



RI Department of Labor and Training



**2012
Annual
Report**

ON THE COVER

Atrion Apprenticeship Program Manager Jamie Boughman offers some advice to apprentice Matt Keefe in a recent training session. Atrion's program represents the first approved IT apprenticeship training program in Rhode Island.

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Introduction

Governor Chafee has made education, infrastructure and workforce development the top priorities of his administration and his cabinet. To this end, every day the Department of Labor and Training implements strategies and oversees programs that improve workforce development efforts in Rhode Island. DLT connects people to job openings through its netWORKri one-stop centers and its EmployRI.org internet portal. Through the State Workforce Investment Office and the Governor's Workforce Board, the department helps provide new skills and training opportunities to thousands of Rhode Islanders individually or through their employers. And, DLT publishes exhaustive data and studies on labor market issues in Rhode Island which are used by state leaders to make informed workforce development policy.

DLT is *the* workforce agency for Rhode Island. Each year, it serves 70,000 Unemployment Insurance (UI) claimants, 41,000 Temporary Disability Insurance (TDI) claimants and 20,000 Workers' Compensation claimants. It operates the Donley Rehabilitation Center which serves 1,000 clients each year. It regulates and licenses the building trade professions, enforces prevailing wage laws, investigates wage and hour violations, handles inspections of elevators and boilers and oversees the state OSHA laws.

It is worth noting that while customer needs have not changed drastically during the current economic recovery, DLT staffing has. While in Fiscal Year 2011, the de-

partment's full-time equivalency count was 463 and its budget was \$864 million, in Fiscal Year 2013 its FTE count is 383 and its budget is \$642 million. This represents a drop in staffing of more than 17 percent in just two years, and a budget reduction of 25 percent—more than any other department in state government.

In 2012, DLT faced well-publicized challenges, including the closing of its Pawtucket netWORKri one-stop and staff shortages in its Income Support Division. Due to changes in available federal funding, the department was forced to lay off one third of its staff at its unemployment insurance call center, which has since struggled to reduce its backlog and maintain customer service with fewer employees to carry the load. However, before the end of the year, DLT aggressively sought and received grants to help finance the return of 22 of the original 51 employees previously laid off. (An additional 11 were brought back in early 2013).

What has been less well-publicized over the past year is some of the other federal grants and funding opportunities the department has pursued and earned. These include:

- Multiple U.S. Department of Labor (DOL) supplemental budget requests (SBRs) totaling \$5 million to improve performance, ensure system integrity and promote reemployment.
- A \$10-million federal grant to participate in a multi-state consortium to revamp the unemployment insurance employer tax and wage-record system.
- A \$2.7-million U.S. DOL grant to craft career pathways in three to four high-growth industries and to test the best methods to inform job seekers of the career options.
- A \$3-million grant to improve its delivery of job placement services to persons with disabilities.

continued



Rhode Island Department of Labor and Training headquarters in Cranston.



Governor Lincoln Chafee meets with a Newport business owner in the aftermath of Tropical Storm Sandy.

- A \$1-million U.S. DOL grant to allow DLT to collaborate with RI Department of Education on a database that improves the tracking and measurement of workforce development interventions from early education to higher education to career.
- A \$1.5 million Disaster National Emergency Grant to fund Governor Chafee's plan for the clean-up and recovery efforts associated with Tropical Storm Sandy, with priority given to unemployed veterans and those whose unemployment can be attributed to the storm.

In 2012, DLT launched new initiatives to reinforce existing rules and regulations. These included:

- Shutting down elevator units for non-compliance with inspection laws;
- Coordinating an investigative team of the Workforce Regulation and Safety Division, the Worker's Compensation Division and the Contractors' Registration Board to visit work sites throughout the state in order to detect infractions; and

- Conducting a month-long education effort to combat UI and TDI fraud that included a collaborative radio advertising campaign with the RI State Police.

The department has also improved its systems and programs. In unemployment insurance, DLT has implemented a call-back feature so claimants can opt for a return call rather than hold on the line and a proactive outreach manager feature to contact claimants with key messages and reminders. It has installed unemployment insurance and TDI information kiosks in all netWORKri centers, and has supplied 30 specially programmed unemployment insurance computers to libraries and community-based organizations throughout the state. The department has also renegotiated its electronic payment card contract with JPMorgan Chase in order to reduce significantly any unwanted usage fees associated with certain transactions.

Some of the most compelling work the department has done in the past year has been in the area of workforce development. Working with Atrion Networking Corpora-

tion, DLT approved Rhode Island's first non-traditional apprenticeship in the area of Information Technology. The DLT Business Workforce Center staff has made informational visits to more than 1,900 businesses over the past year, and has partnered with EDC to coordinate visits to employers large and small across the state. DLT assisted DEM and EDC in the preparation for the America's Cup trials in Newport; it worked with GWB and EDC to customize recruitment and training services for Electric Boat; and DLT collaborated with GWB, EDC and CCRI to attract Tunstall Americas to RI, creating 250 new employment opportunities.

These are the highlights of the department's efforts over the last year. For now and in the future, DLT is committed to continuous efforts to improve customer service, streamline operations and better focus the state's workforce training efforts to align with the needs of business and job creation.

Sincerely,



Charles J. Fogarty
Director
RI Department of Labor and Training

Income Support

The Division of Income Support insures RI workers against temporary loss of income due to unemployment or an inability to

work due to a non-work-related illness or injury. Support programs include Unemployment Insurance (UI), Temporary Disability Insur-

ance (TDI) and the Police Officers' and Firefighters' Relief Funds.

Unemployment Insurance

Unemployment Insurance provides temporary income support to workers who have lost their jobs through no fault of their own and who have sufficient wages in the base period to meet the monetary requirements. In order to receive benefits, individuals must certify each week through Tele-serve, the automated payment system, that they are able and available for full time-work and have been actively seeking work. An active work search consists of at least three verifiable work search activi-

ties for each week you are claiming benefits.

In 2012, approximately 32,000 Rhode Island employers paid state and federal unemployment insurance taxes.

Regular unemployment insurance offers job seekers up to 26 weeks of benefits, depending on the work and wage history; these benefits are financed by the state's Employment Security Trust Fund. Once regular benefits have been exhausted, eligible claimants may collect Federal Emergency Unem-

ployment Compensation (EUC). In February of 2012 the maximum EUC benefits were reduced from 53 weeks to 47 weeks. Under the current EUC program, Rhode Island continues to qualify for the maximum weeks of benefits, due to its high unemployment rate.

Based on Rhode Island's unemployment rate, a third unemployment insurance program, known as the State Extended Benefits Program and providing up to an additional 20 weeks of benefits, ended in July of 2012.

UI Claims Filed in 2012

	Total	Change from 2011
Claims that generated payment of benefits	41,009	- 6.6%
Claims that were issued a waiting period credit only	3,033	- 48.3%
Claims that were denied due to monetary ineligibility	5,059	- 8.4%

Call Center Activity 2012		
	Total	Change from 2011
Total Calls Received	2,738,505	+27%
TeleServe via Telephone	2,346,809	+56%
TeleServe via Internet	456,665	- 13%
Call Center	1,304,551	+135%
Payment History	53,291	+57%
Adjudication Status	66,449	+96%
Requests for 1099-G Tax Forms	3,273	+37%
General Information	72,318	+53%
Hold File Certification	77,688	+17%
Waiting Period Certification	24,185	- 9%

Call Center workers rehired

In July, changes to available federal funding forced DLT to layoff 51 people in its UI call center. However, DLT and the Governor's office worked in tandem with the Congressional Delegation and the U.S. Department of Labor to seek solutions to what resulted in a serious staffing shortage—a cut of 1/3 of all UI staff in Rhode Island. By the end of the summer, DLT had negotiated a repurposing of previously awarded technology funds in order to finance the return of seven employees. In early fall, 15 more full-time, front-line staff were hired back when Rhode Island received both a federal grant and an additional funding award. At the close of 2012, DLT was still working with its partners to find additional revenue sources for future rehiring efforts.

New call-back feature

The RI Department of Labor and Training launched a new call-back feature in its Unemployment Insurance and Temporary Disability Insurance call centers so that customers may not have to wait on hold to reach a department representative. When a customer contacts the call center, an automated message informs the caller of the approximate wait time, and then gives the customer the option of either waiting on the telephone line for a representative or receiving a call back from the department as soon as the wait time has passed. Funding for the call-back feature comes from a federal grant that also helped fund an upgrade of the department's telephone system.

UI Supplemental Budget Requests

Rhode Island was one of three states selected for a \$90 million consortium project to revamp the unemployment insurance employer tax and wage-record system. Of that \$90 million, each of the three awardees—Rhode Island, Maine and Mississippi—received \$10 million to finance technology upgrades in their home states over the next three to five years.

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Unemployment Insurance Activity 2012		
	Total	Change from 2011
Regular Benefits		
Initial Claims (New and Additional)	90,039	- 4.4%
First Payments	42,126	- 6.4%
Number of Payments	705,082	- 8.5%
Net Payments	\$255,794,692	- 8.5%
Average Weekly Benefit	\$363	0%
Average Duration (weeks)	16.7	- 2.2%
Trust Fund		
Total Income	\$707,155,168	- 1.5%
Total Disbursements	\$472,876,471	- 19.8%
Year-End Fund Balance	\$205,648,941	- 190.1 %

Extended Benefits Activity 2012		
	Total	Change from 2011
EB Initial Claims	3,383	- 42%
EB First Payments	3,214	- 37%
Number of Payments	51,254	- 51%
Net Payments	\$18,765,640	- 51%
Average Weekly Payment	\$366	0%

Emergency Unemployment Compensation (EUC) Activity 2012		
	Total	Change from 2011
EUC Initial Claims	27,600	- 19%
First Payment - Tier I	13,906	- 23%
First Payment - Tier II	9,840	- 29%
First Payment - Tier III	7,366	- 35%
First Payment - Tier IV	7,104	- 31%
Number of Payments	531,248	- 25%
Net Payments	\$196,747,962	- 24%
Average Weekly Payment	\$366	- 1%

UI relief during Tropical Storm Sandy

When Sandy hit the Rhode Island coastline, many businesses were temporarily or permanently crippled due to the storm's impact. Right away, Governor Chafee and DLT announced that those experiencing weather-related unemployment could be eligible to have their one-week waiting period waived; similarly, impacted businesses could have their unemployment insurance charges waived. The DLT Business Workforce Center held sign-up sessions in South County for those employers interested in storm-related waivers.

