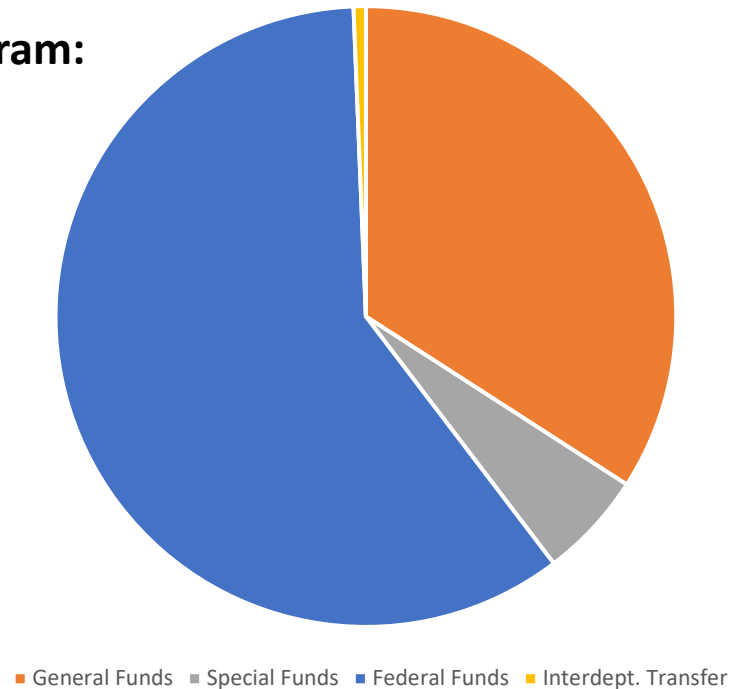
Staff: ≈ 80

Functions of the Unemployment Insurance Program:

- Claims processing
- Employer Contributions
- Program Integrity
- Benefits Accuracy Management
- RESEA (reemployment)
- Fraud detection and prevention
- Adjudications
- Appeals

General Funds	\$5,354,846
Special Funds	\$870,000
Federal Funds	\$9,375,940
Interdept. Transfer	\$100,000
Total Division Budget	\$15,700,786

Funding Sources



FY23 Workers' Compensation and Safety

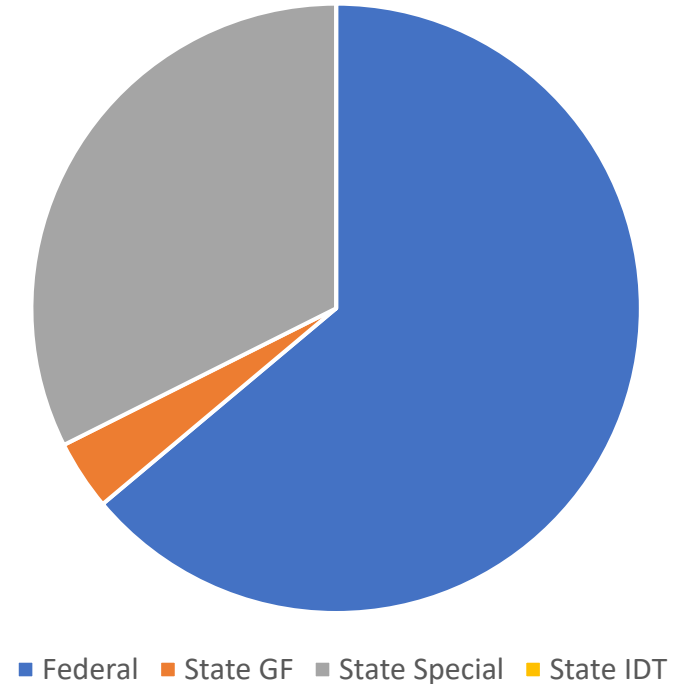
Staff: ≈ 40

Programs:

