

Department of Labor



At A Glance

SHARON PALMER, Commissioner

Dennis C. Murphy, Deputy Commissioner

Established - 1873

Statutory authority - C.G.S. Sec. 31-1 to 31-403 (excluding chapter 568)

Central office - 200 Folly Brook Blvd., Wethersfield, CT 06109-1114

Average number of full-time employees - 808

Recurring operating expenses 2011-12: Federal - \$98,542,246; State - \$68,143,513

Capital outlay: Federal - \$1,684,648; State - \$130,980; CEPF - \$191,471

Website - www.ct.gov/dol

Mission

The Connecticut Department of Labor (CTDOL) is committed to protecting and promoting the interests of Connecticut's workers and assisting workers and employers to be competitive in the global economy.

Statutory Responsibility

The Connecticut Department of Labor meets the needs of workers and employers to become competitive in the global economy. For workers, this is accomplished through income support between jobs, assistance in searching for jobs, protection and fairness on the job, training programs, and information about the economy, wages and the workplace. Services offered to businesses include workplace data, labor market information, recruitment assistance, regional job fairs, programs to help maintain and upgrade employee skills, such as apprenticeship and incumbent worker training, OSHA guidance and consulting services, and tax credit information.

Informational services to workers and employers, as well as enforcement responsibilities include the payment of wages, health and safety, employment of minors, family and medical leave, representation by labor organizations, and resolution of labor disputes. As the Connecticut arm of the U.S. Bureau of Labor Statistics, the agency collects, analyzes and disseminates workforce data to inform businesses, the general public, government planners and policymakers about employment issues and trends.

Public Service

Workforce Policy Advisors

- Through its *Office of Workforce Competitiveness* (OWC). CTDOL serves as the Governor's principal workforce development policy advisor. OWC works to coordinate employment, education and training programs and promote innovative strategies and ideas that will stimulate employment opportunities and job growth. OWC staff provides technical assistance to the Connecticut Employment and Training Commission (CETC) whose members represent Connecticut businesses, employers, key state agencies, regional/local entities, organized labor, community-based organizations and other stakeholders.

Unemployment Insurance and Related Assistance

- *Unemployment Insurance* (UI) benefits are provided to unemployed persons pursuant to statute while claimants look for new work or take part in approved training programs. The agency offers two options for filing unemployment compensation claims – *TeleBenefits*, an automated voice system, and *WebBenefits*, an Internet system – both available in English and Spanish. *WebBenefits* gives claimants access to their benefit payment and the capability to print out the information. The online system also provides an appeals filing application for unemployment insurance decisions. Most individuals filing weekly unemployment claims use the Internet system.
- *Trade Adjustment Assistance* (TAA) helps individuals who are part of worker groups certified by the U.S. DOL whose jobs were believed to be affected by increased imports or a shift in production to a foreign country. To assist eligible workers return to suitable employment as quickly as possible, benefits include training; job search, relocation and readjustment allowances; health coverage tax credit; and wage subsidies for individuals 50 years of age and older who return to lower-paying work. TAA activity during the program year includes:
 - *Worker group certifications*: Petitions filed on behalf of workers from 33 companies were approved, with the workers determined by U.S. DOL to be adversely affected by foreign trade and certified as eligible to apply for TAA; petitions filed on behalf of workers from two companies were denied.
 - *Individual applications*: 1,156 individuals were identified by U.S. DOL as potentially eligible to apply for TAA benefits and 1,130 eligibility determinations were issued in response to submitted applications.

- *Training*: 581 individuals entered TAA-approved training programs and 1,176 individuals were active in training. Training payments totaled \$5,286,923.
- *Job Search/Relocation Allowance*: Five workers received job search allowance and four received relocation allowance, with payments totaling \$1,328 and \$9,285 respectively.
- *Trade Readjustment Allowances (TRA)*: A total of \$3,360,714 was paid for 7,870 weekly TRA claims, representing 335 weeks of basic TRA, 6,192 weeks of additional TRA, and 1,343 weeks of remedial TRA. Individuals who satisfy applicable program requirements may receive one or more types of TRA income support: up to 26 weeks of basic TRA; up to 52, 65, or 78 weeks of additional TRA, depending on Trade Act petition number; and up to 26 weeks of remedial/ completion TRA.
- *Reemployment/Alternative Trade Adjustment Assistance (R/ATAA)*: A total of \$258,802 in payments was issued to eligible workers.
- *Health Coverage Tax Credit (HCTC)* covers 72.5% of qualified health insurance premiums for eligible individuals and their families. The Internal Revenue Service administers HCTC in partnership with the Connecticut Department of Labor, other federal and state agencies, and the private health insurance industry.
- *Worker Adjustment and Retraining Notification (WARN)* is a federal requirement that applies to Connecticut employers of 100 or more full-time workers to give 60-days advance notice of a plant closing or mass layoff if they: (1) close a facility or discontinue an operating unit with 50 or more workers; or lay off 50-499 workers (and these workers comprise at least 33% of the total workforce at a single site of employment); or lay off 500 or more workers at a single site of employment. The law further requires that this notification be given to the appropriate local chief elected official, the Dislocated Worker Unit of the State Department of Labor, and the collective bargaining representative of affected employees or each employee if the employees do not have such representation.
- The state's *Rapid Response Team*, headed by CTDOL, reaches out to Connecticut employers contemplating or experiencing plant closings and exists to ease the impact of layoffs and to assure that workers are offered a full range of benefits and services. The agency's Rapid Response staff conducts, prior to layoffs, "*Early Intervention*" sessions where employees can learn about unemployment benefits, job search assistance, training opportunities and receive information about community services and local agencies that provide support to dislocated workers and their families. The Rapid Response Team includes representatives from local Workforce Investment Boards and other assisting state agencies such as the Departments of Economic and Community Development and Social Services.

