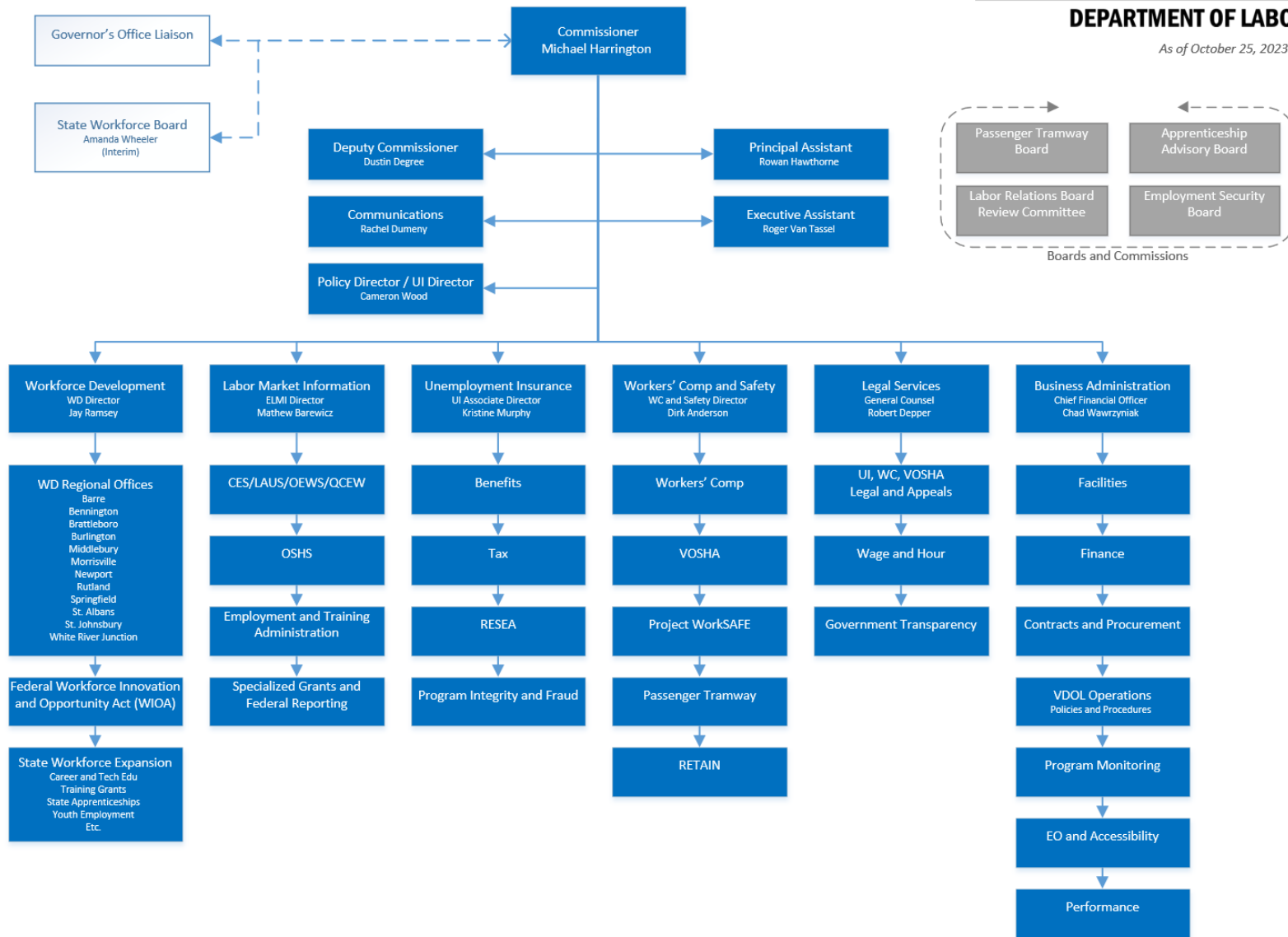




FY 25 Budget Presentation



STATE OF VERMONT
DEPARTMENT OF
LABOR



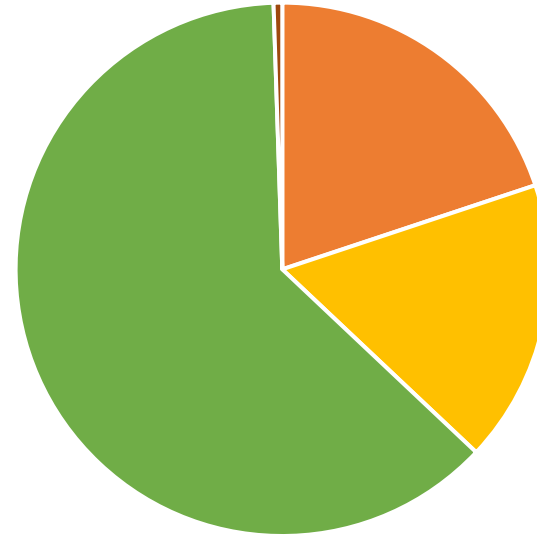
Department Structure

Department FY25 Overview and Funding

- **VDOL is 62% federally funded**
(Compared to 82% in FY19)
- **≈ 264 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	\$10,916,365
Special Funds	\$9,407,103
Federal Funds	\$34,261,616
Inter Dept. Transfers	\$287,226