After the storm, Rhode Islanders in Washington and Newport Counties also became eligible for Disaster Unemployment Assistance—an unemployment insurance program that provides benefits to workers who might not ordinarily be covered, such as the self-employed. DLT provided in-person claims-filing assistance to the public through FEMA emergency centers around the state.

Workshare

For more than 20 years, the WorkShare program has continued to serve as a viable layoff alternative for RI employers experiencing a temporary, non-seasonal slowdown in business. All workers in a department or unit work a reduced work week and collect a percentage of unemployment insurance. This allows workers to keep their jobs, benefits and economic security, while it enables employers to retain skilled workers and avoid disruption in operations. The total UI benefits are limited to the amount an employee could have received under regular UI.

WorkShare Activity 2012

	Total	Change from 2011
Initial Claims	2,299	- 36.4%
Payments	42,424	- 28.8%
Layoffs Averted	625	- 35.1%
RI Companies Served	180	- 23.4%

In 2012, the RI WorkShare program was highlighted in several national press campaigns. In addition, the US Congress passed federal legislation in February 2012 to support states in the development of new Short Time Compensation

(STC) programs, to provide funding to states with existing programs to reimburse benefit costs paid under the program, to upgrade existing systems, and to market the program to new employers.

WorkShare gets national attention

In September, U.S. Secretary of Labor Hilda Solis, accompanied by members of the RI Congressional Delegation, made a visit to Central Falls company Safety Flag to discuss the success of Rhode Island's WorkShare program. Since the start of the Rhode Island recession in 2007, WorkShare has saved an estimated 15,500 RI jobs by reducing hours in lieu of layoffs.

In 2012, federal legislation spearheaded by RI Senator Jack Reed provided federal financing for WorkShare-type programs throughout the nation.



photo courtesy of the Office of Senator Jack Reed.

REA Program

The Reemployment and Eligibility Assessment program (REA) aims to reduce the time an individual receives unemployment insurance benefits by facilitating that individual's return to the workplace. Additionally, this program ensures that participants meet the eligibility requirements for benefits and serves to prevent and detect improper benefit payment.

REA participants are chosen through a profiling process that considers work history, occupation

and industry. Those whose scores indicate a probability of successful job matching and placement with only modest interventions are enrolled, and must attend a mandated REA orientation at the nearest netWORKri one-stop career center. Thirty days after the orientation, they are required to have a follow-up consultation with an REA counselor, during which time their work search records are reviewed and further service referrals may be made. Rhode Island received over

\$1M in Supplemental Budget funding in 2012 to expand the program to allow us to serve twice the usual number of REA participants in 2013 and 2014. Quarterly comparison reports of those served in the REA program show that the services provided to REA participants play a role in reducing UI durations and reducing the number of weeks to reemployment.

New rules for Emergency Unemployment Compensation

This spring, Congress mandated that all new entrants to the EUC program must attend a Reemployment Eligibility and Assessment program orientation, in which staff would explain available job-seeking services, review work search requirements and evaluate continued benefit eligibility. DLT was able to implement this mandate quickly, offering workshops in conjunction with its netWORKri centers and off site at CCRI campus sites.

These new orientations reinforced key messages of the unemployment and workforce system—first, that those receiving unemployment insurance benefits must have a weekly verifiable job search, and second, that job seekers can benefit greatly by connecting with netWORKri services. In 2012, these orientations drew 8,500 attendees; many more of them availed themselves of additional netWORKri services, causing a boost in enrollment in regular job search, résumé-writing and interviewing skills workshops.



Improved fee schedule for EPC cards

Electronic Payment Cards represent one of two ways unemployment insurance and TDI claimants can receive weekly benefits. However, claimants who failed to read the fine print did not always understand when they were incurring unnecessary usage fees, such as when they made multiple cash withdrawals during the weekly deposit period or when they used the card for debit transactions that required a PIN number. In 2012, the State of Rhode Island renegotiated its EPC contract to reduce or eliminate many of these usage fees and surcharges, and to allow unlimited withdrawals during a deposit period.

Through a federal grant, DLT was able to produce an online video to explain these positive changes. The video was promoted through print advertising and a direct mail campaign.



Federal Claims

Federal law requires that states provide Unemployment Insurance (UI) coverage to Unemployed Civilian Federal Employees (UCFE) and former federal military personnel (UCX). These individuals must meet the same entitlement and eligibility provisions as individuals filing claims based on state-covered employment/wages.

Federal Claims Activity 2012		
	Total	Change from 2011
Federal Employee UI Benefits (UCFE)		
Initial Claims	316	23.4%
Net Payments	\$1,424,408	11.0%
Federal Military Personnel UI Benefits (UCC)		
Initial Claims	551	27.5%
Net Payments	\$4,766,731	14.1%

Integrity Programs

The Division of Income Support has a variety of initiatives to ensure integrity. These include:

Central Adjudication: The Central Adjudication Unit (CAU) is responsible for determining all disputed Unemployment Insurance claims under the Employment Security Program, the Federal Emergency Compensation Program (EUC) and the Trade Adjustment Assistance Program. CAU interviews are conducted over the telephone. According to federal guidelines, CAU decisions are subject to

quarterly external review for accuracy, timeliness and adherence to RI General Laws.

Benefit Accuracy Measurement: The Benefit Accuracy Measurement (BAM) Program is a diagnostic tool used to audit the accuracy of UI claims. In 2012, the department continued to cross-match the UI benefit payments against quarterly wage records and the National Directory of New Hires to improve accuracy and to prevent and overpayment that may occur in the future.

UI/TDI Fraud Unit: To preserve the integrity of the UI and Temporary Disability Insurance programs, the UI/TDI Fraud Unit investigates suspicious activity.

Overpayment Recovery: The RI Department of Labor and Training recovers overpayments resulting from fraud by intercepting RI income tax refunds and lottery winnings.

Fraud Unit Activity 2012

	Total	Change from 2011
Cases Investigated	281	- 21.5%
Overpayments Detected	\$1,273,622	- 23.0%

Unemployment Insurance fraud workshop

During 2012, the RI Department of Labor & Training continued a series of free workshops to assist employers in reducing Unemployment Insurance (UI) costs and in better understanding the UI process. This program titled, "Preventing Unemployment Insurance Fraud," was part of a series of workshops designed to educate about fraud and abuse. Held at a local cinema to accommodate high employer demand, the workshops examined the problems of working while collecting, reviewed recent efforts to improve fraud prevention and detection, and highlighted the importance of employer assistance in combating fraud. These sessions continued in 2012 and will extend into 2013 in order to continue to educate the employer community.

The workshop series is one of several steps the department took throughout the year to prevent UI Fraud. In 2012, the department sought and received \$840,000 in federal grants to improve fraud prevention through outreach; other activities funded by the grant include programs for additional identity verification and to continue the work of the internal cross-divisional work group. The prevention and detection of improper payments continues to be a priority for the department.

CAU Activity 2012		
	Total	Change from 2011
Total Decisions	25,433	- 6.2%
Separation Issues	16,567	- 0.6%
Non-Separation Issues	8,866	- 15.3%
47% of separation issues resulted in the denial of benefits 77.5% of non-separation issues resulted in the denial of benefits.		

Benefit Accuracy Measurement Activity 2012		
	Total	Change from 2011
Benefits Paid	\$253,452,124	- 9.0%
Scientific Sample Size	477	- 0.6%
Dollars Paid Properly	91.7%	+ 5.1%
Dollars Overpaid In sample base of 477 cases, there was a decrease of cases which resulted in overpayments. In 2011, there were 72 cases in our data base while in 2012 there were 58.	3.3%	- 5.1%
Dollars Underpaid By Federal Department of Labor policy, underpayments are exclusive from dollars paid.	0.3%	0%
Overpayment Causes		
Earnings	53.0%	+ 1.2%
Eligibility Issues	19.6%	- 10.5%
Base Period Wages	14.8%	+ 12.7%
Work Search	6.4%	- 0.9%
Separation Issues	3.6%	- 6.5%
Other Causes	2.7%	+ 2.3%
Responsibility for Overpayment		
Claimant Only Claimant was at fault for not reporting correctly the amount of wages earned in a week in which benefits were claimed and received unemployment benefits. In 2011, there were 56 cases. In 2012, this number decreased to 36.	68.9%	+ 2.5%
Claimant, Employer and DLT Overpayments resulting from action by the claimant, the employer and this department increased from two in 2011 to eight in 2012. This category is a result of claim information given by the claimant was in error. The department was aware of potential disqualifying issues on the claim by having the Notice of Claim form from the employer and was not acted upon in a timely fashion. The employer did not return the Notice of Claim form in a timely fashion or the information on the form was erroneous or the form was not returned at all, which resulted in a disqualification of the claim and an overpayment of benefits.	14.6%	- 10.1%
Claimant and Employer	7.8%	+ 2.2%
Employer Only	5.7%	+ 3.6%
Claimant and DLT The number of overpayment cases which involved responsibility by the claimant and action by DLT increased from six in 2011 to eight in 2012. The claimant had stated there was no issue in separation from the employer and the employer form was returned to the department stating otherwise and the information reported was not acted upon in a timely manner which resulted in the overpayment.	5.3%	- 7.2%
Other Only	1.2%	+ 1.2%

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UI and TDI Overpayment Recovery 2012

	Total	Change from 2011
UI Recovery from Income Tax	\$1,696,350	+ 64.1%
UI Recovery from Lottery Winnings	\$10,322	- 59.5%
TDI Recovery from Income Tax	\$107,416	+ 23.3%

Combating Unemployment Insurance Fraud



In an effort to educate more Rhode Islanders about the laws relating to unemployment insurance, Director Charles J. Fogarty (left) teamed up with RI State Police Colonel Steven O'Donnell for a radio advertising campaign. The campaign, which included the line "Don't be one of the Rhode Islanders we arrest every year for unemployment insurance fraud," directed listeners to the department's web site, which explained that if you are working and not reporting your wages while you are collecting benefits, you are committing a crime. It also explained that certifying that you are able, available and actively seeking work each week when you are not meeting one or more of these conditions is considered fraud.

