2010 Annual Report

workplaces in motion

Missouri Department of Labor and Industrial Relations
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Jefferson City, MO 65102-0504
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www.labor.mo.gov E-mail: diroffice@labor.mo.gov

Jeremiah W. (Jay) Nixon
Governor

Lawrence G. Rebman
Department Director

Peter Lyskowski
Deputy Department Director

Letter from the Director

The Missouri Department of Labor and Industrial Relations is responsible for the administration and enforcement of the federal and state laws related to employment. Under the direction of Governor Nixon, the Department has undertaken a revitalization of its duty to employers and employees in this state. The Department has worked diligently to communicate more effectively with its constituents and provide them with the resources they need to help turn this economy around. To that end, we have launched a new website, focusing on ways to make it more user-friendly for the citizens of Missouri.

The Division of Employment Security (DES) has worked to process a record number of unemployment payments – nearly 4.5 million weeks, and has answered nearly 1.5 million phone calls. In an effort to save jobs, the Department has promoted its Shared Work Program to employers faced with a reduction in available work. This year, 552 Missouri employers participated and saved more than 37,000 jobs. The program also has saved the Unemployment Trust Fund (UTF) approximately $36.3 million.

The Department is aggressively pursuing those who attempt to cheat the unemployment system. This includes prosecution of individuals who wrongly collect unemployment benefits, and securing more than $900,000 in fraud penalty restitution. The Department also has dramatically increased its efforts to identify employers that improperly designate employees as independent contractors. Employers that misclassify employees have an unfair cost advantage over employers that properly designate workers and employees because they do not pay taxes to the UTF or provide workers' compensation benefits. More than 2,500 misclassified workers were identified in 2010, an increase of over 1,200 percent from 2008.

Hundreds of millions of dollars of federal, state, and local money is being spent on public works projects to improve infrastructure in our communities and create jobs across the state. The Division of Labor Standards (DLS) has been educating and working with public entities and contractors to ensure the proper prevailing wages are paid on these projects.

Furthermore, we are committed to improving workplace safety by promoting the free workplace safety programs offered by the Department. We also are committed to fairly and efficiently adjudicating the workers' compensation laws. The Division of Workers' Compensation (DWC) has begun an ambitious modernization program to improve its business processes and its automated system. The planned changes will significantly revise and improve the communications between the DWC and stakeholders (attorneys, insurers, self-insured, third party administrators, employers, health care providers, etc.).

The Department and its dedicated employees have persevered this challenging year to provide exemplary service to the people of Missouri. We remain committed to improving our service in order to help to maximize the economic prospects for all employers and employees of our state.

Sincerely,

Lawrence G. Rebman
Director

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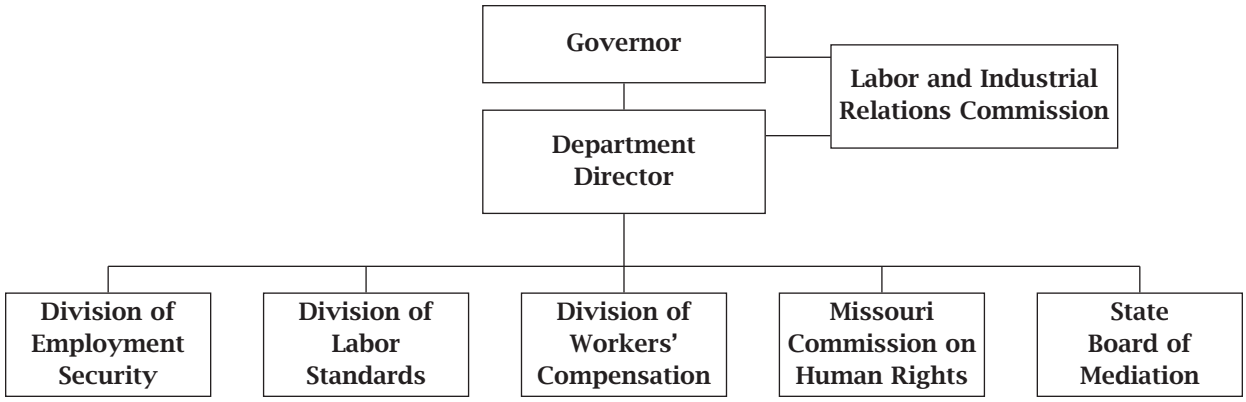
Department Overview

The Missouri Department of Labor and Industrial Relations (Labor Department) was created by Article IX Section 49 of the Missouri Constitution. The Labor Department is comprised of the Labor and Industrial Relations Commission (LIRC) and five Divisions: (1) The Division of Employment Security (DES) adjudicates claims for and provides payment of unemployment insurance (UI) benefits for employees who become unemployed through no fault of their own. To finance the payment of UI benefits to qualified claimants, the DES collects contributions (taxes) from Missouri employers; (2) The Division of Labor Standards (DLS) enforces Missouri's minimum wage laws and promotes safe working environments; (3) The Division of Workers' Compensation (DWC) ensures that workers injured on the job receive the benefits they deserve and investigates allegations of workers' compensation fraud and noncompliance; (4) The Missouri Commission on Human Rights (MCHR) investigates alleged violations of and enforces compliance with Missouri law prohibiting discrimination in housing, employment, and public accommodations; and (5) The State Board of Mediation (SBM) determines appropriate bargaining units for public employees, conducts elections to determine bargaining representatives for those bargaining units, and, when called upon, assists in the resolution of labor disputes in the public utility industry.



Refer to pages 15-23 for a complete listing of all agencies and services offered by the Missouri Labor Department.

Mission

To promote industry and labor and protect the rights and safety of Missouri's workforce.