Total Budget	\$54,872,310

FY25 Unemployment Insurance

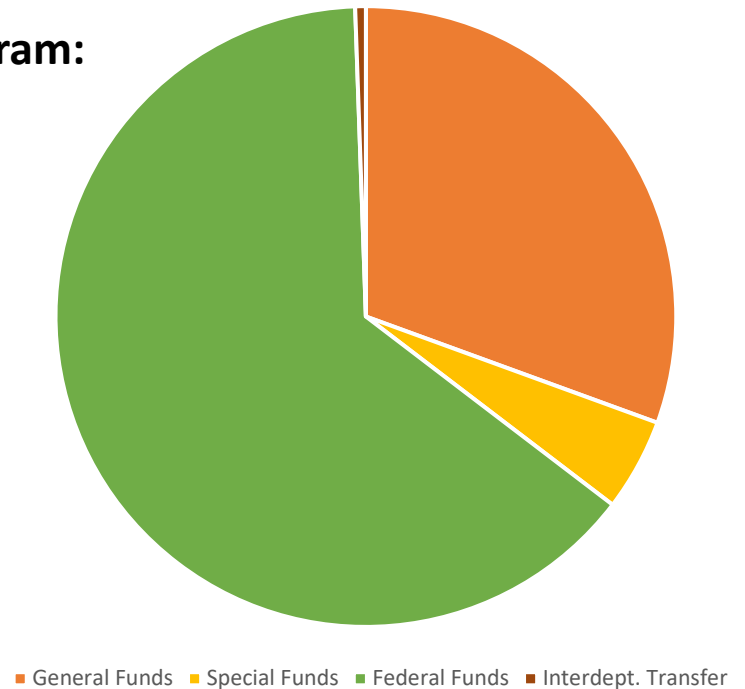
Staff: ≈ 80

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	\$5,526,458
Special Funds	\$870,000
Federal Funds	\$11,586,279
Interdept. Transfer	\$100,000
Total Division Budget	\$18,082,737

Funding Sources



FY25 Workers' Compensation and Safety

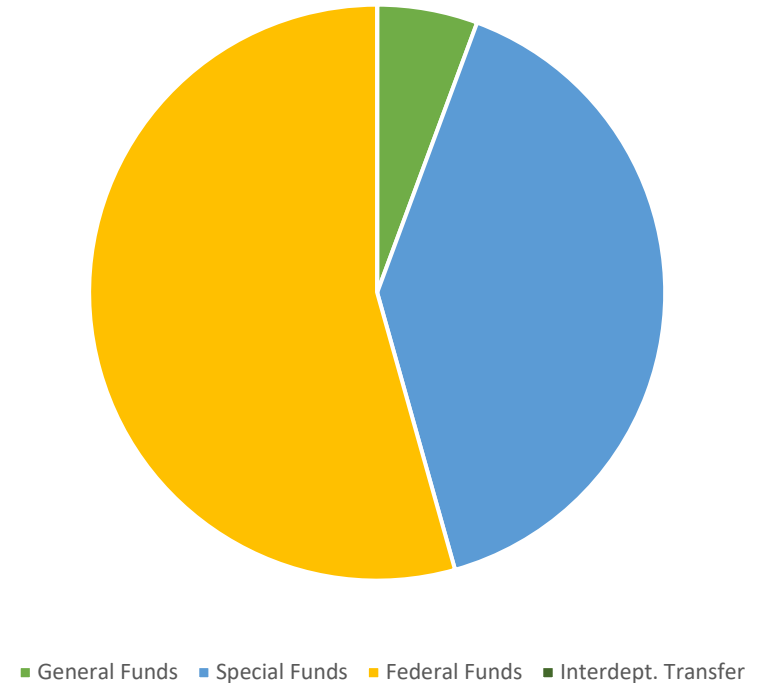
Staff: ≈ 40

Programs:

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

General Funds	\$1,198,168
Special Funds	\$8,489,953
Federal Funds	\$11,539,500
Interdept. Transfer	\$0
Total Division Budget	\$21,227,621

Funding Sources

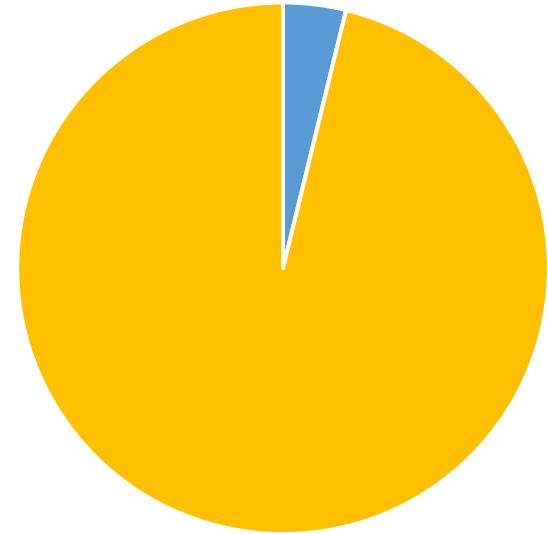


FY25 Labor Market Information

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. The Division also partners with organizations inside and outside of state government to perform economic research, provide analytical support, and give presentations. Historically, the Division has been 100% federally funded by two entities within the US Department of Labor – the Bureau of Labor Statistics and the Employment & Training Administration. However, due to stagnant federal funding, the Division has to find external funding, which now accounts for approximately 10% of its total budget.

Funding Sources



■ General Funds ■ Special Funds ■ Federal Funds ■ Interdept. Transfer

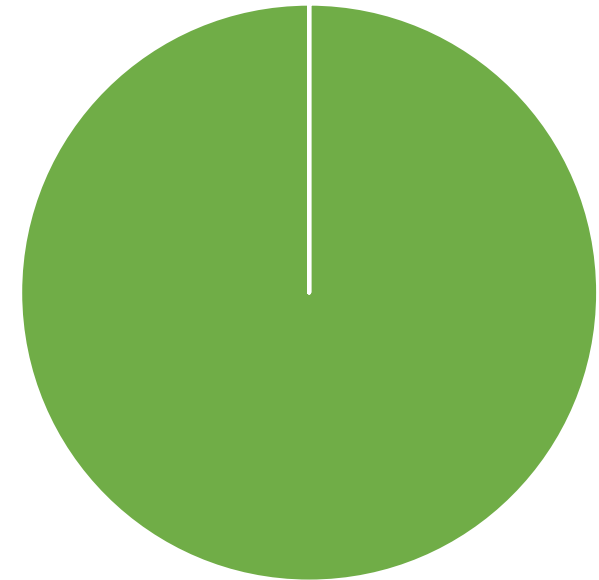
General Funds	\$0
Special Funds	\$47,150
Federal Funds	\$1,187,871
Interdept. Transfer	\$0
Total Division Budget	\$1,235,021

FY25 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 ■ Special Funds ■ Federal Funds ■ Interdept. Transfer

General Funds	\$299,602
Special Funds	\$0
Federal Funds	\$0
Interdept. Transfer	\$0
Total Division Budget	\$299,602