Temporary Disability Insurance

The Temporary Disability Insurance (TDI) program is a state-administered insurance program designed to provide a measure of financial protection to those unable to work due to illness or injury. Unlike workers' compensation insurance which protects against income loss caused by job-related disabilities, TDI covers disabilities that are not work connected, or otherwise not covered by workers' compensation. Together, the two programs ensure that virtually all Rhode Island wage and salary workers will receive a weekly income while they are medically unable to work. The TDI program is financed entirely by workers who are protected by the program. No General Revenue funding support is provided, nor are employers asked to pay any portion of program costs.

In order to be covered by TDI, the law states that a person must work for a subject Rhode Island employer. All private employers are automatically subject by law, while state and local governmental entities

have the option to elect TDI coverage. To be eligible for benefits, an individual must meet minimum earnings requirements and be certified by a Qualified Healthcare Provider (QHP) as being unable to work for at least 7 consecutive days. To receive benefit payments, an individual must submit a claim application to the TDI division. Customers are afforded three options for filing a TDI application: online filing, downloading and mailing an application, or requesting an application by telephone.

When TDI receives the application, (either paper or electronic) staff processes the medical certification and wage & employment documentation, as required to approve or deny the claim. If approved, benefits are paid on a weekly basis. Individuals have the right to appeal disallowed claims to the Board of Review. All active claims are subject to continuous review and if deemed appropriate, individuals are required to undergo an impartial medical examination to maintain their eligibility.

In September 2012, TDI implemented a Proactive Outreach Manager (POM) campaign that automatically informs customers when their first benefit payment is processed. This campaign delivers a specific telephone message to customers directly. This project enables the customer to know immediately when the payment is first processed which allows the customer to plan his/her finances timely.

In September 2012, TDI developed and mailed a Qualified Healthcare Provider (QHP) Newsletter to over 2,000 QHPs. This newsletter provided the medical community with updated TDI program news, updates and information proven to be very helpful to QHPs and their office staff.

Temporary Disability Insurance Activity 2012		
	Total	Change from 2011
Regular Benefits		
Total Claims	40,474	-0.9%
Total Eligible Claims	35,599	-0.7%
Total Ineligible Claims	4,524	+3.4%
Number of Payments	359,483	+1.4%
Net Payments	\$158,062,342	+2.2%
Average Weekly Benefit	\$439.69	+0.9%
Average Duration (in weeks)	11.8	+5.4%
Trust Fund		
Total Workers Paying TDI Taxes	396,000	+7.6%
Total Income	\$163,176,802	-3.0%
Total Disbursements	\$165,810,205	+2.6%
Year-End Fund Balance	\$109,319,104	-2.4%

Police Officers' Relief Fund and Firefighters' Relief Fund

If an active or retired police officer, state police officer or correctional officer is killed or dies of a heart-related condition such as hypertension, the Police Officers' Relief Fund offers an annuity of \$3,600 per year to the surviving spouse for life or until remarriage. In addition, \$1,200 per year is provided for each dependent until the age of 18.

If a police officer, correctional officer or member of the state police is killed, dies from a heart condition or becomes totally and permanently disabled, the Police Officers' Relief Fund offers tuition payment for his or her dependents at any RI college or university for four consecutive years to earn a baccalaureate or lesser degree.

If a police officer becomes totally and permanently disabled, the Police Officers' Relief Fund provides that officer with tuition payments at any RI college or university for four consecutive years. If the officer is killed in the line of duty, the surviving spouse is allowed four consecutive years of tuition payments. Students are required to submit an official transcript of grades and refund tuition for failed classes.

If an active or retired volunteer or auxiliary firefighter dies from a heart condition, hypertension, cancer, respiratory ailment, or if he or she is killed in the line of duty, the Firefighters' Relief Fund offers an annuity of \$3,600 per year to the surviving spouse for life or un-

til remarriage and \$1,200 per year for each dependent until the age of 18.

If an active or retired firefighter, crash rescue person, or an auxiliary or volunteer firefighter is killed; dies from hypertension, heart condition, cancer or a respiratory ailment; or becomes disabled, the Firefighters' Relief Fund offers tuition payments to dependents or to the disabled firefighter for four consecutive years in order to earn a baccalaureate or lesser degree. Students are required to submit an official transcript of grades and to refund tuition for any failed classes.

Police Officers' Relief Fund and Firefighters' Relief Fund Activity 2012

	Total	Change from 2011
Police Officers' Annuity Benefits		
Recipients	251	+ 0.4%
Expenditures	\$911,750	- 0.3%
Average per Person	\$3,632	- 0.7%
Police Officers' Tuition Benefits		
Dependents	35	+ 20.7%
Police Officers	1	0%
Expenditures	\$233,958	+ 14.8%
Firefighters' Annuity Benefits		
Recipients	611	+ 0.9%
Expenditures	\$2,413,956	+ 1.9%
Average per Person	\$3,652	+ 1.0%
Firefighters' Tuition Benefits		
Dependents	70	+ 22.8%
Firefighters	2	0%
Expenditures	\$416,169	+ 6.6%

Workforce Development

The Workforce Development Services Division dedicates itself to the advancement of all who comprise the workforce: those who perform the work and those who hire them. The division oversees activities that guide job seekers to suitable employment and introduce employers to qualified workers. In 2012, these activities included:

- Employment Services, including State Workforce Investment activities;
- netWORKri One-Stop Career Centers;

- Trade Adjustment Assistance Programs;
- RI Works;
- Veterans Services;
- Foreign Labor Certification and Migrant Seasonal Farm Workers Program;
- Senior Community Service Employment Program;
- RI Works program for TANF recipients;
- Business Services;
- Rapid Response Services for Dislocated Workers;

- Federal Work Opportunity Tax Credit (WOTC) Program; and
- Youth Workforce Services.

In addition, a web-based Virtual One-Stop called EmployRI.org provides individuals, employers and Labor Market Information professionals with the tools they need to accomplish their job search goals.

More information on Workforce Development may be found by visiting www.dlt.ri.gov/wfds or by calling (401) 462-8800.

Labor Exchange Activity 2012		
	Total	Change from 2011
Job Seekers		
Customers Served	42,051*	- 1%
UI Eligible Claimants	21,836*	11%
Staff-Assisted Services	40,756*	7%
Job Search Activities	29,506*	8%
* Data for Program Year, due to unavailability of the Federal 9002 report for QTR 1, 2012 (7/1/12 to 9/30/12)		
Employers		
Employers Served	3,757	55%
Job Orders	5,943	64%
Job Fairs and Recruitments	103	124%
Work Opportunity Tax Credit Certifications	959**	N/A
**In 2012, this program was in hiatus in all categories except for Veterans. WOTC certified 959 Veterans' applications.		

netWORKri One-Stop Career Center System

The RI Department of Labor and Training operates the netWORKri One-Stop Career Center System for Rhode Island. This free public employment service includes:

- staff-assisted or self-directed employment searches;
- employment counseling and testing;

- access to information and referrals to training programs funded through federal workforce dollars including the Workforce Investment Act and Trade Adjustment Assistance;
- local and national job listings;
- a resource area, including library, telephones, copiers, fax

machines and computer workstations;

- assistive technology for people with disabilities; and
- workshops, including résumé preparation, interviewing skills, job search techniques, computer basics, networking and

continued

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netWORKri, continued

online short-term course offerings.

In 2012, full-time netWORKri centers continued to operate in Providence, West Warwick and Woonsocket, while a part-time center operated in Wakefield.

Partner agencies in the netWORKri system include:

- RI Department of Education
- RI Department of Human Services;
- Goodwill Industries of Rhode Island;
- Office of Rehabilitation Services;
- Workforce Partnership of Greater Rhode Island; and
- Workforce Solutions of Providence/Cranston.

Over 70 organizations, including community-based and rehabilitation programs, meet regularly at their local netWORKri Center, collectively forming the Employer Service Network, a group dedicated to local job development.

Libraries host netWORKri workshops

In 2012, DLT increased its efforts to provide in-person job search services to communities that did not have nearby access to a netWORKri center. Staffers from netWORKri traveled to Newport Public Library and Bristol Public Library to run a series of employment workshops for area job seekers in Newport County and the East Bay.

Also, DLT began a robust calendar of workshops at the Pawtucket Public Library this spring, to coincide with the closing of the Pawtucket netWORKri One-Stop Career Center only a few blocks away. While Pawtucket netWORKri customers were given the option of following their employment counselors to their new locations in Providence, West Warwick and Woonsocket, the department felt strongly that the Pawtucket community at large would benefit from continued workshops in the city.

Job Search Technology

EmployRI.org is an internet-based system that contains information about job seekers, employers, job orders and training providers. It has greatly improved netWORKri's ability to assist with job matching for self-service job seekers and employers, and is also a helpful tool for staff-assisted matching. EmployRI spiders multiple online job boards to create a virtual one-stop job search resource. It allows job seekers to target their search by preferred employer, location, source, date and/or required skills, and offers additional features such as automated résumé and cover

letter writing. EmployRI is also an important labor market information tool.