- Workers' Compensation
- Project WorkSAFE (Part. Fed)
- Passenger Tramway
- VOSHA (50% Fed)
- RETAIN (Fed Grant)

General Funds	\$1,127,491
Special Funds	\$9,862,359
Federal Funds	\$19,449,271
Interdept. Transfer	\$0
Total Division Budget	\$30,439,121

Funding Sources

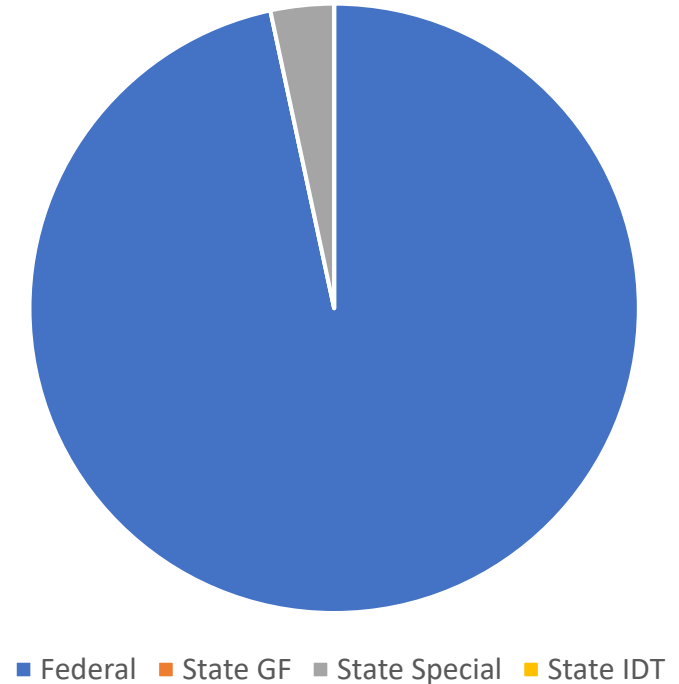


FY23 Labor Market Information

Staff: ≈ 12

The Economic & Labor Market Information (E&LMI) Division's purpose is to produce, disseminate and explain economic data for the benefit of the State of Vermont. Target audiences include elected officials, businesses, educational institutes, students, job-seekers, researchers, and the general public.

Funding Sources



General Funds	\$0
Special Funds	\$39,000
Federal Funds	\$1,121,473
Interdept. Transfer	\$0
Total Division Budget	\$1,161,373

FY23 Workforce Development

Staff: ≈75

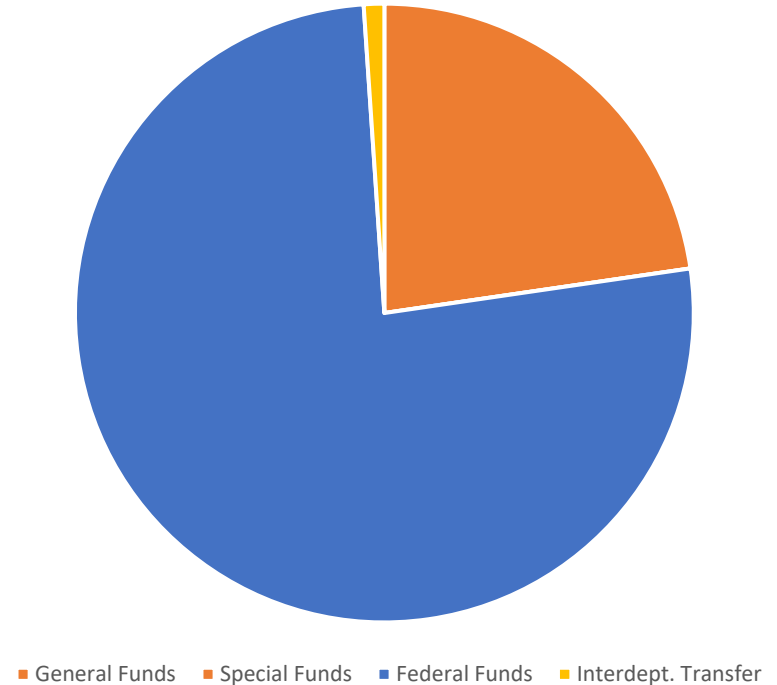
Locations: 12 Regional Teams

Programs:

- WIOA (Federal) The Workforce Innovation Opportunity Act (WIOA) is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy.
 - Adult
 - Youth
 - Dislocated Worker
 - Wagner Peyser
 - Apprenticeships
- State Training Programs and Initiatives

General Funds	\$3,183,304
Special Funds	\$0.00
Federal Funds	\$10,692,847
Interdept. Transfer	\$150,000
Total Division Budget	\$14,026,151

Funding Sources

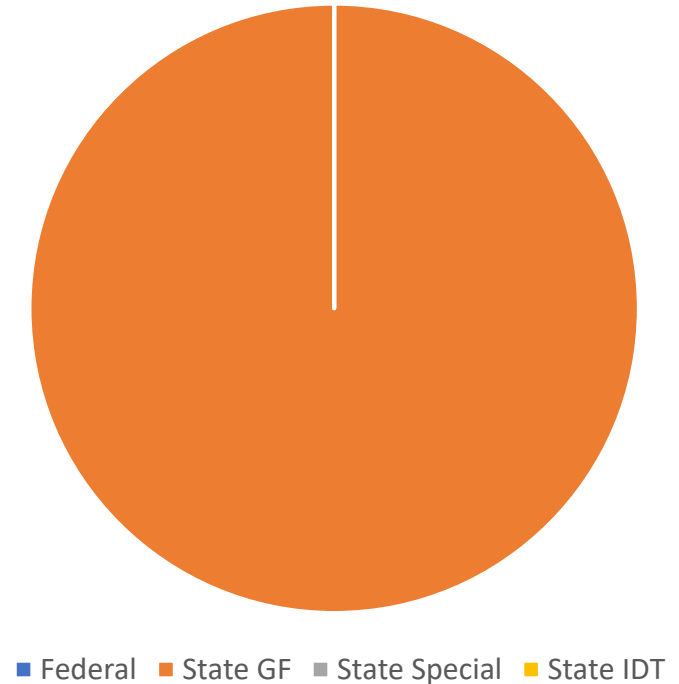


FY23 Workforce Development Board

Staff: 2

As the designated State Workforce Development Board under the federal WIOA program, the State Workforce Development board advises the Governor and the Commissioner of Labor on the development and implementation of a comprehensive, coordinated, and responsive workforce education and training system

Funding Sources



General Funds	\$282,404
Special Funds	\$0
Federal Funds	\$0
Interdept. Transfer	\$0
Total Division Budget	\$282,404