INTRODUCTION

Department of Labor and Industrial Relations

Lawrence G. Rebman, Director

421 East Dunklin St., P.O. Box 504, Jefferson City, MO 65102-0504

Telephone: 573-751-4091
Home page: www.labor.mo.gov
Fax: 573-751-4135
E-mail: diroffice@labor.mo.gov

Labor and Industrial Relations Commission

William F. Ringer, Chair
Alice A. Bartlett, Commissioner
John J. Hickey, Commissioner

3315 West Truman Blvd. Room 214, P.O. Box 599, Jefferson City, MO 65102-0599

Telephone: 573-751-2461
Home page: www.labor.mo.gov/LIRC
Fax: 573-751-7806
E-mail: lirc@labor.mo.gov

Division of Employment Security

Gracia Backer, Director

421 East Dunklin St., P.O. Box 59, Jefferson City, MO 65104-0059

Telephone: 573-751-3215
Home page: www.labor.mo.gov/DES
Employers E-mail: esemptax@labor.mo.gov
Fax: 573-751-4945
Claimants E-mail: esuiclaims@labor.mo.gov
Appeals E-mail: appealstribunal@labor.mo.gov

Important Telephone Numbers

Unemployment Insurance
(To file for benefits or to get claims information)
Toll Free: 800-320-2519
Or locally at:
- Jefferson City: 573-751-9040
- Kansas City: 816-889-3101
- Springfield: 417-895-6851
- St. Louis: 314-340-4950

Employer Contributions: 573-751-3328

Report Worker Misclassification: 573-751-1099

Unemployment State Tax Automated Reporting (USTAR): 573-751-1995

Unemployment Insurance Programs: 573-751-9832

Tax/Appeal Information: 573-751-3215

Quality Control: 573-751-3366

Shared Work: 573-751-WORK

Division of Labor Standards

Carla Buschjost, Director

3315 West Truman Blvd. Room 205, P.O. Box 449, Jefferson City, MO 65102-0449

Telephone: 573-751-3403
Home page: www.labor.mo.gov/DLS

Fax: 573-751-3721
E-mail: laborstandards@labor.mo.gov

Important Telephone Numbers

On-Site Safety and Health Consultation: 573-522-SAFE

Mine and Cave Safety and Health: 573-52-MINE1

Wage and Hour: 573-751-3403

Workers' Safety Program: 573-522-SAFE

Division of Workers' Compensation

Peter Lyskowski, Acting Director

3315 West Truman Blvd. Room 131, P.O. Box 58, Jefferson City, MO 65102-0058

Telephone: 573-751-4231
Home page: www.labor.mo.gov/DWC

Fax: 573-751-2012
E-mail: workerscomp@labor.mo.gov

Important Telephone Numbers

Employee Information Line: 800-775-2667

Employer Information Line: 888-837-6069

Fraud and Noncompliance Unit: 800-592-6003

Medical Fee Disputes Unit: 573-526-5610

Religious Exception: 573-522-2546

C.A.R.E. Unit: 573-526-4948

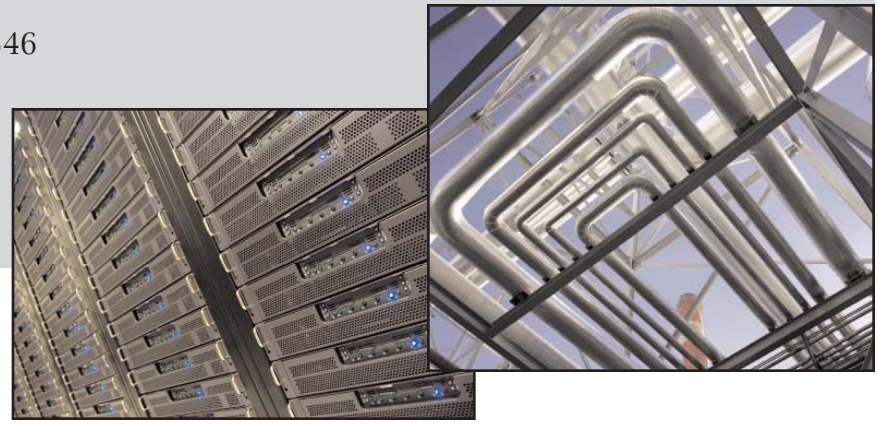
Insurance Unit: 573-526-3692

Second Injury Fund – Benefits: 573-526-3543

Second Injury Fund – Collections: 573-526-5756

Dispute Management Unit: 573-526-4951

Physical Rehabilitation: 573-526-3876



INTRODUCTION

Missouri Commission on Human Rights

Alisa Warren, Executive Director

3315 West Truman Blvd. Room 212, P.O. Box 1129, Jefferson City, MO 65102-1129

Telephone: 573-751-3325 Fax: 573-526-5090
Toll Free: 877-781-4236
Home page: www.labor.mo.gov/mohumanrights E-mail: mchr@labor.mo.gov

State Board of Mediation

Jim Avery, Chair

3315 West Truman Blvd. Room 211, P.O. Box 2071, Jefferson City, MO 65102-2071

Telephone: 573-751-3614 Fax: 573-751-0083
Home page: www.labor.mo.gov/SBM E-mail: sbm@labor.mo.gov

Relay Missouri Service

If calling by home or cell phone, dial 711. All other callers should dial 800-735-2966.

Sending E-mail

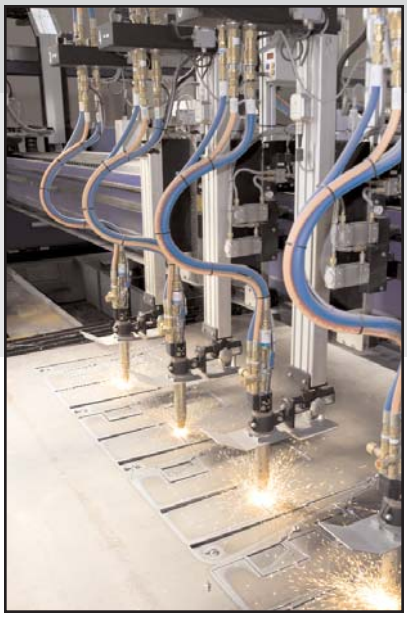
You may contact employees of the Missouri Department of Labor and Industrial Relations using the following guide for e-mail addresses.

Firstname.Lastname@labor.mo.gov

Press Inquiries

Amy Susan, Director of Communications

Telephone: 573-751-7500
E-mail: Amy.Susan@labor.mo.gov



technology

Department of Labor Launched New Website

The Missouri Department of Labor's website underwent a top-to-bottom redesign, which went live in March. As technology evolves, it is the responsibility of government agencies to take advantage of new innovations to better serve all Missourians.

"This website allows us to showcase the important programs we administer, as well as provide valuable information to Missourians who are either injured on the job or looking for a job," said Department Director Larry Rebman.

Many of the new features on the website are designed to make information and services available more user-friendly. These include new interactive graphs, streamlined and clarified informational pages about the rights and responsibilities of workers and businesses, and a more user-friendly Internet unemployment claims process. Additionally, the Department has collaborated with other state, federal, and community agencies to post information about free public services to persons in need, especially the unemployed.