Skills Tutor is a computer-based remedial education and work readiness software that enables customers to increase their level of educational and skill competency in order to prepare for training or work.

Prove It! is a collection of internet-based occupational assessment tests that help netWORKri One-Stop Career Center staff to gauge a job seeker's proficiency in a particular subject matter; it also offers employers a powerful screening

and referral tool. Tests are available in multiple languages and can be accessed remotely through any computer that has internet access.

ALISON is the world's leading free online learning resource for basic and essential workplace skills. ALISON provides high-quality, engaging, interactive multimedia courseware for certification and standards-based learning.

The mission of ALISON is to enable anyone, anywhere, to educate themselves for free via interactive, self-paced multimedia.

EmployRI Activity 2012

	Total	Change from 2011
Total Job Seekers Registered	41,590	- 28%
New Job Seekers Registered	23,652	- 20%
Employers Registered	862	- 30%

Online services in libraries

Recognizing that public access to DLT services is critical, the department collaborated with the Office of Library and Information Services and the Rhode Island Library Association to provide up to 30 specially formatted computers that connect to the state's online Unemployment Insurance claims-filing system and the state's EmployRI.org virtual career center. These computers, funded

with \$30,000 in U.S. Department of Labor grant money, are intended to provide free and convenient access to job seekers who lack home-based computers.

Participating libraries are located in Central Falls, Cranston, East Providence, Greenville, Harmony, Harrisville, Newport, Pawtucket, Providence, South Kingstown, Warwick, West Warwick, Westerly and Woonsocket.



State Workforce Investment Office

In 2012, the State Workforce Investment Office worked with its two local workforce investment boards, Workforce Solutions of Providence/Cranston and the Workforce Partnership of Greater Rhode Island, to help laid-off workers find appropriate employment or job training, to help long-term unemployed Rhode Islanders re-enter the workforce, and to help youth prepare for and connect to the workforce. These activities included, but were not limited to, the support of netWORKri operations, the management of an eligible training provider list for approved short-term training, and the distribution of funds to local workforce

investment boards in order to fund on-the-job training opportunities for RI businesses.

The State Workforce Investment Office is also responsible for assuring accountability through policy issuance, oversight and monitoring. Monitoring of sub-recipients who are awarded federal funds

takes place at least once annually to provide reasonable assurances that the sub-recipients administer federal awards in compliance with laws, regulations and the provisions of contract or grant agreements; and further, that performance goals are achieved.

WIA Adult and Dislocated Worker Services 2012

	Total	Change from 2011
WIA Services Recipients (including Training)*	2,087	- 41%
WIA Services Entered Employment Rate	76.9%	16%
WIA Training Program Participants*	1,389	1%
WIA Training Entered Employment Rate	82.5%	11%

Career On-Ramps pilot

DLT sought and was awarded a competitive \$2.7-million Workforce Innovation Fund grant from the U.S. Department of Labor. With a dual focus on systems change and service delivery, the grant will allow DLT to craft On-Ramps, also known as career pathways, in three to four high-growth industries, and then test the best methods for informing job seekers of these options within the netWORKri one-stop career centers. Among the On-Ramp outcomes are work readiness training, work experience and upward mobility in a particular career pathway. The grant represents an important step in implementing statewide recommended workforce development policy within the netWORKri one-stop career system.

Longitudinal data grants

Through the efforts of the State Workforce Investment Office, DLT also received a \$1-million U.S. Department of Labor grant to collaborate with the RI Department of Education on a shared database that improves the tracking and measurement of workforce development interventions from early education to higher education to career.

Trade Adjustment Assistance

Trade Adjustment Assistance provides monetary benefits and educational/training assistance to workers who have lost their jobs or whose hours of work and wages have been reduced due to increased imports or a shift in production out of the United States. The most recent iterations of trade adjustment assistance policy include the Trade Adjustment Assistance Act of 2002 (TAA), the Trade and Globalization Adjustment Assistance Act of 2009, and the current 2011 Trade Adjustment Assistance Extension Act.

The Trade and Globalization Adjustment Assistance Act of 2009 expanded services of the Trade Adjustment Assistance Act of 2002. The services included job search assistance; educational, interest and aptitude assessment; waivers to training for individuals who pursue employment utilizing their current skills; educational and occupational training; and on-the-job training. It also created the Reemployment Trade Adjustment As-

sistance program (RTAA), formerly the Alternative Trade Adjustment Assistance program (ATAA), by providing incentives to individuals 50 years of age or older who were seeking alternatives to standard training programs. The eligibility guidelines and maximum allowable benefits were increased to assist a greater number of individuals and also make training assistance available. Additional services included Job Search and Relocation Allowances as well as a Health Coverage Tax Credit program that provided 80-percent reimbursement of monthly health care premiums.

On December 31, 2010, the Trade and Globalization Adjustment Assistance Act of 2009 ended and the Trade Program reverted to the Trade Adjustment Assistance Act of 2002 (TAA). This return to the earlier version of TAA reduced the Health Coverage Tax Credit reimbursement to 65 percent. It also caused the RTAA program to revert to ATAA, changing eligibility guidelines, reinstating stricter deadlines,

and reducing the incentive program benefits for workers over the age of 50.

On October 21, 2011, President Obama signed into law the Trade Adjustment Assistance Extension Act of 2011 which took effect December 21, 2011. The extension act restored many of the regulations of the Trade and Globalization Adjustment Assistance Act, with certain exceptions. It created 60-day benchmarks during training; established the Completion TRA cash benefit to increase completion of recognized credentials; reestablished RTAA; and reduced the waiver criteria, among other changes. Also the Trade Adjustment Assistance Extension Act of 2011 set the percentage of Health Coverage Tax Credit to 72.5 percent, to be applied retroactively to all TAA participants regardless of their petition number.

Trade and Globalization Adjustment Assistance Activity 2012

	Total	Change from 2011
Program Participants	526	- 33%
Participants Trained	333	- 39%
Training Allocation	\$1,622,542	- 72%
Total ATAA/RTAA Participants	22	16%

Veterans' Services Unit

The Veterans' Service Unit consists of Local Veterans' Service representatives and Disabled Veterans Outreach Program specialists who are prepared to assist veterans and eligible spouses in finding new careers and resources. The representatives and specialists are located at the Providence, Woonsocket, West Warwick and Wakefield netWORKri Centers.

The primary duty of the local veteran service representatives is to conduct outreach to employers while assisting job-seeking veterans in obtaining employment. Responsibilities include:

- Conducting outreach to employers in order to assist veterans in obtaining employment;
- Providing seminars for employers and creating job search groups for employment-seeking veterans; and
- Providing and facilitating employment and training activities.

The primary duty of the disabled veterans outreach program specialist is to provide intensive services to veterans. The specialist is skilled at quickly identifying veterans' barriers to employment, thereby ensuring that appropriate ser-

vices are provided in obtaining and retaining suitable employment.

Responsibilities include:

- Providing intensive services to meet the employment needs of disabled and other eligible veterans; and
- Providing a full range of employment services to veterans with an emphasis on assisting veterans with economic and educational disadvantages.

Disability Employment Initiative grant

Rhode Island was one of seven states to receive U.S. Department of Labor funding for the latest round of the Disability Employment Initiative. The \$3-million grant for disability employment services in the one-stop system will help the department deliver job placement services to special populations with unique employment barriers. It also incentivizes collaboration across multiple state agencies serving youth and adults with disabilities. As a result, the netWORKri system will become an active Employment Network site that accepts "Ticket to Work" participants. "Ticket to Work" is a Social Security Administration program that helps job seekers with disabilities obtain free vocational rehabilitation, training, job referrals and other employment services.

RI Works

RI Works is a partnership between the RI Department of Labor and Training and the RI Department of Human Services to provide intensive employment services to beneficiaries who receive cash assistance under the Temporary Aid to Needy Families (TANF) program. Those receiving cash benefits as well as Supplemental Nutrition Assistance Program (SNAP) benefi-

ciaries and non-custodial parents must participate in approved job

search activities to continue receiving such benefits.

RI Works Activity 2012

	Total	Change from 2011*
Total Referred (by Dept. of Human Services)	2,554	- 23%
Total Enrolled in Program	387	- 28%
Participated in at least 5 of 20 program days	860	- 19%

*Reductions in service levels correspond with closing the Pawtucket netWORKri office.

Senior Community Service Employment

The Senior Community Service Employment Program (SCSEP) is a service- and work-based program for low-income persons aged 55 and older. The RI Department of Labor and Training has outsourced the SCSEP program to SER Jobs for Progress, which provides day-to-day administration, such as recruitment and outreach, eligibility screening, enrollment assessment, Individual Employment Plans, follow-up, work site placement, monitoring and enrollee recertifi-

cation. Through SCSEP, enrollees are placed at work sites for up to 30 hours per week and are compensated with minimum wage. Work sites, which include faith-based organizations, senior centers, community action programs and community-based organizations, prepare participants for future unsubsidized unemployment. Participants usually stay in the program for two to three years before exiting into the workforce.

Eligible SCSEP applicants must reside in Rhode Island, be unemployed at the time of application and be a member of a family with an income not more than 125 percent of federal poverty guidelines. Priority is given to applicants over the age of 60, veterans and spouses of veterans. Preference is given to limited English-speaking, minority applicants.

Youth Initiatives

The Youth Services Division oversees the alignment of the RI Youth Workforce Development System with the following goal, as defined in the Governor's Workforce Board Five-Year Strategic Plan: "Youth will take advantage of skill development opportunities that enable them to meet changing demand—for their own and for the state's future."