During the period July 2011 to June 2012, Rapid Response staff made 203 outreach calls and responded to 213 WARN notices affecting 4,443 workers; assisted 56 employers and/or unions and made 216 presentations, including 18 on-site job search workshops, to 5,439 workers. When face-to-face contact was not possible, an additional 3,249 dislocated

workers, including human resources managers and union representatives, were provided written materials.

The Rapid Response Unit also submitted seven Trade Adjustment Assistance Act (TAA) petitions. Five petitions, covering 944 workers, were certified TAA eligible. One petition was terminated as employees were found to be covered under a prior certification (a total of 36 workers), and one petition is still pending investigation. Rapid response staff also assisted the Trade Act Unit in re-engaging 265 employees from an employer that had been denied TAA eligibility last year but gained TAA eligibility this program year.

- The *Reemployment Eligibility and Assessment (REA) program* is a federally-mandated initiative of the Middle Class Tax Relief and Job Creation Act of 2012, requiring all unemployment insurance claimants applying for federal Extended Unemployment Compensation (EUC) Tier I and Tier II benefits to schedule an interview including an employability assessment at their local *CTWorks* Career Center. CTDOL employees meet with claimants, assess their work search efforts for appropriateness, and offer re-employment strategies.

The REA program was fully implemented on May 1, 2012 and is set to end in December 2012. During the first two months, 9,979 claimants collecting EUC were notified to attend a mandatory meeting. Those who did not appear were referred to adjudications and subject to disqualification of benefits.

CTDOL intends to use this model as the foundation of its services for connecting unemployment insurance claimants to services and job opportunities as early as possible. Information gathered through the assessment process will be posted on CT.JOBS, the agency's state job bank, and will give CTDOL the ability to build a solid base of qualified candidates that can be accessed by employers searching for potential employees. Going forward, the goal is to automate and virtualize services to allow for larger participation as well as the ability to focus one-to-one for those UI claimants most in need.

Employment and Training

- CTDOL *Employment Services (ES)* program receives federal funding under the *Wagner-Peyser Act*, to provide universal access to an integrated array of labor exchange services. ES provides a variety of these services, including job search assistance, job referral, and placement assistance for jobseekers, reemployment services to unemployment insurance claimants, and recruitment services to businesses with job openings.

A total of 222,576 Wagner-Peyser participants received services (staff-assisted or self-service). More than 48,353 unemployment insurance claimants received staff-assisted employment services from *CTWorks* Career Center staff in offices statewide. Approximately 57,961 *CTWorks* Career Center customers benefited from a host of services including assistance with career choices and job searches; job search resources such as fax machines and computers with Internet connection; and workshops on résumé writing, interviewing, and career exploration. Customers also received information about specific

companies and labor market trends. In addition, more than 10,397 individuals received résumé services at CTDOL-sponsored events and *CTWorks* Career Centers. Résumé preparation services were provided by staff with board-certified credentials from the Professional Association of Résumé Writers.

- *Online Labor Exchange (CT.jobs/CT JobCentral)*, Connecticut's state labor exchange system is a self-service job bank that provides a range of employment services for both jobseekers, matching jobseekers to potential employers based on qualifications, desired location, salary, and other criteria. CT.jobs operates in alliance with US.jobs, the national labor exchange endorsed by the National Association of State Workforce Agencies. CT.jobs enables jobseekers to search thousands of employment opportunities representing all types of occupations, including Connecticut state agency jobs, and refer themselves to positions of interest. As part of a national labor exchange with other states, CT.jobs includes job listings from other states for jobseekers interested in relocating. Jobseekers can also post their résumés online and approved CT businesses can post W-2 jobs and search the résumé bank for qualified candidates at no cost. Technical assistance is provided to both employers and jobseekers.

A total of 1,926 new account requests from businesses were processed by CT.jobs staff in 2011. During this same period, employers posted 51,764 new Connecticut job openings. In addition, 1,082 jobs were indexed. Indexing identifies links to jobs on corporate Websites, enabling jobseekers to click on a job title and be taken directly to the job listing on the corporate Website. Jobseekers entered 9,522 new résumés into the system.

- *STRIDE (Skills, Transitional Support, Respect, Integrity, Direction, and Employment)*: Through a memorandum of agreement with state's Community Colleges, the CTDOL funds Quinnebaug Valley Community College's STRIDE program which provides incarcerated and paroled individuals with the occupational and job search skills training and resources to enter competitive employment positions. Program services support successful reintegration into the community focusing on self-sufficiency. The program also links participants to community-based transitional services that support respective employment goals.
- A series of seven *Connecticut Career Fairs* including the veteran-specific *Heroes4Hire Job Fair*, co-sponsored with the Department of Veterans Affairs, drew 354 company recruiters and more than 6,000 jobseekers.

Reemployment Services for Unemployment Insurance Claimants

- The *Enhanced Reemployment Services (ERS)* program seeks to identify unemployment insurance claimants who are likely to exhaust their benefits, are unlikely to return to their previous occupations, and will typically need job search assistance services to make a successful transition to new employment. Recipients of Unemployment Insurance benefits are required to register with Employment Services as a condition of eligibility for compensation.

Orientation sessions were conducted for 16,597 ERS participants who received labor market information, career guidance, information on CT jobs, an overview of the *CTWorks* Career Center services, and details on UI benefit rights and responsibilities. Many of these claimants also benefited from more direct, individual employment services and training which resulted in 29,242 additional reemployment services.