We are proud of our dedicated staff and their commitment to serve the state of Missouri on labor-related issues, and we now have a website of which we can be proud.

INTRODUCTION

Record Payout to Tort Victims

The Missouri Department of Labor's Division of Workers' Compensation (DWC) issued over $2.45 million from the Tort Victims' Compensation Fund to 32 Missourians who filed claims in 2009. The Tort Victims' Compensation Fund is funded by a portion of punitive damages awards issued by Missouri juries. While compensation from the fund does not cover the entire amount of a victim's claim, payouts made for 2009 claims provided 34.2 cents for each dollar awarded, the largest amount paid since the fund began paying claims in 2001.

"This is an important program that helps compensate those who are injured by the negligence of others and I am pleased we were able to help," said Department Director Larry Rebman. "I hope the payment these folks receive eases their suffering and provides them with money to be able to pay some of their medical bills and expenses."

Since 2001, the Fund has paid 552 tort victims more than $11 million.

WorkReadyMissouri: Enhancing Missouri's Workforce

This summer, Gov. Jay Nixon launched WorkReadyMissouri, his most recent effort to put unemployed Missourians back to work. Recipients of unemployment insurance (UI) can sign up for WorkReadyMissouri to assist them in gaining employment.

While participating in the program, job seekers are matched up with businesses looking for workers. They receive training (up to 24 hours per week for up to 6 weeks) while receiving UI benefits and a training allowance to offset some of the costs associated with training, such as transportation.

WorkReadyMissouri also benefits participating businesses, giving them access to pre-screened qualified trainees, and it costs nothing. It is ideal for companies of all sizes, as they have the chance to train and evaluate potentials hires. Businesses will be matched with qualified trainees, and will not have to pay workers' compensation insurance for the trainees or wages to the trainees for the duration of the training.

The program is administered through a partnership between Department of Economic Development's Division of Workforce Development (DWD) and the Department of Labor's Division of Employment Security (DES).

Close to $800,000 in Back Wages Returned to Missouri Workers in 2010

The Missouri Labor Department's ongoing efforts to protect the wage rights of Missouri workers led to nearly 1,500 workers receiving back wages.

The Department's Division of Labor Standards (DLS) aggressively pursues those violating prevailing wage and minimum wage laws. DLS has a 90 percent success rate in recovering owed wages. The prevailing wage is the minimum wage rate that must be paid to workers on Missouri public works construction projects. The prevailing wage rates are the rates that are most commonly paid in each county as shown by reports provided to DLS of actual wages paid in each county. Public works projects are those constructed for public use or benefit, or paid for wholly or in part out of public funds. The minimum wage, which applies to most workers, not just those engaged in public construction, is the lowest hourly wage that employers may legally pay employees.

"When employers pay their workers less than prevailing wage or minimum wage, they are violating the law," said Labor Department Director Larry Rebman. "In the coming year, my office will continue to pursue those who attempt to cheat workers out of their hard-earned money."

In fiscal year (FY) 2010, prevailing wage investigations conducted by the DLS resulted in 125 violations discovered affecting 655 Missouri workers. Minimum wage investigations resulted in 147 violations discovered, affecting 795 people across the state. These investigations resulted in $746,115 in back wages being paid to workers.

Additionally, the DLS investigated the first violation of last year's new state law requiring contractors to provide a 10-hour safety training course to all their employees within 60 days of beginning work on a public works project. Penalties were assessed a against a Kansas City company for its failure to provide six workers the 10-hour construction safety training.

MCHR Offers Free 'Fair Housing' Events

The Show-Me Fair Housing Awareness Project, a public awareness campaign aimed at educating citizens in Dunklin, Mississippi, New Madrid, Pemiscot, Scott and Stoddard counties, was made possible by an Education and Outreach Initiative grant awarded by the U.S. Department of Housing and Urban Development (HUD).

The Missouri Commission on Human Rights (MCHR) is responsible for enforcing the Missouri Human Rights Act, which, among other things, prohibits discrimination in housing. The campaign included information about anti-discrimination laws, predatory lending, redlining, construction and design requirements under the Americans with Disabilities Act, and new housing industry trends such as visitability. This grant made 16 events possible, which were attended by 661 Missourians.

Missouri Misclassified Worker Audits Improve

It is a top priority of the Labor Department to seek out those cheating the system and hold them accountable for violating the law. This includes employers that misclassify their workers to evade fulfilling their legal obligations, such as paying unemployment taxes and maintaining workers' compensation insurance. Misclassification gives these employers a competitive advantage over other employers who do pay their taxes and correctly report their workers. Misclassified workers are those that have been improperly classified as independent contractors instead of employees by their employer.

In June 2009, the Labor Department took steps to target audit and to obtain Internal Revenue Service (IRS) 1099 data to assist in identifying improperly classified workers. This required extensive computer reprogramming, delaying implementation until January 2010. Since the Misclassified Workers Detection System (MWDS) has been fully operational, numbers of misclassified workers identified have increased by more than 1,200 percent compared to 2008. Additionally, identifying misclassified workers has doubled the collection of contributions (taxes) since 2008.

"We are identifying those people who are cheating the system and leveling the playing field," said Department Director Larry Rebman.

This is an important issue for the state of Missouri, and the Labor Department is doing its part to continue to set standards for employers and stabilize the economy. Protecting workers from being misclassified and excluded from benefits designed to provide a safety net for them is a top priority.

Missouri Mining: A Precious Industry

Minerals play an essential role in the economic health and stability in our state, and the minerals mined in Missouri are used around the world. Mining contributes over $8 billion to Missouri's economy each year, and provides jobs to more than 30,000 men and women. More than 300 mines and 6,000 caves give Missouri the nickname the "Mine and Cave State."

Because mining has such a huge economic impact on Missouri's economy, the Department takes every available precaution to protect this valuable industry. The Department's Division of Labor Standards (DLS) is proud that its Mine and Cave Safety and Health Section has a nationally recognized program designed to protect and promote the mining industry and improve safety. Neighboring states that lack programs certified by the U.S. Department of Labor's Mine Safety and Health Administration (MSHA) utilize their close proximity to such an excellent program by attending training sessions in Missouri.

For the 28th consecutive year, Missouri hosted the only underground mine rescue competition in the country, partnering with MSHA to create and judge the tests administered to teams from across the nation. Doe Run, a Missouri team that won the national mining competition this year, took home the gold for the fifth consecutive year in Missouri's competition.