Therefore, the division's focus is to increase workforce development and educational outcomes for the emerging workforce, build the capacity and skill sets of youth service providers, engage business

in supporting youth employment and improve access for all youth in need of workforce development services.

In 2012, more than 3,000 youth ages 14 to 24 received workforce development services through 15 youth centers and 65 youth service providers. Of those served, 50 percent were considered at-risk clients, as they included youth who had disabilities; were pregnant or parenting; were involved with the juvenile justice system; were in or aging out of foster care and/or are homeless or runaway youth;

were deficient in basic skills; or had dropped out of school.

Services were provided in the following areas:

- Summer employment opportunities;
- Occupational skills training;
- Job coaching;
- Academics;
- Work experience;
- Leadership development;
- Adult mentoring;
- Job development;
- Work preparation; and
- Follow-up services.

Business Workforce Center

The Business Workforce Center offers the following employer services:

- Developing job orders;
- Coordinating recruitments and job fairs;
- Pre-screening applicants; and
- Facilitating contacts that help employers become or stay competitive (tax credits, on-the-job training and incumbent worker grants, WorkShare).

Representatives from the Business Workforce Center are the de-

partment's liaisons to the business community and simplify the process of doing business in Rhode Island. Because the Business Workforce Center often serves as the primary employer outreach for the

department, it also oversees such employer-centered initiatives as Rapid Response and tax credit programs.

Business Workforce Unit Activity 2012		
	Total	Change from 2011
Employers Served	3,757	+55.4%
Job Orders	5,943	+64.3%
Job Fairs and Recruitments	103	+123.9%

Collaborative business outreach

Over the past year, DLT has worked closely with other state agencies and economic development partners to provide coordinated services to existing and prospective RI businesses.

DLT, in coordination with the Governor's Workforce Board and the RI Economic Development Corporation (EDC), offered customized recruitment, assessment and training services in order to assist the North Kingstown-based Electric Boat in identifying and skilling up welders and ship fitters. Over the next three years, Electric Boat anticipates hiring several hundred workers in the RI area.

Working with GWB, EDC and the Community College of Rhode Island, DLT offered a package of services to encourage Tunstall Americas to relocate its emergency call center to Pawtucket.

The successful effort will bring approximately 250 new jobs to Rhode Island.

In an effort to attract the America's Cup preliminary races to Newport, EDC, DLT and the Department of Environmental Management crafted a successful response to the committee's infrastructure, permitting and tourism needs. The resulting success boosted the local tourism economy and set the stage for future maritime events.

While the DLT Business Workforce Center continues to provide outreach to businesses in targeted geographic areas in order to grow private-sector awareness of available workforce development and recruitment services, its team is now frequently accompanied by representatives from the EDC, so that businesses can learn about available economic development assistance during the same visit.



Seth Muraskin of Tunstall Americas runs a recruiting sessions in the Providence netWORKri center.

Rapid Response

The Rapid Response Program, administered by the Business Service Unit, proactively responds to layoffs and plant closings by quickly coordinating services and providing immediate aid to companies and their affected workers. The Rapid Response Unit works

with employers and employee representatives to maximize public and private resources quickly and to minimize disruptions associated with job loss. Rapid Response staff members conduct on-site services to disseminate information on accessing unemployment insurance

benefits, One-Stop Career Center re-employment services and training opportunities. Other on-site services include job fairs and customized re-employment workshops, such as résumé development and interviewing strategies.

Rapid Response Activity 2012

	Total	Change from 2011
RI Companies	24	-17.2%
Impacted Workers	676	-54.3%
Trade Certified Companies	4	-33.3%

Work Opportunity Tax Credit

Effective November 22, 2011, President Obama signed into law the Veterans Opportunity to Work (VOW) to Hire Heroes Act of 2011. The VOW to Hire Heroes Act of 2011 made changes to the Work Opportunity Tax Credit (WOTC). The act added two new categories to the existing qualified veteran targeted groups and made the WOTC available to certain tax-exempt employers as a credit against the employer’s share of social security tax. The credit can be as high as \$9,600 per qualified veteran for for-profit employers or up to

\$6,240 for qualified tax-exempt organizations, but the amount of the credit also depends on a number of factors, including the length of the veteran’s unemployment before hire, the number of hours worked, and the veteran’s first-year wages. The amount of the credit for qualified tax-exempt organizations may not exceed the organization’s employer social security tax for the period for which the credit is claimed. The act allows employers to claim the WOTC for veterans certified as qualified veterans and who begin work before January 1, 2014. The

VOW Act provided legislative authority for tax credits for veteran target groups until December 31, 2012, but did not extend any of the other (non-veteran) WOTC target groups including long-term Temporary Assistance for Needy Families (TANF) recipients, short-term TANF recipients, SNAP (food stamp) recipients, designated community residents, vocational rehabilitation referrals, ex-felons, Supplemental Security Income (SSI) recipients, and summer youth employees.

Foreign Labor Certification and Migrant Seasonal Farm Workers

The foreign labor certification process allows employers to bring foreign workers who are temporarily authorized by the U.S. Citizenship and Immigration Service to live and work in the United States on a temporary basis. However, before hiring a foreign work-

er, a business must demonstrate its inability to fill the position with a qualified citizen at prevailing wages.

The RI Department of Labor and Training provides guidance to the employer in complying with U.S. Department of Labor regulations

and requirements; offers training on placing job orders through the EmployRI Internet system; reviews job orders for compliance with content requirements; and monitors the referral of U.S. workers.

Labor Market Information

The Labor Market Information (LMI) Unit is responsible for collecting, analyzing and disseminating a wide variety of information on the condition of the RI labor market. The unit's goal is to make the latest information available to our customers — job seekers, employers, students, counselors, policy makers, economists and government officials — so that they can make informed decisions about the economic future. The primary sources from which labor market information is gathered are household surveys, employer surveys and administrative databases. LMI operates a number of programs in cooperation with the U.S. Department of Labor's Bureau of Labor Statistics and Employment and Training Administration through which data is collected.

- **Current Employment Statistics:** This monthly survey queries more than 1,600 RI businesses regarding workforce size, wages paid and hours worked.
- **Quarterly Census of Employment and Wages:** This collabo-

ration with the Bureau of Labor Statistics mines quarterly tax data to produce employment and wage data by industry, location and business size.

- **Local Area Unemployment Statistics:** This monthly program provides labor force, resident employment and unemployment estimates and unemployment rates for the state and sub-state areas, based on a household survey known as the Current Population Survey.
- **Occupational Employment Statistics:** This program provides industrial staffing patterns, occupational employment estimates and occupational wage rates, based on an annual survey of 2,000 employers.
- **Mass Layoff Statistics:** This statistical program uses Unemployment Insurance data to identify employers that are experiencing major layoffs.
- **Industry and Occupational Projections:** Using a model that combines past trends with other forecasting data, these

biennial projections provide a 10-year window into Rhode Island's economic future.

The Labor Market Information Unit distributes a monthly Employment Bulletin newsletter in both print and electronic form to approximately 1,100 stakeholders and releases an electronic data update, entitled LMI Stat-Track, to a list-serve of 1,200 customers. LMI provides industry and occupational information as well as an employer database for EmployRI, the department's interactive web site and virtual one-stop, to assist job seekers of all ages to evaluate job openings, conduct employment searches and plan careers.

In addition to these communications vehicles, LMI staff provides overviews of current economic trends as well as training sessions for students, industry groups and education counselors and business associations in the proper use of labor market information.

Quick Facts on the Rhode Island Economy

	2011	2012
Total Labor Force	562,700	560,400
Number of Workers	499,500	502,100
Average Number of Unemployed	63,200	58,300
Average Unemployment Rate	11.2%	10.4%
Number of Jobs in RI Businesses	461,500	465,000

Unemployment Rate Calculations

Each month, Census Bureau workers interview persons in approximately 65,000 sampled households (1,300 located in Rhode Island) to obtain information on the labor force activities of all individuals living in the household. The interviewees answer a series of questions which result in the classification of each household member (16 or older) as employed, unemployed or not in the labor force. While the national unemployment rate is derived directly from data collected through this survey known as the Current Popu-

lation Survey (CPS), sample sizes in each state are too small to provide reliable monthly estimates for the states directly. Therefore, all states including Rhode Island calculate their unemployment rates using statistical models developed by the U.S. Bureau of Labor Statistics. The models, which are based on historical trends, incorporate the number of jobs at businesses and current unemployment insurance claims data to refine the individual state estimates provided by the CPS survey.

Job Count Estimates

Approximately 1,600 RI employers, selected through a probability sample, are surveyed each month to determine the number of workers on their payrolls for the pay period including the 12th of the month. The weighted employer responses are incorporated into statistical models developed by

the U.S. Bureau of Labor Statistics (BLS). These models generate employment estimates for the state's major industries each month. Each year, the monthly job estimates are revised by benchmarking them to the employment data reported by all employers on their quarterly payroll reports.

LMI Publications

Rhode Island Employment & Wage Analysis

Rhode Island Employment & Wage Analysis by County

Rhode Island Occupational Wage Report

Rhode Island Employment Trends & Workforce Issues

Rhode Island Statistical & Fiscal Digest

Multiple Jobholders in the Ocean State

Union Membership in Rhode Island

State of the State: Profiles of Rhode Island Cities and Towns

More publications, as well as an LMI data center, are available online at www.dlt.ri.gov/lmi.

Quarterly Job Reports

In order to provide the most accurate picture possible of Rhode Island's economic progress, this year the RI Department of Labor and Training began to release analyses of quarterly employment in the Ocean State, based on real employer tax data. The quarterly estimates, which are separate and apart from the estimates produced in conjunction with the Bureau of Labor Statistics, revealed that the 2012 level of RI-based jobs was consistently higher than monthly estimates had previously indicated.