FY25 Workforce Development

Staff: ≈ 75

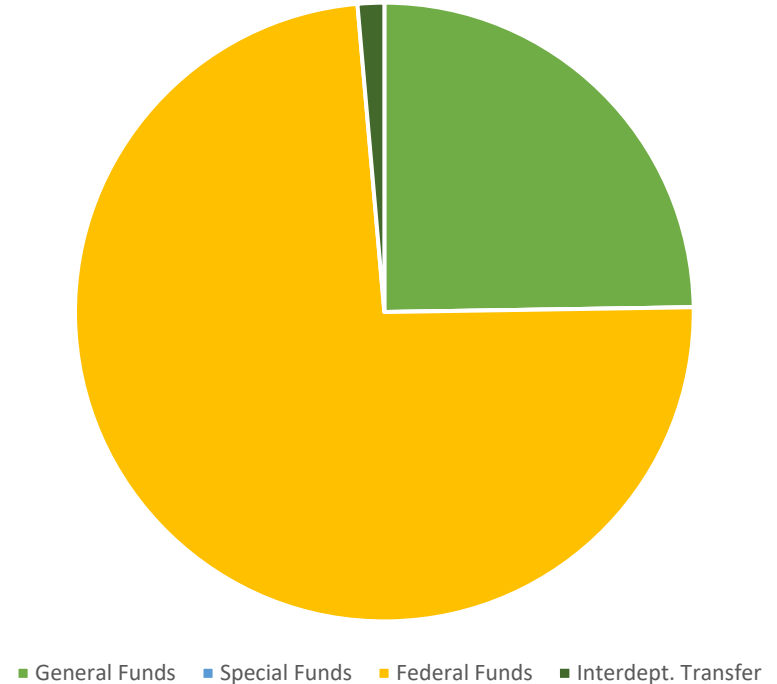
Locations: 12 Regional Teams

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	\$3,334,029
Special Funds	\$0.00
Federal Funds	\$9,947,966
Interdept. Transfer	\$187,226
Total Division Budget	\$13,469,221

Funding Sources



FY25 Budget Overview

Fiscal Year 2025 Budget Development Form: Department of Labor

	General SS	Transp SS	Educat SS	Clean Water SS	Special SS	Glob Committ SS	Federal SS	Int. Service SS	Interdept	All other SS	Total SS
Approp #1 R 1000200 00: Labor - Programs FY 2024 Approp	10,800,838	0	0	0	10,806,858	0	37,373,881	0	250,000	0	59,231,175
Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY24 budget)	0	0	0	0	0	0	0	0	0	0	0
FY 2024 Other Changes	0	0	0	0	0	0	0	0	0	0	0
Total Approp. After FY 2024 Other Changes	10,800,838	0	0	0	10,806,858	0	37,373,881	0	250,000	0	59,231,175
CURRENT SERVICE LEVEL/CURRENT LAW	31,5720	0	0	0	(1,399,755)	0	(3,112,085)	0	37,228	0	8,153,885
Personal Services	0	0	0	0	0	0	0	0	0	0	0
Operating Expenses	315,720	0	0	0	(1,399,755)	0	2,717,242	0	37,228	0	(47,55,885)
Wage & Hour/Contract O&M/Lease	109,85										10,985
Vehicle/Boat/Compliance/Compliance	75,34										7,534
Apprenticeship (State)	24,720										2,4720
State Workforce Development Board	8,725										8,725
Workforce Expansion (Include: Fringe, Need Gen)	4,12,90										4,12,90
Technology/Infrastructure/ADU	132,25										13,225
Technology, Project Mgmt, IT modernization	9,00,00										9,00,000
IT/HR/HRM/IT/IT/IT/IT Administration	34,30							37,228			3,430
PT Occupational Safety and Health Administration (OSHA)	5,58,20						55,820				5,58,200
Tramway					25,437						2,5437
Technology, Project Mgmt, WC modernization					(1,399,755)						(1,399,755)
Current Employment Statistics (CES)							(7,89,77)				(7,89,77)
Local Area Unemployment Statistics (LAUS)							(5,06,3)				(5,06,3)
Labor Market Information - EIA							7,357				7,357
Occupational Employment and Wages (OEWS)							20,403				2,0403
Usualty Census of Employment, Wages (UCEW)							20,251				2,0251
Equity in UI							2,000,000				2,000,000
Unemployment Services and Eligibility Assessment, RESEA							(187,134)				(1,87,134)
Unemployment Insurance Administration	8,00,00						1,075,860				1,075,860
Healthcare/Rehabilitation and Talent Advancement Network							8,000,000				8,000,000
Apprenticeship - (Federal - formula funding)							(145,123)				(1,45,123)
Foreign Labor Certification							12,892				1,2892
Wife Safety Health Award (MSHA)							5,384				5,384
Wages/Survey							17,348				1,7348
WETA - Youth							35,192				3,5192
WETA - Adul							35,154				3,5154
WETA - Unskilled Worker							(83,357)				(8,3357)
Wetsole					71,888		34,400				7,1888
Grants	0	0	0	0	0	0	0	0	0	0	0
REDUCING TO TARGET	0	0	0	0	0	0	0	0	0	0	0
Personal Services	0	0	0	0	0	0	0	0	0	0	0
Operating Expenses	0	0	0	0	0	0	0	0	0	0	0
Grants	0	0	0	0	0	0	0	0	0	0	0
Subtotal of Increases/Decreases	31,5720	0	0	0	(1,399,755)	0	(3,112,085)	0	37,228	0	8,153,885
FY 2025 Governor Recommendation	10,318,855	0	0	0	9,407,103	0	34,281,818	0	250,000	0	54,272,310
FY 2025 Governor's Recommendation and Target	10,318,855	0	0	0	10,806,858	0	37,373,881	0	250,000	0	59,231,175
FY 2025 Target vs. Recommendation	2,290	0	0	0	1,399,755	0	3,112,085	0	(37,228)	0	4,478,884
Department of Labor FY 2024 Appropriation	10,800,838	0	0	0	10,806,858	0	37,373,881	0	250,000	0	59,231,175
TOTAL INCREASES/DECREASES	31,5720	0	0	0	(1,399,755)	0	(3,112,085)	0	37,228	0	8,153,885
Department of Labor FY 2025 Governor Recommendation	10,318,855	0	0	0	9,407,103	0	34,281,818	0	250,000	0	54,272,310
FY 2025 Governor Recommendation Target	10,318,855	0	0	0	10,806,858	0	37,373,881	0	250,000	0	59,231,175
FY 2025 Target vs. Recommendation	2,290	0	0	0	1,399,755	0	3,112,085	0	(37,228)	0	4,478,884