Business Services

- The federally-funded *Connecticut's Early Warning System Demonstration Program* is beneficial to Connecticut's manufacturing employers experiencing critical workforce training needs and whose underskilled workers, without such training, would be at risk of layoff. Through a statewide *Early Warning Network* and CTDOL Business Services Specialists in the field, at-risk employers are identified and provided grant assistance to undertake needed training for their existing employees.
- *Business Services Consultants* assisted businesses with 462 recruitments attended by 9,125 jobseekers in *CTWorks* Career Centers between July 2011 and June 2012. Employers can schedule recruitment events with a Business Services Consultant or through the agency website.
- CTDOL's *Alien Certifications Unit* acts as an agent for the U.S. Department of Labor. The program ensures that employers have exhausted all efforts to hire American workers before recruiting foreign workers prior to receiving certification. CTDOL staff handled 59 certifications, including temporary certifications for foreign agricultural workers (H-2A). Thirty nine farms underwent pre-occupancy housing inspections in connection with agricultural certifications.
- The *Migrant and Seasonal Farm Workers'* program provided outreach services to approximately 394 workers, including information on available workforce services, referrals to healthcare providers and related supportive services. Agricultural employers received recruitment assistance, mediation, and interpreter services, and technical guidance on compliance with the Migrant and Seasonal Farm Worker regulations.
- The *Office of Apprenticeship Training* administers the state's apprenticeship system for businesses. Apprenticeship is a long-term (one to four years) proven training strategy that prepares skilled workers for Connecticut industry. The program offers individuals an opportunity of "learning while earning" based on an employer-employee relationship. Despite a difficult economy, sponsor registration increased from 3,185 to 3,354 and apprenticeship registration remained level at approximately 4,300.

The Apprenticeship Unit provides registration, monitoring and consulting services to qualified employers while assisting them in recruitment efforts and making use of Connecticut business tax credits. During fiscal year 2011-2012, staff continued to promote green apprenticeships under the terms of a federal grant.

- *Jobs First Employment Services* serves recipients of Temporary Family Assistance (TANF) through the agency's partnership with the Department of Social Services and the Workforce Investment Boards. During the year, approximately 15,740 participants received employment services from *CTWorks'* One Stop staff or through contracted service providers. Services include job search assistance, vocational education, adult basic education, subsidized employment, case management and other support services.
- *I-BEST*, an evidence-based training model, blends technical skills training simultaneously with basic adult education. The curriculum is designed and taught jointly by an adult education instructor and a specialist in the technical field. Learners who complete the I-BEST program improve their basic skills, learn English and/or earn adult high school diploma while attaining an industry-recognized credential. A three-month pilot program resulted in nearly 100% of the participants completing training courses and receiving certification for a variety of in-demand occupations including Certified Nursing Assistant, culinary arts, auto technician, Emergency Medical Responder, nail technician and professional bartending. Additional services that contributed to the high rate of completion included on-site child care, transportation assistance, tutoring, job shadowing, mentoring, and training supplies such as text books, uniforms, tools and exam fees.
- *Job Corps* is a national, federally funded educational and vocational training program administered by the U.S. Department of Labor that helps low income youth ages 16-24 gain workplace skills, train for a high-demand occupation, and become independent and self-sufficient. With centers in Hartford and New Haven, more than 400 students enroll each year to earn a high school diploma or GED, learn a trade, obtain third party certifications and receive assistance finding a good job. Onsite Labor Department employees provide staffing support to the Hartford Job Corps Academy and New Haven Job Corps Center.
- Hundreds of educators, employment professionals and members of the business community attend the *Connecticut Learns and Works Conference* each year in conjunction with the Connecticut Career Resource Network, the Departments of Labor, Education, Economic Development, and the state's community college system. Entering its 16th year, the conference provides a forum for sharing new ideas and hearing from workforce and education experts.

Veterans' Services

- *Office for Veterans' Workforce Development (OVWD)* helps Connecticut veterans through its team of Veterans' Employment Representatives located at *CTWorks* Career Centers, U.S. Department of Veterans Affairs offices, and various outstations throughout the state.
 - During the year, employment and training services were provided to 8,753 veterans and more than 850 attended employment workshops through the Transition Assistance Program at the U.S. Naval Submarine Base in New London – a program that helps those leaving military life transition to civilian careers. In partnership with both the state and federal Department of Veterans Affairs and the Connecticut Military Department,

demobilization services were also provided to returning troops from the CT National Guard and U.S. Armed Service Reserves.

- A series of *Connecticut Job and Career Fairs* drew hundreds of companies and thousands of jobseekers. In addition, the veteran-specific *Heroes4Hire Job Fairs*, co-sponsored with the Department of Veterans Affairs, provided job-matching services to 138 employers and 2,290 veterans.
- *Veterans Retraining Assistance Program (VRAP)*: CTDOL's Office for Veterans' Workforce Development (OVWD) provides assistance through the federal VRAP which offers 12 months of retraining assistance to veterans. VRAP eligibility factors are: unemployed; at least 35 but no more than 60 years old; have an other than dishonorable discharge; not eligible for any other VA education benefit program (e.g., the Post 9/11 GI Bill, Montgomery GI Bill, Vocational Rehabilitation and Employment); not in receipt of VA compensation due to individual unemployability; not enrolled in a federal or state job training program; enrolled in a VA-approved program of education offered by a community college or technical school. Staff with the OVWD interview veterans as they complete VRAP training and assisting them with résumé preparation, as well as job development and job search efforts.

Under the federal guidelines, the program can serve up to 45,000 participants between July 1 and September 30, 2012, and up to 54,000 between October 1, 2012 and March 31, 2014. Participants may receive up to 12 months of unemployment insurance assistance at the full-time payment rate under the Montgomery GI Bill–Active Duty program. Currently, this rate is \$1,473 per month. As part of this initiative, the program must lead to an Associate Degree, Non-College Degree, or a Certification, and veterans must be trained for what is deemed to be a high demand occupation.