In Rhode Island, monthly estimated job counts are based on survey responses from approximately 1,600 employers. Quarterly tax data, however, is based on the total universe of employers paying into the unemployment insurance system—about 32,000. DLT stresses that while quarterly data may be more accurate than survey data, survey data is valuable because it gives a picture of the workforce in real time. Due to reporting

times, tax data is not available until four to five months after the close of the quarter in question.

Once a year, the Bureau of Labor Statistics does use four quarters of tax data to revise one year's worth of survey-based employment estimates. The revisions for 2012 showed that RI-based jobs had indeed been underreported by an average of more than 7,000 jobs each month.

Workers' Compensation

Workers' Compensation insurance is a no-fault system which mandates that all RI employers with one or more employees maintain insurance coverage for the protection of their employees in the event of an earnings loss and/or medical expenses due to a work-related injury or illness. This insurance may be purchased through any licensed insurance agent, broker or insurance company offering Workers' Compensation insurance. A self-insurance program is also offered through the RI Department of Labor and Training for larger companies who meet established criteria.

Workers' Compensation Activity 2012		
	Total	Change from 2011
Injury Statistics		
Indemnity Injuries*	5,461	-6.9%
Non-indemnity Injuries	13,429	-1.8%
Workers' Compensation Administrative Fund Reimbursements**		
Requests for Reimbursement	1,072	-11.0%
Total Reimbursements	\$2,034,380	-8.1%
Self-Insured Employers Certified	30	0%
*Indemnity injuries are those that receive weekly compensation.		
**Reimbursement requests are limited to statutory restrictions.		

The Workers' Compensation Division monitors procedures and payments made by insurance carriers, provides rehabilitative services to

injured workers and responds to compliance and fraud issues.

Workers' Comp National Conference

Newport, RI was the host city for the annual convention of the international Association of Industrial Accident Boards and Commissions, also known as the IAIABC. Entitled "Navigate the Shifting Winds of Workers' Compensation," the conference address policy, regulatory and administrative challenges in the workers' compensation field. More than 200 professionals attended, some from as far away as Germany.

Among the agenda items for the four-day event were a tour of the Donley Rehabilitation Center hosted by DLT Assistant Director Matt Carey, and a panel discussion on future challenges moderated by DLT Director Charles Fogarty.

Education Unit

The Workers' Compensation Education Unit instructs interested parties on workplace safety and Workers' Compensation benefits and procedures. The unit is non-regulatory, and all services are offered at no charge.

Unit representatives outreach to employers, employee groups and medical professionals, offering employer education workshops and on-site consultations regarding their Workers' Compensation rights and obligations.

continued

Education Unit Activity 2012		
	Total	Change from 2011
Telephone Calls to Information Line	3,230	+4.6%
Telephone Calls in Spanish	148	+0.7%
E-mails to Education Unit	301	+20.9%
Walk-Ins	186	+28.3%
Off-site Medical Staff Consultations	8	-73.3%
Off-site Employer Consultations	15	0%
Off-site Insurer Consultations	0	-100.0%
Seminars		
Medical Office Staff On-Site	32 attendees	
Workers' Compensation Off-Site	184 attendees	
Education Unit Letters	19,303	

2012 Annual Report

Education Unit, continued

Other services include guidance in establishing safety committees, a telephone information line and an extensive training video lending library. In addition, the Educa-

tion Unit staff members provide employers with information on Workers' Compensation rights and responsibilities every year at the annual Business Expo and at the

Beacon Mutual Safety Expo. More information may be found at www.dlt.ri.gov/wc/edunit.htm or by calling (401) 462-8100, option #1.

Fraud and Compliance Unit

The Fraud and Compliance Unit detects, prevents and refers for criminal prosecution any suspected fraudulent Workers' Compensation activity. The unit also ensures employer and insurer compliance with the requirements of the Workers' Compensation Act.

Once a lack of coverage complaint is registered with the Fraud

and Compliance Unit, an investigator is assigned to the case, and the company involved is contacted. If an investigation reveals that an employer does not have the necessary Workers' Compensation insurance, the employer may be fined up to \$1,000 for each day of non-compliance. Companies where an injury occurs during an uncovered

period, that are repeat offenders or that intentionally failed to have workers' compensation insurance, may be subject to criminal penalties through the Workers' Compensation Court in Providence.

More information may be found at www.dlt.ri.gov/wc/fraud.htm or by calling (401) 462-8100, option #7.

Fraud and Compliance Activity 2012

	Total	
Investigative Inquiries *	4,326	
Lack of Insurance Investigations*	4,249	
Carrier Failure to Report Investigations*	43	
First Report Penalty Investigations*	n/a	
Fraud Investigations*	34	
Penalties Collected	Total	Change from 2011
From Employers Without Proper Workers' Compensation Coverage	\$98,654	+16.6%
From Insurers	\$10,750	+290.9%
Late First Report Filing Penalties	n/a	n/a
Employees Who Filed to Waive WC Rights	1,796	+3.7%
Filing Fees for Waivers	\$8,940	+4.0%
Independent Contractor Filings	6,175	-2.6%
Criminal Cases Referred to Attorney General	4	0%
Court Ordered Restitution	\$6,000	-64.7%
"Stop Work" Orders	63	-25.0%

Donley Rehabilitation Center

The Dr. John E. Donley Rehabilitation Center was established under Section 28-38-19 of the RI Workers' Compensation law to provide rehabilitation programs to RI injured workers. Donley Center services include physical and occupational therapy, psychological counseling, aquatic therapy, work hardening (the simulation of the physical demands of the job), and vocational counseling. In 2012, 75 percent of the injured workers ad-

mitted to the Donley Center had a date of injury six months or older, with 48 percent of the admissions having a date of injury over one year, and 23 percent having a date of injury over two years. This represents a chronic population that is particularly challenging to return to work and, as research suggests, is best treated with a multidisciplinary approach, such as afforded by the Donley Center. In 2012, 25 percent of all injured

workers discharged from the Donley Center returned to work (down 2% from 2011), and an additional 14 percent achieved a therapeutic endpoint with a functional level consistent with return to work (down 5% from 2011). The remaining discharged injured workers did not achieve a return-to-work level for several reasons outlined below.

continued

Donley Rehabilitation Discharge Activity 2012		
	Total	Change from 2011
Admission for Evaluation Only	16%	- 1%
Non-Compliant with Treatment	6%	-3%
Lack of Progress, Resulting in Return to Physician	16%	3%
Unable to Complete Program Due to Non-Injury-Related Medical Problems	9%	3%

Donley Rehabilitation Admissions Activity 2012		
	Total	Change from 2011
Admissions	1,181	20%
Referrals	1,384	14%
Percentage of Clients, from Injury to Admission > Three Months	91%	4%
Percentage of Clients, from Injury to Admission > Six Months	75%	4%
Percentage of Clients, from Injury to Admission > One Year	48%	2%
Percentage of Clients, from Injury to Admission > Two Years	23%	2%

Donley, continued

Vocational services are offered when an injured worker does not have a job to return to upon completion of their multidisciplinary rehabilitation. Vocational services go beyond traditional vocational counseling to include daily job clubs, job seeking skills workshops,

and basic computer skills to prepare an injured worker for an independent job search in today's online job market. In 2012, the number of injured workers receiving vocational services remained consistent with the previous year. Fourteen percent of injured workers receiving vocational services

found new jobs, and 23% percent (compared to 36% in 2011) were discharged having completed the skills necessary to continue an independent job search.

Donley Pain Management Program

The Pain Management Program at the Donley Rehabilitation Center is using the mind-body connection to help those dealing with chronic pain.

This interdisciplinary program combines physical therapy with psycho-social counseling and relaxation techniques, so that sufferers can break the cycle of pain and improve their quality of life. Ultimately, the Donley team prepares patients either to return to their existing line of work, or, if that is not physically possible, to enter vocational rehabilitation that will prepare them for a new line of work.

This program has drawn increased interest from pain management professionals given the national problem with opiate addiction. Dr. Joanne Fowler of the Donley Center explains, "We need to help people address their pain in other ways."



Sue Rand Celico (left) of the Donley Center assists a patient with the physical therapy component of his pain management routine.

Workforce Regulation and Safety

The Workforce Regulation and Safety Division is charged with enforcing the safety laws that protect the RI workforce, including:

- Fair collection of wages
- Child labor laws
- Safety in public buildings
- Trade licensing
- Apprenticeship training
- Hazardous substance exposure
- Weights and measures
- Prevailing wage laws

This is accomplished through licensing, inspection programs, educational programs and labor law enforcement.

Labor Standards

The Labor Standards Unit enforces workplace laws and ensures that employees receive the benefits due them. Labor Standards investigates wage complaints involving minimum wage, payment of wages, overtime, Sunday/holiday premium pay and vacation pay upon termination, as well as child labor, parental and family medical leave and industrial homework. The unit also enforces record-keep-

Labor Standards Activity 2012		
	Total	Change from 2011
Total Claims Filed	531	+ 19%
Claims Closed	389	+ 51%
Claims in Process	142	- 15%

ing requirements. Labor Standards offers services to the approximately 32,000 employers in the state, educating them on compliance

with labor laws before violations occur.

Professional Regulation

The Professional Regulation Unit is responsible for the monitoring and enforcing of prevailing wage and safety laws, as well as testing and licensing a number of technical professions.

RI General Law 37-13 mandates that any contractor awarded a bid on a public works construction project of more than \$1,000 must pay prevailing wage rates. During 2012, 40 prevailing wage cases were filed with the Prevailing Wage Section. The total amount of back wages collected for employees in 2012 was \$109,103, and the total amount of penalties collected by the Prevailing Wage Section was \$77,412.