Labor's 2009 Legislative Highlights

The Department's proposed HB 1544 was signed into law by Governor Nixon on March 4, 2010. This bill had two provisions, addressing Missouri's high unemployment:

(1) The change in § 288.062.1(2)(c) allows Missouri to take advantage of additional federal funding that has been authorized and that may subsequently be authorized to fully fund extended unemployment benefits through March 3, 2011. The change is based on language suggested by the U.S. Department of Labor. It refers to the federal provision authorizing full federal funding and accounts for the lag time for determining unemployment benefits. The change also adds a specific sunset date for termination of extended unemployment benefits regardless of whether full federal funding might continue. Full federal funding has already been approved through December 4, 2010.

(2) The change in § 288.500.16 is intended to extend the eligibility of individual employees to receive shared work benefits from 26 weeks within the one-year period of a shared work plan to a full 52 weeks of such a plan.

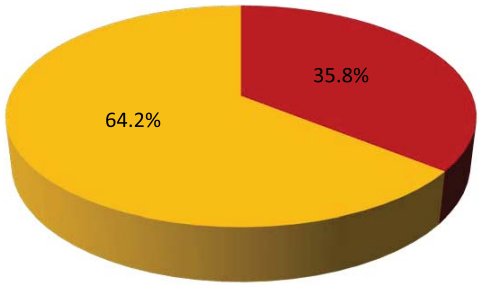
The adoption of HB 1544 allowed long-term unemployed Missourians to receive extended benefits through December 4, 2010, if eligibility requirements were met, and allowed Missouri employers to further utilize the Shared Work program to effectively save jobs during these tough economic times.

manufacturing

	July-Sept. 2009	Oct.-Dec. 2009	Jan.-Mar. 2010	Apr.-June 2010	Totals FY 2010
Phone Calls Answered	318,599	373,125	375,687	336,861	1,404,272
Weeks Claimed- Regular UI	1,218,987	1,131,318	1,189,383	930,912	4,470,600
Weeks Paid- Regular UI	1,066,875	987,612	1,157,510	865,111	4,068,108
Amount Paid- Regular UI (Trust Fund Expenditures)	$263,472,000	$242,099,000	$279,547,000	$202,892,000	$988,010,000
Persons Guilty of Fraud	74	52	65	65	256
UI Cases Referred for Prosecution	71	30	40	37	178
Regular UI Overpayments Recovered	$2,212,401	$2,343,179	$3,128,959	$2,462,589	$10,147,128
Recipients of Regular UI Benefits	48,705	50,641	70,123	38,553	208,022
Identified Misclassified Workers	318	530	452	741	2,041
Money Recovered due to Identitifed Misclassified Workers	Not Available	$97,074	$110,532	$89,603	$297,209

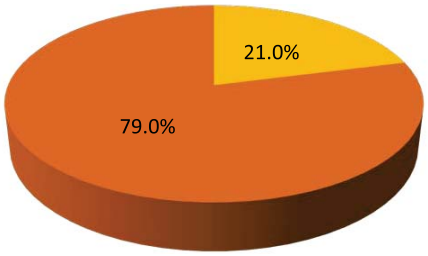
LABOR STATISTICS

New and Renewed Benefit Claims FY 2010
581,845



Payment Issued (208,022)
No Payment Issued (373,823)

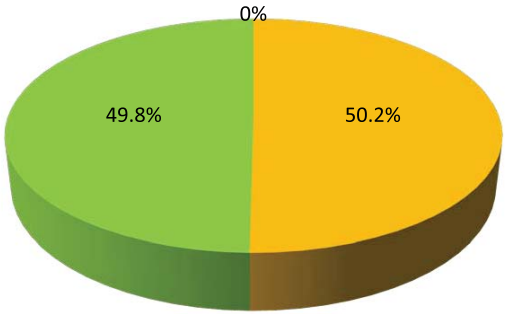
Claimant Eligibility for Benefits Based on Wage Credits (Monetarily Eligible)
382,673



Insufficient Wage Credits (80,149)
Sufficient Wage Credits (302,524)

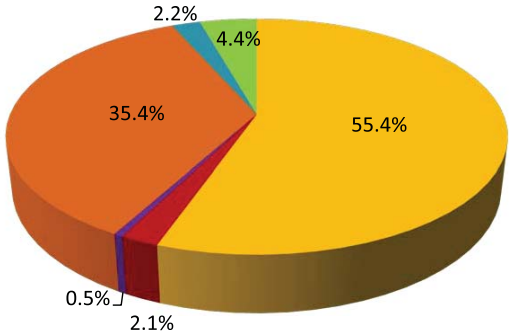
Benefits Denied to Claimants with Sufficient Wage Credits

Work-Related Denials
64,930



Other (0)
Misconduct - An Act of Willful Disregard of the Employer's Interests (32,602)
Quit - Voluntarily Leaving Without Good Cause Attributed to Work or Employer (32,328)

Non-Work-Related Denials
128,217



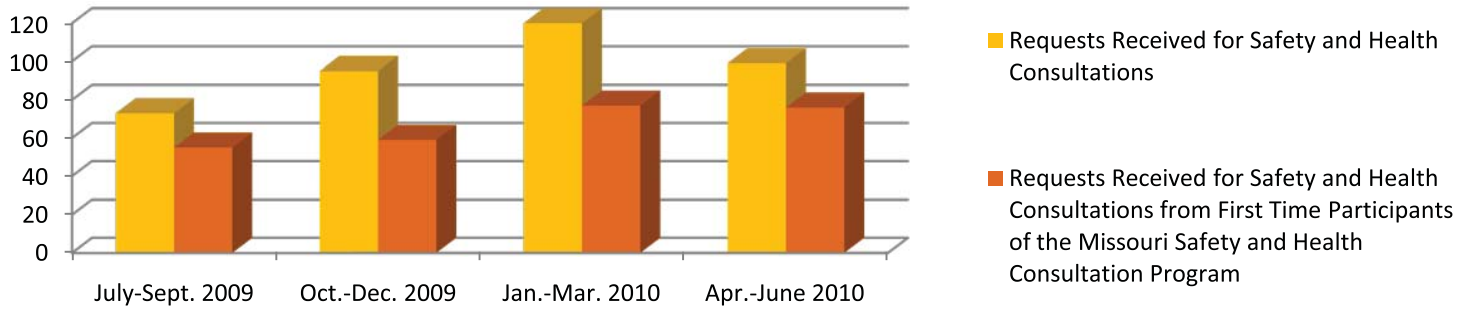
Not Able & Available for Work (71,040)
Disqualifying Income (Pension, etc.) (2,657)
Refusal of Full-Time Work (671)
Failure to Complete Required In-Person Reporting to a Career Center (45,353)
Refusal to Participate in Selected Reemployment Services (2,800)
Other (5,696)