- The “*Gold Card Initiative*” is a joint venture of the U.S. Department of Labor's Employment and Training Administration and the Veterans' Employment and Training Service to lower veterans' unemployment and ensure service members leave the military career-ready. The Gold Card provides unemployed post-9/11 era veterans with the intensive and follow-up workforce services they need to succeed in today's job market.

Under this initiative, CTDOL's Office for Veterans' Workforce Development (OVWD) provides job readiness assessments; an Employment Development Plan; career guidance through group or individual counseling that helps veterans make educated training and career decisions; provision of labor market, occupational, and skills transferability information to assist with educational, training, and occupational decisions; referral to job banks, job portals, and job openings; referral to employers and registered apprenticeship sponsors; referral to training by WIA-funded service providers; and monthly follow-up by an assigned case manager for up to six months. To date, the OVWD has served 1,490 post-9/11 veterans through this initiative.

Web-Based Services

- More than 6.8 million people visited the agency website and approximately 3.8 million people searched for information related to Unemployment Insurance benefits from July 2011 to June 2012. Visitors also searched the site for information relating to their job search efforts: 213,000 visitors sought job fair information; 92,000 sought employer recruitment information; 59,000 were interested in veterans' services; and 284,000 visitors sought information related to other job seeking methods.
- An average of 49,087 claimants (45%) use the Web function to file for their weekly UI payments.
- The *Connecticut Job & Career ConneCTion (JCC)* receives more than 15,000 visitors each month – a monthly increase of nearly 3,000 or 23% from last year. The JCC site provides job descriptions, education and training requirements for each job category, wage information and employment projections for nearly 800 occupations. Included in the JCC is the VETCENTRAL website, which allows military veterans to find similar civilian occupations by military code, rank, or branch of service.
- Nearly 9,000 visitors a month made use of the agency's *Connecticut Education & Training ConneCTion*, a leading online source of information on education and training in the state that provides access to thousands of training programs and courses.

Workplace Guidance and Safety

- *Wage and Workplace Standards* enforces a wide range of workplace laws including minimum wage and overtime, paid sick leave, wage payment, prevailing wage, and the employment of minors. Wage and Workplace staff recovered \$5,565,259 in owed wages for Connecticut workers this year.
- *State Board of Labor Relations* defines and protects the statutory rights of employees including the right of public employees to form, join, or assist labor organizations. The Board also encourages and protects the right of employees and employers to bargain collectively and remedies certain practices on the part of employees and employers that are detrimental to the collective bargaining process and to the general public. More than 80 percent of the cases filed with the State Board of Labor Relations are resolved short of a Board hearing, largely due to successful mediation efforts of Assistant Agents.
- *State Board of Mediation and Arbitration* provides mediation and arbitration services to employers and employee organizations in the public and private sector. The objectives of the Board are to save jobs by maintaining peaceful employer/employee relations and to promote equity between labor and management by resolving labor disputes.
- *Connecticut Occupational Safety and Health Division (CONN-OSHA)* enforces health and safety standards in public sector workplaces by conducting safety inspections, responding to complaints or requests, and investigating fatalities and serious accidents.

Citations are issued where violations are discovered. Safety training and onsite safety and health consultations are provided to private and public sector employers on request, and the division offers no-cost technical assistance and information services on workplace hazards. The statistics unit collects data and provides information on workplace injuries, illnesses, and fatalities that occur in Connecticut.

- The *Office of Program Policy* provides legal counsel to the agency's executive administration and divisions, as well as technical assistance in unemployment insurance matters to agency adjudicators, as well as written opinions and verbal guidance in complex cases. In addition, staff provides classroom and workplace-based training in unemployment compensation statutes, regulations, case law and the adjudication process. Staff members also represent the Unemployment Compensation Administrator in hearings and related proceedings before the Employment Security Appeals Division and the Employment Security Board of Review. Staff members are involved in an employer education program that covers a wide range of topics.
- As the Connecticut arm of the U.S. Bureau of Labor Statistics, the *Office of Research* collects, analyzes and delivers information on the state's labor market. Information is collected and disseminated on employment levels, unemployment rates, wages and earnings, estimates of available labor, employment projections, business staffing patterns, and career planning information. Employers, career counselors, educators, economic developers, training program planners, policy makers, economists and the general public use the information.

The *Office of Research* also produces the *Labor Situation* report and partners with the Department of Economic and Community Development to produce the *Economic Digest*. The *Labor Situation* provides a monthly and over-the-year snapshot of the state's industry sectors and unemployment rate. Monthly estimates are later revised, using actual employer surveys. The *Economic Digest*, published each month, provides comprehensive and timely data on the state's workforce and economy.

- The *Employment Security Appeals Division* conducts appeal hearings from decisions granting or denying Unemployment Compensation benefits through two levels of Appeals. The first level (Referee Section) decided 23,991 appeals while the second level (Board of Review) decided 2,677 appeals. This year, the division continued to exceed the federally-mandated quality standards in issuing decisions.

Employer Services

- The *Tax Division* administers an equitable unemployment insurance tax program that protects both workers and employers through the fair enforcement of the Unemployment Compensation law. Unemployment Insurance (UI) benefits paid to unemployed workers totaled \$1.85 billion. Of that amount, \$783.8 million was paid to claimants formerly employed by employers paying quarterly UI taxes under the regular UI benefits program and \$1.1 billion was provided to claimants formerly employed by non-taxable employers and/or under other programs. Total taxes paid

by nearly 98,000 employers whose employees were covered by Unemployment Insurance totaled \$865.7 million.