Prevailing Wage Activity 2012		
	Total	Change from 2011
Total Cases Filed	48	+ 140%
Back Wages Awarded	\$109,103	- 26%
Penalties Collected	\$77,412	-44%

The Trade Licensing Section licenses 30,413 technical professionals, many with multiple licenses. It also monitors and enforces trade laws pertaining to electricians, hoisting engineers, pipefitters, refrigeration technicians, sprinkler fitters, plumbers, sheet metal workers and telecommunications technicians.

Professional Regulation boards include:

- Board of Examiners of Hoisting Engineers;
- Board of Examiners of Electricians;
- Board of Examiners and Licensing of Telecommunications System Contractors, Technicians and Installers;
- Board of Examiners of Plumbers;
- Mechanical Board; and
- Safety Awareness Board.

Contractors' education series

In August, the Professional Regulation Unit at the RI Department of Labor and Training held free educational seminars for contractors in the construction industry in order to improve their knowledge of state bidding, permitting and installation procedures. During the seminars, department experts reviewed regulations associated with such licensed trades as hoisting, plumbing & irrigation, electrical installation, telecommunications, burglar & hold-up alarm systems, and mechanical work. Then, they hosted question-and-answer sessions, where audience members can ask the experts' advice on specific job-related scenarios. Earlier in the year, the department had held a similar workshop for state and municipal administrators to review their legal obligations for bidding and permitting construction jobs.

Trade Licensing Activity 2012

	Total	Change from 2011
Examinations Performed	2,245	- 20%
Total Licenses (issued or renewed)	28,983	- 5%
Electrician	8,084	+ 0.38%
Hoisting Engineer	9,434	- 2%
Pipefitter, Refrigeration Technician, Fire Protection Sprinkler Fitter, Sheet Metal Worker	6,562	- 2.37%
Telecommunication	2,557	- 6%
Plumbers and Irrigators	2,346	- 4%
Burglar Alarm	1,109	+ 20%

State Apprenticeship Council

The State Apprenticeship Office regulates and safeguards apprenticeships in the licensed trades and fosters open communication among the RI Department of Labor and Training, State Apprenticeship Council, industry and educational

institutions. Support for these programs assures the future of a skilled workforce by directing qualified individuals toward various apprenticeship programs that can lead to high-paying, high-demand careers.

In 2012, the State Apprenticeship Office oversaw 603 apprenticeship programs, 1,456 individual agreements, and 410 apprentices completed their program.

Atrion information technology apprenticeship

In February, DLT authorized the state's first apprenticeship program in information technology. Submitted by Atrion Networking Corporation, the Internetworking Associate Apprentice Program includes 2,000 hours of on-the-job training and 272 hours of related classroom instruction.

The IT program is the result of greater interest in non-traditional apprenticeships as a viable workforce development option. Previously, Rhode Island's active apprenticeship programs had been limited to construction and manufacturing occupations, such as carpenters, electricians, iron workers, pipefitters and machinists.

(pictured: Apprentices receive training at Atrion's Warwick headquarters.)



Occupational Safety

The Occupational Safety Unit directs, coordinates and enforces the lawful inspection of the safety of boilers and elevators, the lawful storage and handling of hazardous substances and the accuracy of weights and measures within the state's business establishments. Inspections are synchronized with local government requirements that reinforce a safe atmosphere for the public.

The Elevator Section inspects and assesses all elevator devices in the state, issuing licenses to companies and their employees who engage in the installation, construction, servicing, repair or

Elevator Activity 2012		
	Total	Change from 2011
Certificates of Operation	2,921	+ 31%
Inspections	3,393	+ 9%
Permits for New Installations	185	- 4%

modernization of elevator devices. Elevator devices include:

- Escalators
- Wheelchair lifts
- Material lifts
- Vertical reciprocating conveyors
- Other means of vertical transportation

The Elevator Section also certifies the safety of new installations, construction sites and repairs, and decommissions devices when they are no longer safe to operate.

Elevator inspections

In a new safety initiative begun last January, the RI Department of Labor and Training personnel shut down four elevators, because the buildings' owners had failed to meet elevator inspection requirements for more than 12 months.

While these elevators were not concerned to pose an imminent threat, the department determined that the owners' neglect of annual inspection laws constituted a public safety risk.

This effort was part of an aggressive campaign by the department to eradicate a backlog of overdue inspections. It began the previous August, when the department learned that more than 100 RI elevators were overdue for inspection. Ongoing communications efforts among the department, elevator companies and elevator owners were able to reduce that number to the handful of offenders shut down in January.



The Boiler Section inspects and assesses all pressure vessels in the state, certifying that all new installations, reconditioned vessels, repairs and hydrostatic testing meet all safety codes. The Boiler Section partners with numerous state, city and town agencies to coordinate programs, mandates, licensing requirements, inspection procedures and enforcement measures to further educate and inform the public.

Boiler Activity 2012		
	Total	Change from 2011
Certificates of Operation	8,177	- 4%
Inspections	10,538	- 3%
Permits for New Installations	282	+ 17%

2012 Annual Report

The Right-to-Know Section inspects and assesses all businesses with employees who are exposed to hazardous substances or businesses that store hazardous substances on the premises. The training and education of employers and employees in safety practices is an ongoing function. It is mandatory that each RI business submit a list of hazardous substances to the Occupational Safety Unit and to the local fire department.

Each month, new employers in the state are notified of the Right-to-Know law and receive an informational packet to assist them in understanding the law.

The Safety Compliance Section inspects and assesses all school buildings, public and private, on an annual basis. Additionally, all state, city and town buildings are under the jurisdiction of this section.

Complaint and accident investigations are triggered upon in-

cident or request. Public sector employers are required to keep occupational safety injury and illness records.

Policies relating to respiratory standards, confined space, blood-borne pathogens and chemical hygiene plans are constantly under revision with the input of other departments and schools.

Right-to-Know Activity 2012		
	Total	Change from 2011
Employers Registered	10,467	+ 16%
Inspections	120	+ 50%

The Weights and Measures Section inspects and assesses all gasoline measuring systems and measuring devices used in retail/wholesale establishments; it also licenses all oil dealers. To properly calibrate such measuring devices,

sealers receive certification after completion of highly technical course training requirements. There are seven state-appointed sealers and eight city/town-appointed sealers.

Legal Services

The Legal Division is a full-service law office within the Department of Labor and Training, serving the legal needs of the department. The division represents the department in court proceedings and administrative hearings. It maintains a working relationship with the Department of Administration. It also counsels staff on state and federal laws as they influence the department's activities. This includes advising on legal matters; rendering written and oral legal opinions; appearing before various courts, boards and commissions; attending board meetings in an advisory capacity; reviewing, advising on, and drafting legislative and regulatory ma-

terial; and serving as hearing officers. It assists the director in the appointment of mediators and/or arbitrators in certain labor matters.

The Legal Division monitors civil prosecutions of benefit overpayment cases in District and Superior Courts and initiates criminal prosecutions of unemployment compensation fraud cases in Superior Court. The Legal Division also initiates civil prosecutions of Lack of Insurance (LOI) cases in the Workers' Compensation Court, routinely bringing in revenues in the form of penalties against uninsured employers. In 2012, the division filed 40 LOI petitions and obtained Court Orders totaling \$662,451.38,

of which \$68,664.22 has thus far been collected.

The Legal Division represents the department in the following areas: motions to quash filed in all state courts when subpoenas for confidential department records are served; objections to court-ordered counsel fees; hearings before the Board of Review; appeals to the District Court from the Board of Review; appeals under the Administrative Procedures Act; and all stages of labor relations/personnel cases (grievances, arbitrations, Personnel Appeal Board, Labor Relations Board and Human Rights Commission).

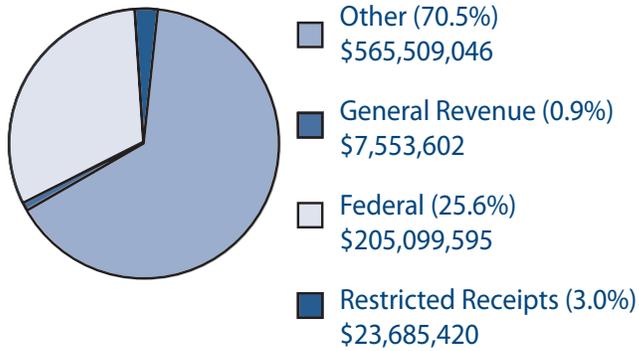
Legal Activity 2012

Type of Case	Number of Cases	Amount Collected
Workers' Compensation (Lack of Insurance)	40	\$68,664
Labor Standards	44	\$10,629

Fund Expenditures

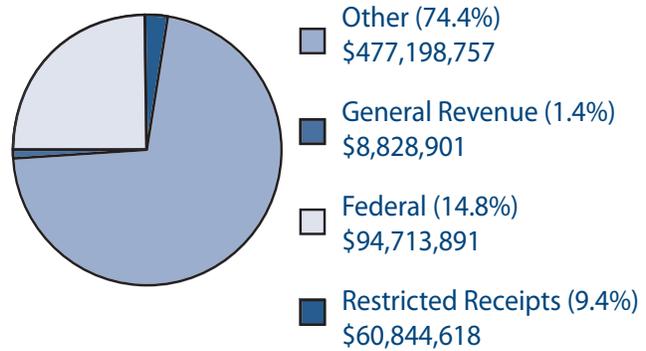
Actual Expenditures by Fund Fiscal Year 2012