FY24 Budget Overview

VDOL State FY24 Spending Authority Request

As of 12/09/2022

			FY23 As passed	FY24 Budget General Funds	FY24 Budget Special Funds	FY24 Budget Federal Funds	FY24 Budget InterDept Trans	FY24 Budget Total	Change	
1	LMI	Fed/Special	BLS OSHA/Census of Fatal Occupational Injuries (CFOI)	\$79,800		\$47,150	\$47,150	\$94,300	\$14,500	
2	LMI	Fed	Current Employment Statistics (CES)	\$103,148		\$109,707		\$109,707	\$6,559	
3	LMI	Fed	Local Area Unemployment Statistics (LAUS)	\$234,608		\$243,645		\$243,645	\$9,037	
4	LMI	Fed	Labor Market Information - ETA	\$284,079		\$281,711		\$281,711	-\$2,368	
5	LMI	Fed	Occupational Employment and Wages (OEWS)	\$175,788		\$183,542		\$183,542	\$7,754	
6	LMI	Fed	Quarterly Census of Employment Wages (QCEW)	\$283,950		\$286,865		\$286,865	\$2,915	
7	UI	Fed	Child Support Reemployment	\$45,000			\$45,000	\$45,000	\$0	
8	UI	Fed	Child Support Intercept	\$55,000			\$55,000	\$55,000	\$0	
9	UI	Fed	Domestic Abuse	\$30,000		\$30,000		\$30,000	\$0	
10	UI	Fed	Employee Leasing	\$40,000		\$40,000		\$40,000	\$0	
11	UI	Fed	Reed Act	\$500,000		\$500,000		\$500,000	\$0	
12	UI	Fed	Reemployment Services and Eligibility Assessment: RESEA	\$921,972		\$1,027,972		\$1,027,972	\$106,000	
13	UI	State	Technology: Project Mgmt UI modernization	\$3,000,000	\$3,000,000			\$3,000,000	\$0	
14	UI	State/Fed	Unemployment Insurance Administration	\$10,753,968	\$2,000,000	\$800,000	\$7,166,472	\$9,966,472	-\$787,496	
15	UI	State	Wage & Hour/Earned Sick Leave	\$354,846	\$365,493			\$365,493	\$10,647	
16	WC	State/Special	Misclassification/Coverage Compliance	\$322,128	\$251,134	\$80,657		\$331,791	\$9,664	
17	WC	Fed	RETAIN:Retaining Employment and Talent After Injury/Illness Network	\$18,000,000		\$16,000,000		\$16,000,000	-\$2,000,000	
18	WC	Special	Tramways	\$448,950		\$473,950		\$473,950	\$25,000	
19	WC	Special	Technology: Project Mamt WC modernization	\$4,500,000		\$4,500,000		\$4,500,000	\$0	
20	WC	State/Fed	VT Occupational Safety and Health Administration (VOSHA)	\$1,767,342	\$883,671	\$883,671		\$1,767,342	\$0	
21	WC	Special	Workers Compensation	\$4,757,626		\$4,757,626		\$4,757,626	\$0	
22	WC	Fed/Special	WorkSafe	\$643,075		\$77,475	\$565,600	\$643,075	\$0	
23	WD	Fed	Alternative Trade Wage	\$245,000		\$245,000		\$245,000	\$0	
24	WD	State	Apprenticeship (State)	\$800,000	\$824,000			\$824,000	\$24,000	
25	WD	Fed	Apprenticeship - (Federal)	\$450,000		\$450,000		\$450,000	\$0	
26	WD	State	ICAN (SNAP 3SqVT) Administration	\$265,000	\$115,000		\$150,000	\$265,000	\$0	
27	WD	Fed	Foreign Labor Certification	\$158,488		\$163,912		\$163,912	\$5,424	
28	WD	Fed	JVSG (DVOPLVER)	\$490,687		\$491,963		\$491,963	\$1,276	
29	WD	Fed	Mine Safety Health Award (MSHA)	\$120,000		\$120,000		\$120,000	\$0	
30	WD	State	State Workforce Development Board	\$282,404	\$290,876			\$290,876	\$8,472	
31	WD	Fed	Trade Adjustment Assistance (TAA)	\$905,472		\$560,027		\$560,027	-\$345,445	
32	WD	Fed	Trade Readjustment Benefits (TRAA)	\$570,000		\$336,016		\$336,016	-\$233,984	
33	WD	Fed	Wagner-Peyser	\$2,180,637		\$2,193,768		\$2,193,768	\$13,131	
34	WD	Fed	WIOA - Youth	\$2,256,341		\$2,281,555		\$2,281,555	\$25,214	
35	WD	Fed	WIOA - Adult	\$2,146,308		\$2,163,640		\$2,163,640	\$17,332	
36	WD	Fed	WIOA - Dislocated Worker	\$1,103,914		\$1,005,465		\$1,005,465	-\$98,449	
37	WD	Fed	Work Opportunity Tax Credit (WOTC)	\$66,000		\$66,000		\$66,000	\$0	
38	WD	State	Workforce Expansion (Includes Former Next Gen)	\$1,335,900	\$1,375,977			\$1,375,977	\$40,077	
39	WD	State	Youth Employment Program	\$150,000	\$150,000			\$150,000	\$0	
40	WD	State	Labor Exchange System Maintenance and Operations	\$500,000	\$500,000			\$500,000	\$0	
41	X-SOV	State	Administrative Services	\$135,000	\$135,000			\$135,000	\$0	
42	X-SOV	State	Technology/Infrastructure/ADS	\$428,000	\$440,840			\$440,840	\$12,840	
43	X-SOV	State	Admin subsidies/Budget Allowances (ADS, DHR, FFS, VISION,Etc)	\$220,617	\$268,645			\$268,645	\$48,028	
44			Total All	62,111,048	\$10,600,636	\$10,806,858	\$37,373,681	\$250,000	\$59,031,175	-\$3,079,872
45			Funding by Percent of Total		17.96%	18.31%	63.31%	0.42%		
			Percent change from FY23 as passed		1.45%	0.32%	-8.04%	0.00%	-4.96%	
			Dollar change from FY23		\$151,378	\$34,599	-\$3,265,850	\$0	-\$3,079,872	