- *Misclassifications:* One of the missions of the Tax Division is to ensure that all workers providing services in Connecticut are properly classified either as employees or as bona fide independent contractors. Workers who are misclassified as independent contractors can experience a loss of certain employment protections such as unemployment compensation benefits, workers' compensation coverage, no overtime pay, pay below minimum wage, and often a job without health benefits. Further, when companies intentionally misclassify workers as independent contractors rather than as employees, this creates an unfair business climate. Law-abiding employers cannot compete against those employers who intentionally undercut them by not paying all taxes and benefits for workers, do not pay lawful employment-related taxes on workers— resulting in higher taxes for other employers who follow the law. Valuable information from Connecticut's Joint Enforcement Commission on Employee Misclassification is now available online to assist employers in the proper classification of their workers.
- *Work Opportunity Tax Credit (WOTC)* program provides a federal tax credit for employers hiring individuals from specified groups. A total of 4,589 tax credit certifications were granted for 2011-2012. On November 21, 2011 President Obama signed into law the Vow to Hire Heroes Act of 2011. Section 261 of the Act, the "Returning Heroes and Wounded Warriors Work Opportunity Tax Credits," amends and expands the definition of WOTC's Veteran target groups. Authorization to grant WOTC to all non-veteran target groups expired on December 31, 2011 and is currently on hold pending re-authorization.
- *Business Services* staff helped Connecticut businesses with more than 462 recruitments attended by approximately 9,125 jobseekers. Additionally, Business Services staff and consultants administered the 21st Century Skills Training Program, a unique program for new and expanding Connecticut businesses that need to enhance the skills of the current workforce to remain competitive. Using an allocation of \$425,000, staff developed agreements resulting in more than \$860,000 for training programs that included green manufacturing, Lean government practices, and quality systems. Nearly 1,200 employees received training at 49 Connecticut companies.
- The *Shared Work* program provides companies with an alternative to layoffs, allowing employers to retain skilled workers. The company is able to cut back on the workweek by 20 to 40 percent, and employees retain a portion of their salary that is then supplemented by partial unemployment compensation benefits. *Shared Work* has been an outstanding resource for hundreds of Connecticut companies and their employees. The program experienced a dramatic increase in participation as the number of companies trying to stay open and keep the same level of skilled employees.

Grants and Awards

- The \$3.36M *State Energy Sector Partnership (SESP)* grant, made available through the American Recovery and Reinvestment Act of 2009, and administered through the Office of Workforce Competitiveness at the Connecticut Department of Labor, was awarded to the Connecticut Employment and Training Commission. The primary focus of the SESP grant is to provide free and low-cost green training to unemployed and underemployed jobseekers, and incumbent workers in Connecticut. Regional project teams meet on a quarterly basis and steer regional training activities leading to employment in the green economy. Regional training efforts training began in January 2011 and will continue into 2013.
- In July 2011, CTDOL was awarded a three-year, \$5.8M grant from USDOL to administer the *Connecticut Green Jobs Funnel Initiative (CGJIF)*. This grant, managed by the Department's Office of Workforce Competitiveness, will promote career pathways in the green construction industry for 975 unemployed and underemployed workers in seven Connecticut communities. The CGJIF will enhance and replicate the evidence-based Jobs Funnel pre-apprenticeship model, whose core services include assessment, case management, support services, basic and technical skills training, and job placement and retention support.
- *Dislocated Worker Grants*: During this period, the agency administered two USDOL National Emergency Grants under its Workforce Investment Act (WIA) Program. They are as follows:
 - *Mohegan Sun*: CTDOL received \$335,400 to provide employment and retraining services to 100 workers displaced from the Mohegan Sun Casino in the fall of 2010. The Eastern Region Workforce Investment Board is the project operator through completion in December 2012.
 - *On-the-Job-Training*: From 2010 through 2012, \$673,776 in American Recovery and Reinvestment Act (ARRA) federal funding was made available to match unemployed individuals with Connecticut employers – bringing together individuals who would benefit from on-the-job-training and employers who could provide quality opportunities. CTDOL contracted with the state's Workforce Investment Boards to match 86 unemployed individuals.
- *Workforce Investment Act (WIA)* federal funding was used to provide quality workforce services to more than 12,000 individuals and helped Connecticut's workforce investment partners increase the availability of employment and training assistance – an important component to the economic recovery of the state. The CTDOL and the Workforce Investment Boards use WIA funding to develop new employment and training initiatives that will yield immediate employment opportunities and show the best potential for job growth, and fund projects that can best strengthen Connecticut's workforce and businesses. WIA funding totaled \$27.3 million during 2011/2012.
- *Individual Development Accounts (IDAs)*: Funding in the amount of \$5,080,250 was administered by CTDOL since the program began in 2000 to help create self-sufficiency,

enhance careers and build assets. IDAs are matched savings accounts designed to help low-income individuals and families save money to purchase assets. Since IDAs inception, CTDOL has received \$907,500 in federal funding, \$2,425,250 in state-appropriated funds, \$600,000 in Connecticut Housing Trust Funds and \$1,147,500 in contributions from financial institutions and/or community action agencies.

CTDOL administered four federal *Assets for Independence Act* grants, two *Housing Trust Fund* Initiatives and three *Connecticut Individual Development Accounts (IDA)* Initiatives, to provide 979 Individual Development Accounts statewide resulting in 318 asset purchases to date.