Division of Labor Standards

	July-Sept. 2009	Oct.-Dec. 2009	Jan.-Mar. 2010	Apr.-June 2010	Totals FY 2010
Phone Calls Answered (minimum wage, wage & hour, child labor, and prevailing wage contacts)	8,902	8,115	8,995	9,048	35,060
Complaints Received (minimum wage, prevailing wage, child labor)	360	275	261	292	1,188
Investigations Closed (minimum wage, prevailing wage and child labor)	235	298	195	261	989
Cases Referred to Prosecutor / Attorney General Offices	9 / 2	3 / 3	12 / 3	3 / 0	27 / 8
Restitution Assessed/Collected (minimum wage and prevailing wage)					
Minimum Wage (Assessed)	$ 44,935.44	$140,185.50	$ 13,741.43	$ 44,230.74	$ 243,093.11
Minimum Wage (Collected)	$ 27,979.62	$107,032.10	$ 19,943.47	$ 44,230.74	$ 199,185.93
Prevailing Wage (Assessed)	$ 177,219.98	$173,817.16	$ 90,875.15	$ 182,164.18	$ 624,076.47
Prevailing Wage (Collected)	$ 147,690.84	$173,730.11	$ 90,875.15	$ 116,376.13	$ 528,672.23
Penalties Assessed - Child Labor	$ 2,250.00	$10,800.00	$ 250.00	$ 2,900.00	$ 16,200.00
Penalties Collected - Child Labor	$ 1,700.00	$4,225.00	$ 425.00	$ 1,350.00	$ 7,700.00
Requests Received for Safety and Health Consultations	73	95	120	99	387
Requests Received for Safety and Health Consultations from First Time Participants of the Missouri Safety and Health Consultation Program	55	59	77	76	267
Serious Hazards Corrected On-Site by the Missouri Safety and Health Consultant Program	548	115	288	585	1536
OSHA Fines Avoided for Serious Hazards Identified by the Missouri Safety and Health Consultation Program	$ 1,011,704.00	$ 629,720.00	$ 776,424.00	$ 1,167,056.00	$ 3,584,904.00
MSHA Fines Avoided through Mine & Cave Inspections	$ 71,280	$ 94,320	$ 243,360	$ 205,920	$ 614,880

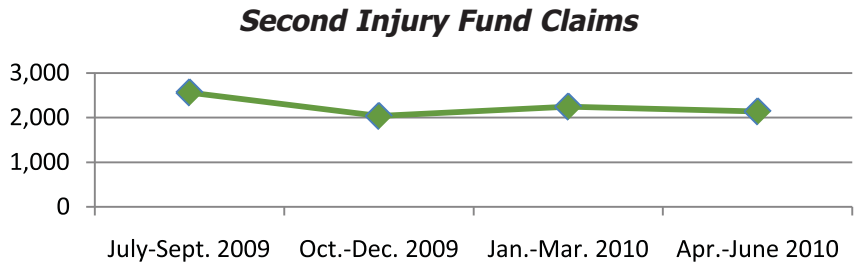
Labor Statistics

Safety and Health Consultation Requests



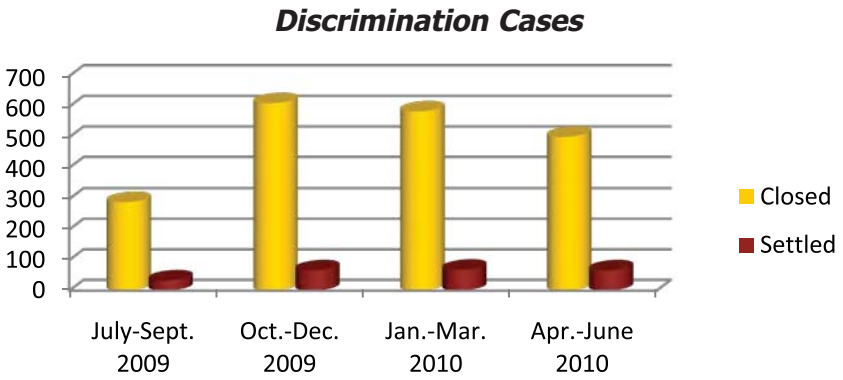
Division of Workers' Compensation

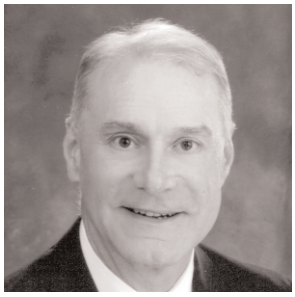
	July-Sept. 2009	Oct.-Dec. 2009	Jan.-Mar. 2010	Apr.-June 2010	Totals FY 2010
Phone Calls Answered	5,933	6,620	6,030	6,215	24,798
First Report of Injuries Filed	28,031	26,587	27,635	28,287	110,540
Workers' Comp Claims Filed	3,793	3,249	3,624	3,521	14,187
Workers' Comp Claims Resolved	6,151	6,411	5,765	5,773	24,100
Workers' Comp Cases Referred for Prosecution	75	82	87	97	341
Second Injury Fund Claims Filed	2,561	2,034	2,244	2,136	8,975
Second Injury Fund Claims Resolved	2,823	1,789	1,808	1,557	7,977



Missouri Commission on Human Rights

	July-Sept. 2009	Oct.-Dec. 2009	Jan.-Mar. 2010	Apr.-June 2010	Totals FY 2010
Intake Inquiries Received	3,012	1,477	1,466	1,352	7,307
Employment Complaints Filed	513	420	427	405	1,765
Housing Complaints Filed	34	41	48	45	168
Public Accommodations Complaints Filed	47	31	52	36	166
Cases Closed	289	611	584	501	1,985
Cases Settled	33	66	68	66	233





William F. Ringer
Chair
Public Member

Alice A. Bartlett
Commissioner
Employer Member

John J. Hickey
Commissioner
Employee Member

The Labor and Industrial Relations Commission (LIRC) was created by Section 49, Article IV of the Missouri Constitution. The LIRC is composed of three commissioners. Each commissioner is appointed to a staggered six-year term by the governor with the advice and consent of the Senate. One member of the commission, a licensed Missouri attorney, represents the public. The other two members represent employers and employees, respectively. The governor designates one member as chair.