FY25 Spending Authority Request

VDOL State FY25 Spending Authority Request			FY25 Budget	FY25 Budget	FY25 Budget	FY25 Budget	FY25 Budget			
As of 12/29/2023			FY 24 As passed	General Funds	Special Funds	Federal Funds	InterDept Trans	Total	Change	
1	LMI	Fed/Special	BLS OSHA/Census of Fatal Occupational Injuries (CFOI)	\$94,300		\$47,150	\$47,150	\$94,300	\$0	
2	LMI	Fed	Current Employment Statistics (CES)	\$109,707		\$108,010		\$108,010	-\$1,697	
3	LMI	Fed	Local Area Unemployment Statistics (LAUS)	\$243,845		\$238,582		\$238,582	-\$5,263	
4	LMI	Fed	Labor Market Information - ETA	\$261,711		\$263,068		\$263,068	\$1,357	
5	LMI	Fed	Occupational Employment and Wages (OEWS)	\$183,542		\$203,945		\$203,945	\$20,403	
6	LMI	Fed	Quarterly Census of Employment Wages (QCEW)	\$286,865		\$307,116		\$307,116	\$20,251	
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	Equity in UI	\$0		\$2,000,000		\$2,000,000	\$2,000,000	
12	UI	Fed	Reed Act	\$500,000		\$500,000		\$500,000	\$0	
13	UI	Fed	Reemployment Services and Eligibility Assessment: RESEA	\$1,027,972		\$840,838		\$840,838	-\$187,134	
14	UI	State	Technology: Project Mgmt UI modernization	\$3,000,000	3,090,000			\$3,090,000	\$90,000	
15	UI	State/Fed	Unemployment Insurance Administration	\$9,966,472	2,060,000	\$900,000	\$8,245,441	\$11,105,441	\$1,138,969	
16	UI	State	Wage & Hour/Earned Sick Leave	\$365,493	376,458			\$376,458	\$10,965	
17	WC	State/Special	Misclassification/Coverage Compliance	\$331,791	258,868	\$80,857		\$339,325	-\$7,534	
18	WC	Fed	RE TAIN/Retaining Employment and Talent After Injury/Illness Network	\$16,000,000			\$10,000,000	\$10,000,000	-\$6,000,000	
19	WC	Special	Tramways	\$473,950		\$502,387		\$502,387	\$28,437	
20	WC	Special	Technology: Project Mgmt WC modernization	\$4,500,000		\$3,000,000		\$3,000,000	-\$1,500,000	
21	WC	State/Fed	VT Occupational Safety and Health Administration (VOSHA)	\$1,787,342	939,500		\$939,500	\$1,879,000	\$111,858	
22	WC	Special	Workers Compensation	\$4,757,628		\$4,757,628		\$4,757,628	\$0	
23	WC	Fed/Special	WorkSafe	\$643,075		\$149,283	\$600,000	\$749,283	\$106,208	
24	WD	Fed	Alternative Trade Wage	\$245,000		\$245,000		\$245,000	\$0	
25	WD	State	Apprenticeship (State)	\$824,000	848,720			\$848,720	\$24,720	
26	WD	Fed	Apprenticeship - (Federal - formula funding)	\$450,000		\$304,977		\$304,977	-\$145,023	
27	WD	State	ICAN (SNAP 3SqvT/DCF) Administration	\$265,000	118,450		\$187,226	\$305,676	\$40,676	
28	WD	Fed	Foreign Labor Certification	\$163,912		\$176,804		\$176,804	\$12,892	
29	WD	Fed	JVSG (DVOPLVER)	\$491,963		\$491,963		\$491,963	\$0	
30	WD	Fed	Mine Safety Health Award (MSHA)	\$120,000		\$114,616		\$114,616	-\$5,384	
31	WD	State	State Workforce Development Board	\$290,876	299,602			\$299,602	\$8,726	
32	WD	Fed	Trade Adjustment Assistance (TAA)	\$560,027		\$560,027		\$560,027	\$0	
33	WD	Fed	Trade Readjustment Benefits (TRAA)	\$336,016		\$336,016		\$336,016	\$0	
34	WD	Fed	Wagner-Peyser	\$2,193,768		\$2,210,914		\$2,210,914	\$17,146	
35	WD	Fed	WIOA - Youth	\$2,281,555		\$2,317,747		\$2,317,747	\$36,192	
36	WD	Fed	WIOA - Adult	\$2,163,640		\$2,201,794		\$2,201,794	\$38,154	
37	WD	Fed	WIOA - Dislocated Worker	\$1,005,465		\$922,108		\$922,108	-\$83,357	
38	WD	Fed	Work Opportunity Tax Credit (WOTC)	\$66,000		\$66,000		\$66,000	\$0	
39	WD	State	Workforce Expansion (Includes Former Next Gen)	\$1,375,977	1,417,256			\$1,417,256	\$41,279	
40	WD	State	VT Youth Employment Funds	\$150,000	150,000			\$150,000	\$0	
41	WD	State	Labor Exchange System Maintenance and Operations	\$500,000	500,000			\$500,000	\$0	
42	X-SOV	State	Administrative Services	\$135,000	135,000			\$135,000	\$0	
43	X-SOV	State	Technology/Infrastructure/ADS	\$440,840	454,085			\$454,085	\$13,225	
44	X-SOV	State	Admin subsidies/Budget Allowances (ADS, DHR, FFS, VISION, Etc)	\$268,645	268,645			\$268,645	\$0	
45			Total All	\$9,631,175	\$10,916,365	\$9,407,103	\$34,261,616	\$287,226	\$54,872,310	-\$4,158,865
			Funding by Percent of Total		19.89%	17.14%	62.44%	0.52%		
			Percent change from FY24 as passed		2.98%	-12.95%	-8.33%	14.89%	-7.05%	
			Dollar change from FY24		\$315,729	-\$1,399,755	-\$3,112,065	\$37,226	-\$4,158,865	