Outreach Efforts/Public Education/New Publications

- The agency maintained its Web presence on *Facebook*, *LinkedIn* and *Twitter* social networking/media sites and has expanded its public outreach and education efforts to a diverse, technology-savvy population.
- The agency's *Speaker's Bureau* includes a diverse pool of agency experts available for public speaking engagements on topics and issues within the agency's jurisdiction. Topics include employment law, worker health and safety, labor market information, hot jobs, résumé writing, job interview tips and techniques, workforce development, and unemployment insurance. Requests are made via telephone, fax, or by using the agency website. This year, approximately 250 speaking requests were answered.
- The *Office of Program Policy* continued its successful Employer Education Breakfast Seminar Series. These seminars educate human resources professionals, business owners, associations, attorneys and other interested parties about Connecticut employment laws, such as the new Paid Sick Leave law, Unemployment Compensation, Drug Testing, Wage and Hour, Introduction to Employment Law. More than 600 participants attended seminars at the agency this past year. The staff also performs outreach and spoke before at least 40 groups on topics within the jurisdiction of the agency.
- *CONN-OSHA* staff continued its monthly Employer Roundtable Discussion series of free events featuring guest speakers, panel discussions and an overview of state and federal safety and health regulations for the workplace. The discussion series, held on the third Tuesday of every month, continue to grow, with participation averaging 41 attendees per event.

Labor Laws/Legislation

- The *Wage and Workplace Standards Division* enforces approximately 160 state statutes and administers a wide range of workplace laws, such as the minimum wage (currently \$8.25 per hour effective Jan. 1, 2010); overtime laws, wage payment laws, prevailing wage; employment of minors, Family and Medical Leave Act, and misclassification of workers as independent contractors to avoid worker's compensation requirements. Requests for wage recovery assistance has escalated due to a challenging economy has led

to more complaints and an increasing number of cases of non-payment, failure to pay minimum wage or overtime.

- The *Office of Program Policy* issued decisions on a variety of legal and policy questions within the agency's jurisdiction, including opinions in 397 individual unemployment compensation cases and 46 multi-claimant cases including four labor disputes. Attorneys handled hearings before the Employment Security Appeals Division and the Employment Security Board of Review, whose decisions are precedent in similar unemployment compensation cases. More than 32 appeals, written arguments or motions were submitted to the Board of Review and Appeals Referees. A total of 63 FMLA complaints were received and 38 cases were closed either by settlement, withdrawal or dismissal.

Improvements/Achievements 2011-12

Increased Efficiencies

- *Tax Rate Notices:* The Connecticut Department of Labor has historically mailed annual UI tax rate notices to employers no later than the first week in March of the tax rate year. In 2012, the Department modified its processes to expedite the mailing of the notices. In 2012, the annual UI tax rate notices were mailed on January 27, 2012. It is anticipated that the 2013 annual UI tax rate notices will be mailed by December 31, 2012. The timely mailing of annual UI tax rate notices will enable employers to better budget for their UI tax obligations and will also result in more accurate UI tax payments.
- *UI Adjudications Offices Restructuring:* With unemployment hearings conducted by phone steadily increasing and the need for in-person hearings decreasing, several adjudication offices have been consolidated to provide eligibility hearings in a timelier manner. An agency goal is to eventually house one-third of Adjudications staff in the Middletown office and thus offer greater flexibility, such as the ability to conduct person-to-person hearings, when necessary, at alternate locations.
- *Appeals (Board of Review) Offices:* New digital and video conferencing system technology has increased CTDOL's ability to conduct phone hearings by more than 30% and saves staff travel time, enhances agency's customer response time, and has allowed for staff consolidations that provide greater flexibility for staff, employers and claimants.
- *Digital Recordings* – The Digital Conferencing and Recording service has proven to be a major asset to the Unemployment Appeals Division. Hearing officers use the mechanism to record hearings in a digital format. The system is both efficient and cost-effective as it provides telephone conferencing, storage, archiving, retrieval of all hearing recordings and overall system maintenance. Recordings of hearings can be archived and paper records can be purged from storage in accordance with the existing retention schedule. Digital recordings of hearings are transferred to a permanent recording medium for archive in accordance with the existing retention schedule.

- *Voice-Over Internet Protocol*: CTDOL replaced an outdated telephone system with a fully-operational *Voice over Internet Protocol* (VOIP) telephone network. This upgrade significantly increased the agency's capacity to handle its unemployment insurance claim load when needed during peak times and higher unemployment periods. VOIP allowed CTDOL to establish *Virtual Call Centers* which increases the capacity of unemployment insurance claimants the agency can serve at one time and thus lower wait times. This also saves travel time as back-up staff no longer need to be physically stationed at a traditional Call Center, and provides better response time when call volumes begin to increase. The Virtual Call Center "went live" Jan. 5, 2012 and averages 1,600 calls per week.
- The CTDOL added a *Reemployment Services and Reemployment and Eligibility Assessment (RES/REA)* option to the claimant menu of the online Connecticut Tax and Benefits System. This allows claimants who were chosen to participate in the federally-mandated RES/REA program to log on to their account, completed program requirements, and be provided program information, all in a secure environment.
- A major overhaul of the CTDOL Internet site was accomplished in March 2012. The agency reviewed all 13,000 of its web pages and, as a result, pages are refreshed, navigation is more streamlined, making it easier for the public to access agency information and use the agency's online services.
- The agency website underwent a redesign as a means of promoting consistency and professionalism in an initiative that involved all state agencies, while allowing visitors to obtain agency information much more quickly and easily.
- *Online Quarterly Tax Registration*: The Tax Division provides expanded customer service to the state's approximately 98,000 businesses by offering an Internet registration system and a quarterly tax filing system that includes the ability to pay electronically any monies that are due. Working with providers of commercial desktop payroll software and the Department of Revenue Services, the division also provides employers with a "Gateway" system to file and pay state withholding and state UI taxes in one electronic transmission.

Currently, the division receives electronic quarterly tax return submissions from approximately 60,000 employers via our Internet system, the Gateway or other electronic means such as diskettes and File Transfer Protocol (FTP) and processes roughly 600 Internet employer registrations each month.