The LIRC hears appeals from administrative decisions in workers' compensation, unemployment compensation, crime victims' compensation, and tort victims' compensation cases. The LIRC also hears and decides disputes concerning the prevailing wage rates for each construction occupation in every Missouri county. The LIRC also hears matters involving project labor agreements pursuant to Section 34.216, Missouri Revised Statues (RSMo). In addition, the commission is charged with the statutory authority to approve or disapprove all rules or regulations prepared by the divisions within the Labor Department. The LIRC nominates and the governor appoints a Director to be chief executive officer of the Labor Department with the advice and consent of the Senate.

State Fiscal Year 2010

6,245	Unemployment Insurance Appeals Decisions Issued
586	Workers' Compensation/Crime Victim Appeals Decisions Issued
7	Prevailing Wage Objection Decisions Issued

www.labor.mo.gov/LIRC

Gracia Yancey Backer
Director

The Division of Employment Security (DES) collects tax contributions from employers and pays unemployment insurance (UI) benefits to individuals who are determined eligible under the law. State unemployment tax contributions paid by Missouri employers into the Missouri Unemployment Trust Fund (UTF) are set aside for the sole purpose of providing for the payment of weekly UI benefits to qualified claimants.

The UI benefits paid to insured workers help maintain the economy of the state during periods of economic downturn by helping preserve the level of consumer purchasing power. Payments of benefits under the regular UI program are made from a trust fund financed by the employer tax contributions noted above. No part of the contribution is deducted from worker wages.

This year, an extension in benefits was renewed to persons who have exhausted all of their UI benefits and have been unable to find work. This extension to the state's UI program allows eligible unemployed Missourians to receive up to 99 weeks of UI benefits – an extension of 73 weeks beyond the typical 26 weeks provide for under the Regular UI Benefit Program.

Trust fund insolvency and increased unemployment were challenges again faced by the DES in 2010. The UTF paid out nearly $990 million to Missouri's unemployed, forcing the state to borrow approximately $722 million from the federal government. In fiscal year (FY) 2010, DES staff answered 1,405,864 calls compared to 1,062,005 calls in FY 2009.

One of the main objectives of the DES is the prompt payment of UI benefits to eligible claimants. A person must have worked in employment covered under the Missouri Employment Security Law and earned enough qualifying wages in order to establish a claim for UI benefits.

The DES also ensures that employers are properly classifying their workers, reporting their workers' wages, and paying the correct tax contributions on wages. Employers that misclassify workers fail to pay taxes to the UTF, which gives them an unfair advantage over their competitors who are paying the taxes they owe. In addition to some employers misclassifying their workers, some workers attempt to cheat the system by misreporting the facts which leads to UI benefits being improperly paid. So far this year, the DES has recovered more than $900,000 in penalties from individuals who fraudulently received UI benefits through their deceit. In efforts to continually reduce fraud, online forms are available for workers and other businesses to report the activities for the DES to then initiate an investigation.

The promotion of the DES Shared Work Program has led to an increase in new and renewed employer and employee participation in 2010. The Program is an alternative to layoffs for employers faced with a reduction in available work by allowing the employer to divide the

work among a specified group of affected employees, instead of laying off a portion of its employees. This year, employer participation saved more than 37,000 Missouri jobs.

The DES offers filing of unemployment claims via the Internet at www.moclaim.mo.gov. Referees conduct hearings and issue written decisions in regular UI benefit appeals, appeals involving the tax liability of an employer, and other special UI programs.

Proposed Legislation

The Missouri Revised Statutes (RSMo) provide that the director of the Missouri Department of Labor and Industrial Relations shall submit an annual report for the governor and the commission. The yearly report shall cover the administration and operation of the Missouri Employment Security Law and list recommendations for amendments to that Law as the Department director deems appropriate. This report is required by Section 288.260, RSMo.

The DES recommends the following amendments to the Missouri Employment Security Law in an effort to assist with the administration of Missouri's UI Program:

1. Modify Section 288.040, RSMo, to allow the DES to consider a claimant to be ineligible to receive UI benefits for as long as he/she has an outstanding penalty due that was assessed for a previous overpayment of UI benefits.
2. Modify Section 288.130, RSMo, to allow the DES to require employers with 50 or more workers to file Missouri Quarterly Contribution and Wage Reports electronically by magnetic media or the Internet.
3. Modify Section 288.160 and 288.170, RSMo, to amend UI collection statutes. The modification would allow service on the debtor by certified and registered mail, as well as filing a certificate of assessment with the recorder of deeds in the county of the debtor.
4. Modify Sections 288.250, RSMo, to clarify that the DES may disclose UI information to state and federal officials as permitted by federal law.

State Fiscal Year 2010

136,274	Employers Liable for Contributions
14,214	New Employer Accounts Established
$520,332,152.66	Employer Contributions Collected
2,784	Employer Compliance Audits Completed
581,845	Initial Claims Filed
$988,009,000	Unemployment Insurance Benefits Paid
$10,147,128	Unemployment Insurance Overpayments Collected
33,386	Appeals Filed

The DES believes the provisions in these legislative proposals will help ensure Missouri's UI Program operates effectively and efficiently, and assist the agency in meeting its performance goals.

www.labor.mo.gov/DES

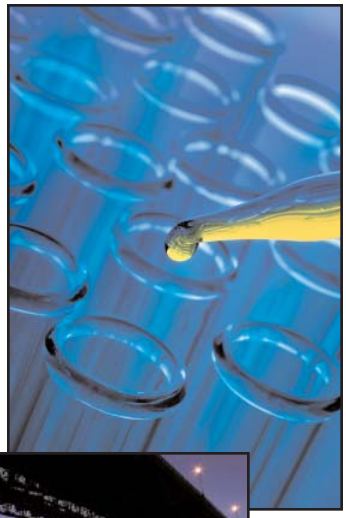
Carla Buschjost
Director

The Missouri Division of Labor Standards (DLS) administers and enforces the state's Prevailing Wage Law, Minimum Wage Law, Child Labor Law, and the Construction Safety Training Law. The DLS also helps protect Missouri workers by inspecting the state's mine and cave sites, certifying and auditing safety consultants, engineers, and programs used by employers, and offering safety and health consultations to help employers identify and remedy workplace hazards.