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.

FY25 Budget Federal Funds column indicates funds that are projected to be 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.

Department Highlights

Budget & Staffing 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.

The Department continues to experience capacity issues due to significant and ongoing staffing vacancies. Currently, the vacancy rate for the Department is at 17%. Hiring is ongoing; however, the extremely tight labor market has made it challenging to find qualified candidates.

Equity Grant

In 2023, the Department was approved for a grant through the USDOL to improve equitable access to the unemployment insurance system. The Department is actively working on the implementation of this grant project, which includes addressing language access needs through the translation of vital program information as well as an equity impact assessment that will help to identify current barriers to equitably access the UI program with recommended solutions for program improvement.

Special Oversight Committee on Workforce Expansion and Development (SOCWED)

The SOCWED continued work over the past year to review the overall governance of the State's workforce delivery system. The recommendations from that work are currently being reviewed by the House Commerce & Economic Development Committee. They will likely include the reconstitution of the State's Workforce Development Board as well as defining the role of the Board's Executive Director in the statute.

VDOL Flood Recovery

The Department's Montpelier Office sustained damage related to the July flooding. Water and mud infiltrated the ground floor and displaced the Workers' Compensation Program. Work continues to rehab the impacted areas. Early estimates indicate that the cost for remediation and repair will be roughly \$500,000.

Department Modernization

Workers' Compensation

This project will modernize the current case management system for the Workers' Compensation Program.

Phase: Development

Unemployment Insurance

This project will completely replace the unemployment insurance system for the Department, which including tax, benefits, fact-finding and appeals.

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

FARS (Federal Accounting)

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

Phase: Pre-Development