- CTDOL upgraded its outdated telephone system with a *Voice over Internet Protocol* (VOIP) network. This significantly increased the agency's capacity to handle the unemployment insurance claim load and allowed implementation of *Virtual Hold™ Concierge* software in the two *TeleBenefits* Call Centers. This new software allows unemployment claimants the option of receiving a "call back" when it is their turn in the waiting queue rather than remaining on hold for services. In June 2012, the agency implemented an additional feature of the Virtual Hold *Rendezvous* software

that allows claimants to choose a return call from the agency on a day other than the current day.

- During the first six months of implementation, *Virtual Hold* has been available for 311,677 calls and 203,454 customers (65%) offered the choice have chosen to have a return call. There has been a successful reconnect rate of 92.3%. Overall, the number of minutes saved by residents not having to wait on hold is 10,126,145, which translates to an average of 51 minutes per call and a total dollar savings at an average of .02 (\$/minute) equaling \$202,522.90.
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- *Treasury Offset Program (TOP):* Working in collaboration with the Internal Revenue Service and federal CTDOL, the agency initiated a pilot program of identifying individuals with a fraud overpayment that have not responded to agency requests for repayment. IRS then intercepts the federal income tax return or federal wages. The program, fully operational in 2012, recoups payments for deposit in the unemployment insurance Trust Fund. Connecticut is one of a handful of states to take part in the TOP program. Nearly \$277,000 was recovered in the first three weeks. Target is \$500,000 in 2012 and \$4 million in 2013.

- *Improved Surveillance Capability:* A new partnership allows a vendor to substantiate ongoing agency investigations with video/written narrative. The goal is to deter fraudulent UI payments, and the agreement, which went into effect June 2001, has resulted in fraud prevention amounting to more than \$688,000.
- *Stricter Penalties for Filing Fraudulent Claims:* A new agreement with the Chief State’s Attorney’s Office now in development will assist in recovering overpayments in cases involving large amounts. Dedicated staff will allow the agency to pursue criminal prosecution in fraud cases.
- *Fraud Detection Software* – New software will soon allow the agency to scan thousands of unemployment insurance records to detect odd or unusual patterns, and help target organized crime operations related to groups of people using the same address or social security numbers.
- *Expansion of UI garnishment program:* Since May 2011, a new electronic process (*E-filing Garnishments*) has recovered \$1.29 million and represents a 93% increase over the former efforts. Prior to implementation, agency was processing 30 or less garnishment requests a week using a manual process and “snail mail.” Working with the courts, the new system uses an electronic process and enacts approximately 450 wage garnishment requests each week.
- *Return-to-Work Crossmatch* – Effective Feb. 2012, increased staffing in the agency’s Benefit Payment Control Unit allowed DOL to fully utilize employer-submitted data reporting new hires. An average of 500 cases per week represents significant fraud prevention with the ability to crossmatch yielding an average weekly savings of \$150,000.
- *DirectBenefits (“No More Paper Checks”)* – The Department’s *Direct Benefits* paperless payment system is currently saving approximately \$235,000 a month. During the height of the past recession, when CTDOL was issuing 170,000 payments weekly, average costs associated with issuing checks were approximately \$400,000 per month, or \$4.8 million annually. With the current claim load of 90,000 payments per week, cost savings remain substantial at approximately \$2.8 million annually.

Special Initiatives

- *Subsidized Training and Employment Program (Step Up)* promotes job creation and worker opportunity for Connecticut small businesses and unemployed workers and offers employer incentives for hiring new workers. In its first six months of operation, the state-funded program, which is part of the Jobs Creation Bill, has resulted in more than 275 employers hiring 612 new employees. Positions include machinists, paralegals, engineers, office support and sales representatives.
- *The Connecticut Manufacturing Job Match* is a pilot initiative designed to link qualified jobseekers with manufacturing or construction experience to companies with current job openings in these specific areas. More than 300 jobseekers and 37 employers have

registered at several job match events, and one has been held to match qualified veterans with employers that were seeking specific skills. The initiative is a collaborative effort of Congressman John Larson and the Connecticut delegation, CT Department of Labor, Veterans Workforce Development, CT Office of Workforce Competitiveness, CT Department of Veterans Affairs, CT Board of Regents for Higher Education, CT Center for Advanced Technology, CCSU Institute of Technology & Business Development, and the CT Workforce Development Council.

- *Jobs Funnel Initiative* is comprised of public-private efforts to place unemployed and underemployed individuals in a variety of employment opportunities including construction and non-construction jobs in both union and non-union settings and apprenticeship training programs.
- *State Energy Sector Partnership* offers tuition assistance and training opportunities to eligible Connecticut jobseekers in careers in renewable energy, energy efficiency and other industries with a green focus to promote career pathways to green jobs in construction, the building trades, and energy-related fields.
- *Connecticut Conservation Corps Program* is designed to help prepare CT's "green-skilled workforce," on career pathways contributing to state economic growth, while helping to conserve, protect and improve the state's natural resources and environment. A total of 60 young men and women ages 18-25 with a variety of backgrounds, including military veterans, worked in the summer of 2012 in state parks in eastern and western Connecticut. The 6-8 week program offered opportunities to obtain certification in several areas, such as weatherization techniques, and counseling and workforce services for exploring and pursuing a future career.
- *Federal Pilot Project to Fight Fraud:* Connecticut and five other states took part in USDOL pilot to develop claimant and employer educational messages to deter and prevent unemployment insurance fraud. Posters, claimant mailings, employer newsletters, and claimant videos and tip sheets on the agency website are part of the campaign.
- *Misclassification:* Through its Wage and Workplace Standards Division, the agency increased public awareness and strengthened its efforts to identify and deter willful employee misclassification. Misclassification occurs when employers intentionally misclassify workers as independent contractors rather than employees of the company. In an attempt to circumvent the law and cut costs by failing to provide required employee protections (such as workers compensation) employers create an unfair advantage over companies abiding by state laws. During the year, more than 100 construction projects were visited and approximately 500 contractors' records reviewed. This activity resulted in 263 Stop Work Orders to be issued, which requires cited employers to show proof of appropriate coverage before worksites can be reopened and work resumed.
- The Unemployment Insurance (UI) Tax Division hired several new auditors that join an existing workforce charged with ensuring integrity of the UI tax program. In addition to a number of proactive steps taken by CTDOL to decrease unemployment benefit overpayments, including recovery of overpayments, fraud detection, and fraud prevention,

audit staff conduct investigations to ensure that all workers providing services in Connecticut are properly classified as employees or as bona fide independent contractors.