This chart is specific to the Department's request to the Legislature for **Spending Authority** to spend the identified amounts in the identified programs. Included in this chart are both existing funds and requested funds.

FY24 Budget Federal Funds column indicates funds that have been appropriated to the Department by the federal government. For these funds, the Department is seeking *spending authority* of already appropriated or anticipated funds, not an appropriation.

Change column highlights indicate changes to general fund dollars only.

FY24 Budget Overview

Fiscal Year 2024 Budget Development Form - VT Department of Labor

	General \$\$	Transp \$\$	Special \$\$	Tobacco \$\$	Federal \$\$	Interdept'l Transfer \$\$	All other \$\$	Total \$\$
Labor: FY 2023 Approp	10,449,258	0	10,772,259	0	40,639,531	250,000	0	62,111,048
Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY23 budget)								0
FY 2023 Other Changes	0	0	0	0	0	0	0	0
Total Approp. After FY 2023 Other Changes	10,449,258	0	10,772,259	0	40,639,531	250,000	0	62,111,048
Apprenticeship (State) - COLA/Benefits	24,000							24,000
State Workforce Development Board- COLA/Benefits	8,472							8,472
Technology/Infrastructure/ADS- COLA/Benefits	12,840							12,840
Wage & Hour/Earned Sick Leave- COLA/Benefits	10,646							10,646
Workforce Expansion (Includes Former Next Gen)- COLA/Benefits	40,077							40,077
Admin Subsidies (DHR,FFS,VISION, etc)	48,028		0					48,028
Misclassification/Coverage Compliance	7,315		2,349					9,664
Tramways			25,000					25,000
BLS OSHA/Census of Fatal Occupational Injuries (CFOI)			7,250		7,250			14,500
Current Employment Statistics (CES)					6,559			6,559
Local Area Unemployment Statistics (LAUS)					9,037			9,037
Foreign Labor Certification					5,424			5,424
Labor Market Information - ETA					(2,368)			(2,368)
JVSG (DVOPI/LVER)					1,276			1,276
Occupational Employment and Wages (OEWS)					7,754			7,754
Quarterly Census of Employment Wages (QCEW)					2,915			2,915
Reemployment Services and Eligibility Assessment: RESEA					106,000			106,000
RETAIN:Retaining Employment and Talent After Injury/Illness Network					(2,000,000)			(2,000,000)
Trade Adjustment Assistance (TAA)					(345,445)			(345,445)
Trade Readjustment Benefits (TRAA)					(233,984)			(233,984)
Wagner-Peyser					13,131			13,131
WIOA - Youth					25,214			25,214
WIOA - Adult					17,332			17,332
WIOA - Dislocated Worker					(98,449)			(98,449)
Unemployment Insurance Administration					(787,496)			(787,496)
								0
								0
Subtotal of Increases/Decreases	151,378	0	34,599	0	(3,265,850)	0	0	(3,079,873)
FY 2024 Governor Recommend	10,600,636	0	10,806,858	0	37,373,681	250,000	0	59,031,175
								0
Subtotal of Increases/Decreases	0	0	0	0	0	0	0	0
FY 2024 Governor Recommend	0	0	0	0	0	0	0	0
								0
Labor FY 2023 Appropriation	10,449,258	0	10,772,259	0	40,639,531	250,000	0	62,111,048
Reductions and Other Changes	0	0	0	0	0	0	0	0
FY 2023 Total After Other Changes	10,449,258	0	10,772,259	0	40,639,531	250,000	0	62,111,048
TOTAL INCREASES/DECREASES	151,378	0	34,599	0	(3,265,850)	0	0	(3,079,873)
Labor FY 2024 Governor Recommend	10,600,636	0	10,806,858	0	37,373,681	250,000	0	59,031,175
	1.4%		0.3%		-8.0%	0.0%		-5.0%