The DLS consists of four sections: Wage and Hour, On-Site Safety and Health Consultation Service, Mine and Cave Safety and Health, and the Workers' Safety Program.

The Wage and Hour Section helps Missourians get correct information regarding wages, work hours, vacations, lunches, hiring, and more. The Section also informs employers and employees of their workplace rights and responsibilities.

The DLS is responsible for compiling wage surveys to ascertain the wage rates that prevail in each construction occupation in every Missouri county; providing educational outreach; and conducting investigations to ensure employer compliance with prevailing wage and minimum wage laws, and with the child labor law. The prevailing wage and minimum wage laws require employers to provide payroll documentation to assure compliance with the law. Obtaining this information can be challenging at times, but DLS continues to persevere to assure Missourians are paid the correct wages and to protect the health and safety of Missouri's children from dangers in the workplace.



From FY 2009 to FY 2010, the DLS saw a 6 percent increase in minimum wage complaint filings, and a 28 percent increase in prevailing wage complaint filings. Additionally, in FY 2010, staff handled a 13 percent increase in phone calls pertaining to wage and hour issues.

service

The On-Site Safety and Health Consultation and Mine and Cave Safety and Health programs strive to reduce work-related injuries, illnesses, and fatalities by educating and training employers and employees on workplace safety and health issues. The DLS performs consultations and inspections of work sites, during which our staff identify job hazards and offer recommendations for their correction and elimination. The On-Site Safety and

Health Consultation Program provides free on-site safety and health consultations, with no penalties or fines, for Missouri employers with up to 250 employees. In FY 2010, the DLS conducted 603 workplace consultations – a 21 percent increase over those conducted in FY 2009. So far this year, the On-Site Program has saved Missouri employers $3,584,904 in potential Occupational Safety and Health Administration (OSHA) penalties, and our consultants have identified 6,206 hazards during 603 on-site visits.

The Missouri Workers' Safety Program evaluates and certifies the safety programs of workers' compensation insurance carriers in Missouri. Staff investigates complaints of inadequate loss-control services against insurance carriers and monitors the impact of safety services being provided by insurance carriers. The Workers' Safety Program also oversees the enforcement of the Construction Safety Training Program, which became effective August 28, 2009, and requires all employees on a public works project to have 10 hours of safety training within 60 days of beginning work on the project.

The Missouri Safety and Health Achievement Recognition Program (SHARP) is administered by the DLS and is a way to reward small businesses that operate exceptional health and safety programs. Participation is offered to businesses that have worked with the DLS Safety and Health Consultants over a period of time and implemented safety programs that have significantly reduced their workplace injury and illness rate. During FY 2010, six additional Missouri businesses were admitted into the program.

State Fiscal Year 2010

19	Child Labor Complaints Received
467	Child Labor Violations Found
203	Mines/Caves Inspected
3,097	Miners Trained
603	On-Site Workplace Consultations Conducted
436	Prevailing Wage Complaints Received
125	Prevailing Wage Violations Found
$546,930	Prevailing Wage Restitution Collected
655	Affected Workers Receiving Restitution
732	Minimum Wage Complaints Received
147	Minimum Wage Violations Found
$199,185	Minimum Wage Back Wages Collected
795	Affected Workers Receiving Back Wages

www.labor.mo.gov/DLS

Peter Lyskowski
Acting Director

The Missouri Division of Workers' Compensation (DWC) administers the programs that provide for Missouri workers who are injured on the job or develop occupational diseases. The DWC focuses on making sure that those who can return to work do so as soon as possible, following receipt of adequate treatment and benefits. For those who cannot return to work because of their injury or injuries, the DWC ensures that these workers receive the permanent benefits allowed by Missouri law.

Missouri employers are required to report workplace injuries within 30 days of occurrence. The DWC processes approximately 110,000 first reports of injury (FROI) each year. An audit of workplace injury and death reporting in 2009 revealed that numerous employers and insurers failed to report information to the DWC, thereby possibly denying hundreds of workers and their families of their right to receive benefits. An investigation of these employers and insurance companies led to the completion of many files, and one case being sent to the Attorney General (AG). As a result of this audit, the DWC improved its monitoring, especially on death cases, to ensure that complete and correct data regarding dependents was collected, so they can be properly and timely informed of their rights and potential benefits.

At the end of FY 2009, DWC began monitoring late reporting by insurers and service companies. In some months, nearly 10 percent of FROIs were not being submitted within the statutory time frame. Offending companies were contacted, and FY 2010 saw a tremendous increase in timely reporting. Between the end of FY 2009 and the end of FY 2010, there was a 49 percent decrease in late reporting. Three companies were referred to the AG for habitual late reporting.

Another issue the DWC addressed in FY 2010 was the failure of companies to submit corrected reports when their first report was rejected for incorrect data. Of those reported, 46 insurers and service companies have been referred to the AG for failing to correct their reports.

State Fiscal Year 2010

110,562	First Reports of Injury (workplace injuries) Filed
23,504	Total WC Awards and Settlements
1,617	Fraud and Noncompliance Cases Investigated
341	Fraud and Noncompliance Cases Referred for Prosecution

Administrative Law Judges

Nelson Allen
Karla Boresi
Kenneth Cain
Suzette Carlisle
Joseph Denigan
Robert Dierkes
Kevin Dinwiddie
Hannelore Fischer
Karen Fischer
Emily Fowler
Grant Gorman
Kathleen Hart
Henry Herschel
Margaret Holden
Robert House
Lawrence Kasten
Edwin Kohner
Margaret Landolt
Cornelius Lane
Rebecca Magruder
Vicky Mahon
Paula McKeon
Lisa Meiners
Robert Miner
Carl Mueller
Matthew Murphy
John Ottenad
John Percy
Gary Robbins
Vicky Ruth
Mark Siedlik
Carl Strange
John Tackes
Maureen Tilley
Matthew Vacca
Linda Wenman
Tim Wilson
David Zerrer

Missouri employers are required to either obtain workers' compensation insurance or obtain approval from the DWC to self-insure their workers' compensation liability, paying claims out of pocket as they arise. In 2009, 29 percent of Missouri workers were employed by self-insured employers.

Benefits paid to injured workers are made available through the workers' compensation system. Injured workers also can qualify for benefits from the Second Injury Fund, which was created to ease the workers' compensation burden on employers by compensating for employees' preexisting injuries. The Fund, which receives money from a surcharge on workers' compensation premiums, began facing financial difficulty in 2005 when the surcharge on premiums was capped by the General Assembly at 3 percent.