Information Reported as Required by State Statute

Wage and Workplace Standards Violations

- Labor Department investigators recovered a total of \$5,565,259.53 in legally due wages for employees during the past fiscal year. This included \$2,028,065.09 recovered by wage enforcement staff responding to 2,453 complaints that owed wages had not been paid. Wage and Workplace Standards staff also returned \$1,599,095.98 to 1,383 workers who were not paid for overtime work or who were paid less than minimum wage and recovered \$1,930,358.40 by enforcing the state's prevailing wage laws. An additional \$7,740.06 was recouped in back pay owed to 62 service workers hired by private contractors.
- Violations of prevailing wage laws were determined after investigators conducted 112 payroll audits and made 76 site inspections. A total of 672 employees received owed wages from 60 employers as a result of non-payment of prevailing wage rates.
- Additional violations were found in 351 additional cases concerning employment of minors in the workplace (hours of labor, night work of minors, prohibited employment of minors, working papers/certificates of age) and smoking in the workplace, meal/rest periods, personnel files, and drug testing issues.
- A total of 263 Stop Work orders were issued to employers who did not comply with Worker's Compensation requirements. Following on-site investigations, these companies were required to cease work on a construction project until certain workplace regulations were met. In some cases, it was determined that employers misrepresented employees as independent contractors – a practice that causes an economic disadvantage to other companies.

Unemployment Compensation

- Unemployment Insurance (UI) benefits paid to unemployed workers totaled \$1.85 billion. Of that amount, \$783.8 million was paid to claimants formerly employed by employers paying quarterly UI taxes under the regular UI benefits program and \$1.1 billion was provided to claimants formerly employed by non-taxable employers and/or under other programs. Total taxes paid by nearly 98,000 employers whose employees were covered by Unemployment Insurance totaled \$865.7 million.

Population and Employment Data

- Through its Office of Research, the agency completes special state, local, or sub-state regional studies and economic analyses to provide information support for economic transition, workforce development initiatives, education program analysis and development, and responses to major layoffs or disasters. Strategies for addressing issues

such as labor gaps, and for positioning the state's educational and workforce systems to be able to respond quickly to critical areas of workforce need, are a fundamental part of the Governor's vision for Connecticut's workforce and economic development efforts.

Occupational Analysis Products and Publications

- *Current Conditions and Outlook for the U.S. and Connecticut Economies: Annual* comprehensive review and analysis of the U.S. and Connecticut economies.
- *2011 Information for Workforce Investment Planning (annual)* contains a variety of data on Connecticut and each of the state's five Workforce Investment Areas including population and population density, labor force, employment and wages by industry sector, and new housing permits. In addition, detailed information on residents in need of workforce investment services such as high school dropouts, Medicaid recipients, adult probationers, Temporary Family Assistance recipients, and other residents with barriers to employment is included. Also incorporated is information on commuting patterns, long-term unemployment insurance claimants, a work area profile for each Workforce Investment Area as well as appendix tables and historical data on the aforementioned topics for comparisons and trends analysis.
- *Connecticut's Reemployment Portal* displays occupations with similar characteristics such as knowledge areas, tools and technology, and general work activities of selected occupations to connect jobseekers with helpful information as well as opportunities.
- *Training and Education Planning System (TEPS)* is a tool designed to aid the analysis and discussion of the demand and supply of talent in Connecticut's workforce. It is intended to help identify where there may be skill shortages or surpluses in the labor market, and thereby guide investments in education and training programs by program planners and administrators, as well as by individuals considering career options. The program is intended primarily for educational administrators and workforce development training providers who are considering whether or not to develop a new program, expand or contract an existing one, or drop an existing program, by showing where there may be a need for trained workers.
- *Economic Indicator Scorecards* are monthly updated economic indicators that present an overall picture of the current conditions in the Connecticut labor market, business climate, consumer sector and the current/future overall. These include charts, trends, year-to-year changes and data for 24 economic indicators.

CONN-OSHA

- *Report on inspections:* The Occupational Safety and Health Division conducted safety and/or health compliance inspections at 148 public worksites, affecting workplace conditions of 8,674 state and municipal employees. Violations were documented in 59 of those inspections, with citations for 66 "serious" violations, 84 "other than serious" violations, and four willful violations.

- *Report on consultations, training and clinics:* CONN-OSHA provided safety and health consultations to 334 private-sector businesses that collectively employ 16,289 workers, and to 111 public sector workplaces with a total of 13,939 employees. Additionally, safety training programs and outreach were provided to more than 5,694 employees.

Mediation and Arbitration

- During the year, 710 grievances were filed for arbitration and 1,042 formal grievance arbitration hearings were scheduled, which resulted in 724 cases being successfully closed and 109 awards issued. Expiration notices on 253 private sector contracts were received. In compliance with State Statutes, the Board of Mediation and Arbitration imposed binding arbitration on 407 municipal contracts and no state contracts. Mediators responded to a total of 667 requests for grievance mediation.