FY24 Highlights

Budget Challenges

The greatest challenge for the Department of Labor continues to be the uncertainty of our federal funding. It is important to note that the federal government determines our funding levels prior to the notice of award without input from us, and the Department must manage its operation to the level of funding awarded. Rarely are there opportunities to request increases to the base funding that is awarded by the U.S. Department of Labor or other federal entities. As a reminder the federal fiscal year runs from October 1st – September 30th.

Workforce Development

\$1,000,000 increase to the Work-based Learning and Training initiative. In FY22, the Department received \$500,000 in its base budget for workforce expansion efforts. This included flexible funding for work-based learning initiatives, such as internships and other on-the-job training opportunities. In FY23, the Department received an addition of \$1,500,000 in one-time funds to expand our work-based learning initiatives. This funding allows us to 1) offer more paid internships to Vermonters who are graduating from post-secondary or CTE programs, or who are navigating a career change; 2) allow Vermont JobLink to be further expanded to include internship; and 3) provide employers with access to technical assistance specialists to develop and implement meaningful internship programs.

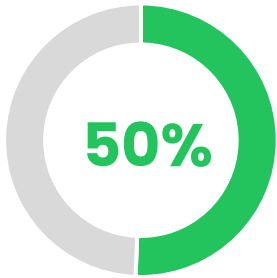
Modernization Projects

The Department is currently undergoing four separate modernization projects that will significantly improve our ability to provide effective service to Vermonters.

Staffing Constraints

The Department has experienced significant capacity issues due to ongoing staffing constraints. With a rolling vacancy rate of roughly 15%, resources have been dedicated to core programs and essential services. Hiring is ongoing; however, the extremely tight labor market has made it challenging to find qualified candidates.

Department IT Modernization



Phase: Development

Workers' Compensation

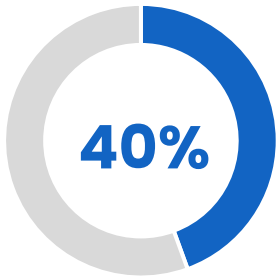
This project will modernize the current case management system for the Workers' Compensation & Safety Division.



Phase: Procurement

Workforce Development

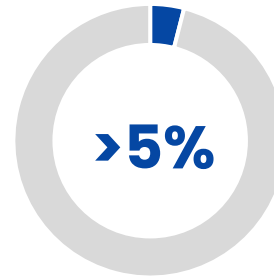
This project will replace the State's current job board, case management, and federal reporting system. Currently known as Vermont Job Link (VJL).



Phase: Procurement

Unemployment Insurance

This project will completely replace the unemployment insurance system for the Department, including Tax, Benefits, and Appeals.



Phase: Pre-Development

FARS (Financial Accounting)

The Department is currently working with the Agency of Administration as part of the overall modernization of the State's financial accounting systems..