Most workers' compensation cases are resolved without lengthy proceedings. For those cases that are not resolved by compromise, the DWC's Administrative Law Judges conduct hearings and make determinations on what, if any, benefits are owed the injured worker. In FY10, just over 900 hearings were held.

The DWC's Fraud and Noncompliance Unit investigates all allegations of fraud and noncompliance. Employers that do not properly insure their workers' compensation liability commit noncompliance — an offense that can lead to fines, penalties, and prison time.

Fraud is defined in § 287.128.3(6) of the Missouri Revised Statutes (RSMo) as "Knowingly make or cause to be made any false or fraudulent material statement or material representation for the purpose of obtaining or denying a benefit."

www.labor.mo.gov/DWC

Alisa Warren
Executive Director

The Missouri Commission on Human Rights (MCHR) administers programs to prevent and eliminate discrimination and to provide equitable and timely resolutions of discrimination claims.

In FY 2010, complaints were again filed with MCHR at near record levels. Commission staff handled 2,109 cases and set five cases for hearing. Nearly 5,000 people attended MCHR's education, training, and outreach events. MCHR also received a grant from the U.S. Department of Housing and Urban Development (HUD) for its Show Me Fair Housing Awareness project in southeast Missouri.

The Missouri Human Rights Act requires the MCHR to receive, investigate, settle, conciliate, or pursue complaints of alleged discrimination and to conduct public hearings. The statute also enables the MCHR to certify local commissions, establish relationships with federal and local civil and human rights agencies, implement educational or research programs, and develop ways to prevent discrimination. The MCHR responds to complaints of alleged discrimination in employment, housing, and public accommodations based on race, color, religion, national origin, ancestry, sex, physical/mental disability, age (40-70; employment only), and familial status (housing only).

Commission members are nominated by the Labor Department Director, and appointed by the governor with advice and consent of the Senate. The governor appoints at least one member from each of Missouri's nine congressional districts, one member-at-large and one member as chairperson. The commissioners serve for six years without compensation. The Commission meets quarterly and commission meetings are open to the public.

State Fiscal Year 2010

2,109 Cases received
1,982 Decisions rendered

% Filed by Category

Employment	84.0%
Housing	8.0%
Public Accommodations	8.0%

% Filed by Type*

Retaliation	32.2%
Sex	30.2%
Race	28.9%
Disability	26.5%
Age	20.1%

**These percentages will not total 100% due to multiple basis and allegations.*

Commission

Alvin Carter
Chairperson
Term expires 4-1-2011

James Buford
Commissioner 1st District
Term expires 4-1-2013

Herman Elmore
Commissioner 2nd District
Term expires 4-1-2011

Michael Dierkes
Commissioner 3rd District
Term expires 4-1-2015

Susan Lee Pentlin
Commissioner 4th District
Term expires 4-1-2006

Vacant
Commissioner 5th District

Daniel E. Champion
Commissioner 6th District
Term expires 4-1-2012

Adolfo Castillo
Commissioner 7th District
Term expires 4-1-2009

Vacant
Commissioner 8th District

Jaye A. Jackson
Commissioner 9th District
Term expires 4-1-2008

Vacant
Commissioner At Large

www.labor.mo.gov/mohumanrights

James Avery
Chairman

The State Board of Mediation (SBM) is a quasi-judicial board created by the General Assembly in 1947. This five-member board is appointed by the governor. Two members are employers or selected from an association representing employers; two members hold membership in a bona fide trade or labor union; and the fifth member is a neutral party who serves as full-time chairman and administrator of the agency.

Article I Section 29 of the Missouri Constitution states that all employees shall have the right to organize and to bargain collectively through representatives of their own choosing. In 2007, the Missouri Supreme Court overruled prior cases and held that the phrase "all employees" applies to public employees, as well as private-sector employees.

The SBM is charged with assisting in the resolution of labor disputes in the public utility industry and with determining appropriate bargaining units of public employees based on their community of interests. The SBM also conducts elections to determine whether a majority of the employees in a bargaining unit want to be represented by a petitioning labor organization.

In 1965, the General Assembly enacted the Public Sector Labor Law §§ 105.500 to 105.530 of the Missouri Revised Statutes (RSMo). The Law covers all public employees in Missouri except police, deputy sheriffs, Missouri highway patrol officers, Missouri National Guard members, and all teachers at Missouri schools, colleges, and universities.

In FY 2010, there were 24 petitions filed with the SBM, and 30 representation elections conducted, affecting more than 13,577 employees. The SBM works to ensure that the election process it oversees is fair and equitable.

Board Members

Emily Martin
Lewis Moye
Robert Miller*
Leonard Toenjes*
** Waiting Senate Confirmation*

State Fiscal Year 2010

24 Petitions filed
37 Requests for Public Sector Labor Law assistance/information

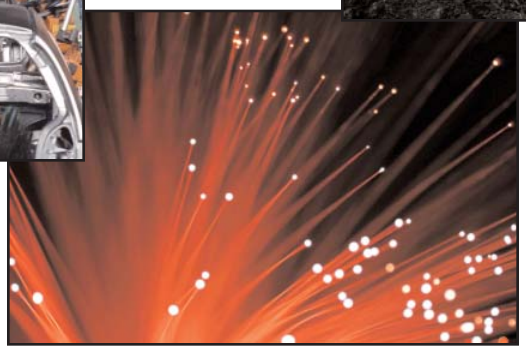
www.labor.mo.gov/SBM

Financial Summary

Divisions	Appropriation
Director and Staff	$ 6,668,838
Labor and Industrial Relations Commission	$ 987,423
Division of Employment Security	$ 37,059,910 *
Division of Labor Standards	$ 2,892,297
Division of Workers' Compensation	$ 9,091,364 **
Missouri Commission on Human Rights	$ 1,659,202
State Board of Mediation	$ 121,568
Total	**$ 58,480,602**

* *This amount excludes tax interceptions, claim payments, and federal interest payments.*

** *This amount excludes second injury and tort victims' claims payments and second injury refunds.*



industry

Missouri Department of Labor and Industrial Relations
421 East Dunklin Street
P.O. Box 504
Jefferson City, MO 65102-0504

Telephone: 573-751-4091
Fax: 573-751-4135

Relay Missouri:
If calling from home or cell phone, dial 711.
All other callers should dial 800-735-2966.

www.labor.mo.gov