Department Total \$801,847,663



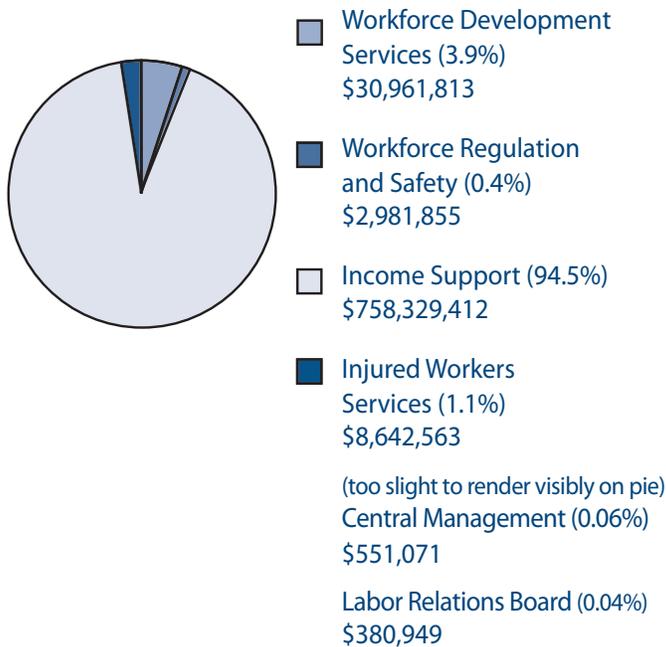
Budgeted Expenditures by Fund Fiscal Year 2013

Department Total \$641,586,167



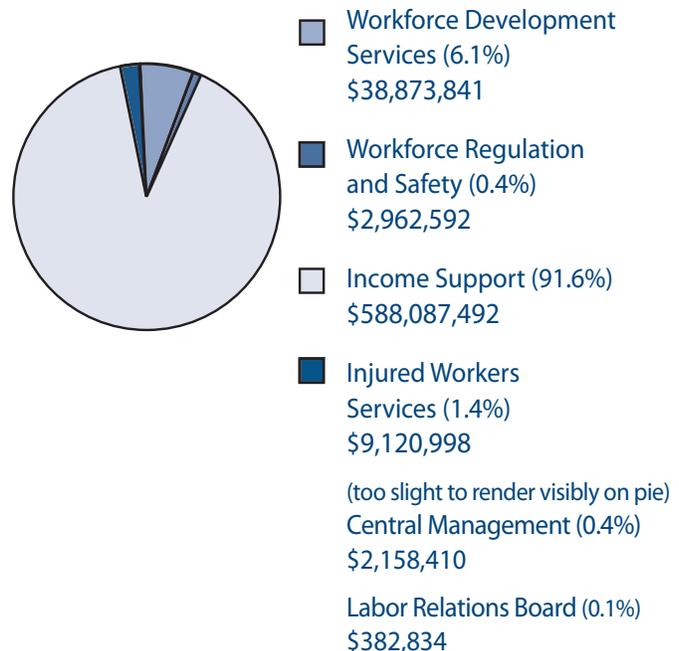
Actual Expenditures by Program Fiscal Year 2012

Department Total \$801,847,663

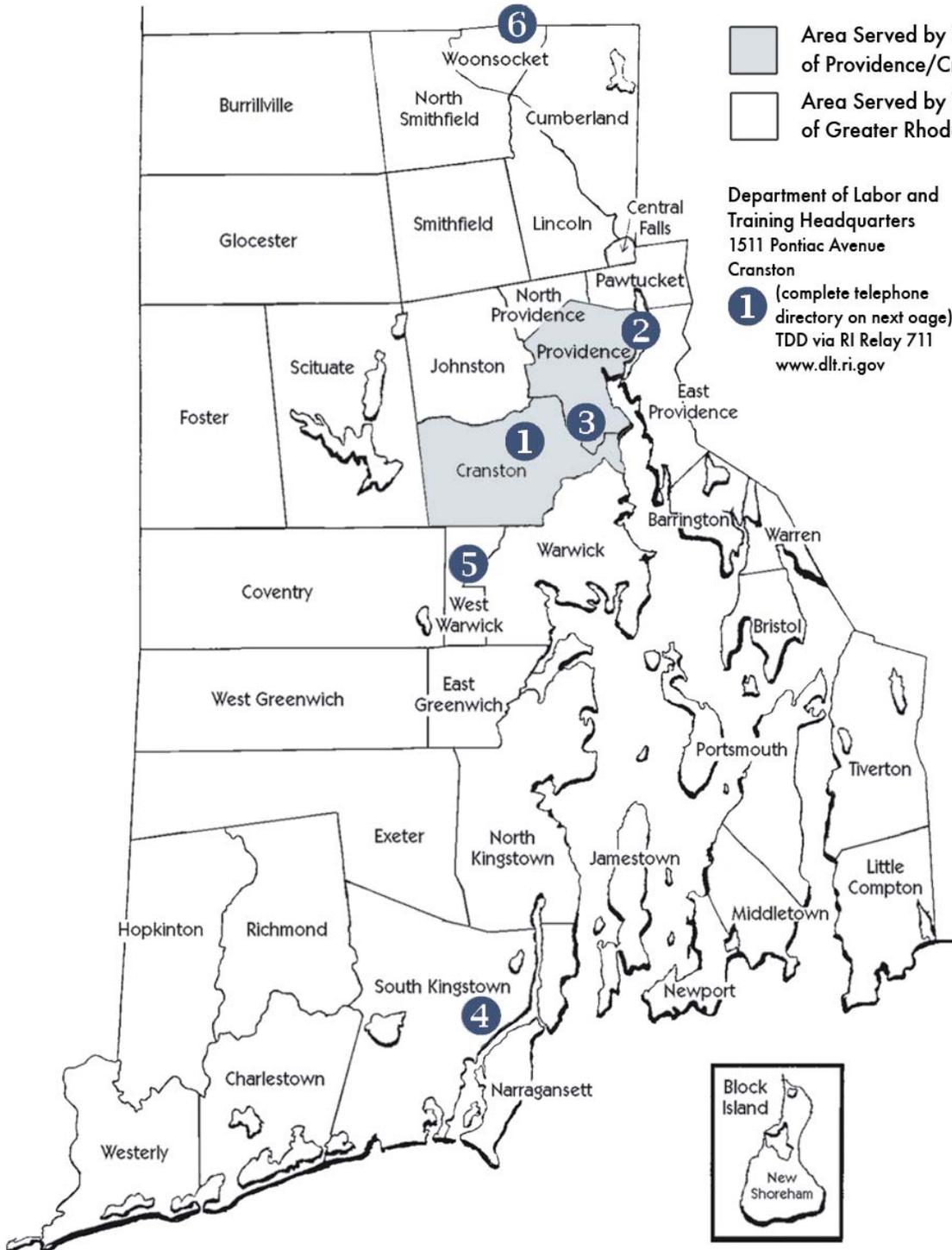


Budgeted Expenditures by Program Fiscal Year 2013

Department Total \$641,586,167



Office Map



Departmental Directory

Unit	Phone*	Web Address	E-Mail Address
Business Affairs	462-8140		businessaffairs@dlt.ri.gov
Executive Office	462-8870		office@dlt.ri.gov
Legal Counsel	462-8890		legal@dlt.ri.gov
Marketing and Public Relations	462-8810		marketing@dlt.ri.gov
Labor Market Information	462-8740	www.dlt.ri.gov/lmi	LMI@dlt.ri.gov
Police and Fire Unit	462-8855		PoliceFire@dlt.ri.gov
Temporary Disability Insurance	462-8420	www.dlt.ri.gov/tdi	TDI@dlt.ri.gov
Fraud Unit	462-1522		ui-tdi-fraud@dlt.ri.gov
Unemployment Insurance (UI)	462-8400	www.dlt.ri.gov/ui	UIhelp@dlt.ri.gov
Benefit Accuracy Measurement	462-8610		UIhelp@dlt.ri.gov
Benefit Charge	462-8015		UIhelp@dlt.ri.gov
Call Center	243-9100		
Central Adjudication	462-8300		UIhelp@dlt.ri.gov
Central Overpayment	462-8010		UIhelp@dlt.ri.gov
Crossmatch	462-8510		UIhelp@dlt.ri.gov
Fraud Unit	462-1522		ui-tdi-fraud@dlt.ri.gov
TTY	via RI Relay 711		
Workshare	462-8418		WorkShare@dlt.ri.gov
Workers' Compensation	462-8100	www.dlt.ri.gov/wc	WCEdcUnit@dlt.ri.gov
Donley Rehabilitation Center	243-1200	www.dlt.ri.gov/donley	WCEdUnit@dlt.ri.gov
Education Unit	462-8100		WCEdcUnit@dlt.ri.gov
Fraud and Compliance	462-8100		WCFraud@dlt.ri.gov
Workforce Development		www.dlt.ri.gov/wfds	WDS@dlt.ri.gov
Adult and Dislocated Workers	462-1407		WDS@dlt.ri.gov
Business Workforce Center	462-8710	www.dlt.ri.gov/bwc	
Foreign Labor/Migrant Seasonal	1-888-616-JOBS		WDS@dlt.ri.gov
Jobs Network	1-888-616-JOBS		
netWORKri	see map, left	www.netWORKri.org	WDS@dlt.ri.gov
Rapid Response	462- 8724		ESU@dlt.ri.gov
Trade Adjustment Assistance	243-9166		WDS@dlt.ri.gov
Veterans' Services	462-8815		WDS@dlt.ri.gov
Work Opportunity Tax Credit	462-8717		WDS@dlt.ri.gov
Workforce Investment Office	462-8780		SWIO@dlt.ri.gov
Workforce Regulation and Safety	462-8580	www.dlt.ri.gov/wrs	
Labor Standards	462-8550	www.dlt.ri.gov/lis	LaborStandards@dlt.ri.gov
Occupational Safety	462-8570	www.dlt.ri.gov/occusafe	
Professional Regulation	462-8580	www.dlt.ri.gov/profregs	ProfRegs@dlt.ri.gov
Weights and Measures	462-8580		JShaw@dlt.ri.gov

* All telephone numbers are within Rhode Island's 401 area code.



RI Department of Labor and Training

Administrative Offices: 1511 Pontiac Avenue • Cranston, RI 02920-4407

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Auxiliary aids and services are available upon request to individuals with disabilities.

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