

# 2016 ANNUAL REPORT



**DEPARTMENT OF LABOR  
& INDUSTRIAL RELATIONS**

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# FROM THE DIRECTOR

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## RYAN MCKENNA Department Director

The Missouri Department of Labor and Industrial Relations responds to the needs of Missouri's workforce and industry, making Missouri a great place to live, work and do business.

The Division of Employment Security (DES) is responsible for administering the state's unemployment insurance laws to Missouri employers and employees. After three and a half years of hard work, the DES launched UInteract, a fully-integrated unemployment insurance benefits, tax and appeals online solution. UInteract replaces a nearly 50-year-old legacy mainframe system. With UInteract, Missourians are better served by reducing burdensome paperwork and wait times and improving customer service experiences with the DES.

Great strides were also made in our other divisions this year. The Division of Workers' Compensation (DWC) is responsible for ensuring injured workers receive benefits they are entitled to under Missouri's Workers' Compensation Law and administering the Second Injury Fund (SIF). After the General Assembly addressed SIF funding issues in 2013, the DWC is now paying Permanent Total Disability awards and settlements as they become due and are making significant progress to pay Permanent Partial Disability awards and settlements.

The Division of Labor Standards is charged with educating businesses and workers about Missouri's Labor Laws. Because of the Wage and Hour section's increased outreach efforts for Missouri's prevailing wage survey, the Division saw a 25 percent increase in hours submitted on public works projects and commercial construction. Participation in the wage survey is critical to creating fair prevailing wages in all Missouri counties.

This year, the Missouri Commission on Human Rights conducted several fair housing seminars around the state. The Commission was awarded a highly competitive grant from the Department of Housing and Urban Development to continue its Show-Me Fair Housing Awareness Project, an education and outreach program that will provide information on fair housing laws and affirmatively further fair housing in the six southeastern-most counties of the Missouri Bootheel and the St. Louis Promise Zone. The Commission also saw a significant increase in attendance at its Fifth Annual Missouri Human Rights Conference, where local, state and federal leaders gathered to discuss current issues relating to advancing human rights in Missouri.

On behalf of this agency, I would like to thank Governor Nixon for his leadership in supporting the Labor Department and the State of Missouri for the past eight years. And I also want to personally thank the dedicated staff of the Missouri Department of Labor and Industrial Relations. Their tireless efforts to ensure Missouri's Employment Laws are applied fairly and impartially, which continues to move Missouri's workforce and industry forward.

# DEPARTMENT OVERVIEW

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**KEN JACOB**  
Deputy Director

## Mission Statement

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

The Labor Department is comprised of the Labor and Industrial Relations Commission and five Divisions:

### Division of Employment Security

Adjudicates claims for and provides payment of unemployment benefits for employees who become unemployed through no fault of their own. To finance the payment of unemployment benefits to qualified claimants, the DES collects taxes from Missouri employers.

### Division of Workers' Compensation

Ensures that workers injured on the job receive the benefits they deserve and investigates allegations of workers' compensation fraud and noncompliance.

### Division of Labor Standards

Encourages compliance of Missouri's wage and hour laws through community outreach and education while promoting safe working environments.

### State Board of Mediation

Determines the appropriate bargaining unit for public employees and regulates utility labor relations.

### Missouri Commission on Human Rights

Investigates alleged violations of and enforces compliance with Missouri law prohibiting discrimination in housing, employment, and public accommodations.

# LEGISLATIVE SUMMARY

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- 60** Bills were proposed and considered by the General Assembly that would have impacted the Department
- 5** of those were passed by the legislature and became law
- 2** of which were signed by the Governor
- 1** was vetoed by the Governor and later, was overridden
- 2** became law without the Governor's signature

## HB 1530 and SB 702: Recovery of Non-Fraudulent Overpayments

HB 1530 permits the DES to use the Treasury Offset Program (TOP) to recover non-fraudulent overpayments made to claimants. This bill will help the DES recover nearly \$1 million annually which will maintain the integrity of the unemployment system while ensuring Missouri complies with federal law.

SB 702 includes the same language found in HB 1530 along with a provision relating to independent contractors. SB 702 requires the DES to apply the IRS 20-factor right to control test when determining whether a taxicab driver is an employee or independent contractor.

## HB 1432: Public Employees on Administrative Leave

The provisions found in HB 1432 will apply a one-size-fits-all approach to how Missouri's public employees are placed on administrative leave. If an employee is placed on administrative leave, a hearing must be held within 60 days. The bill does exempt public employees from the requirements of HB 1432 when certain law enforcement, state or federal agencies are conducting an investigation.

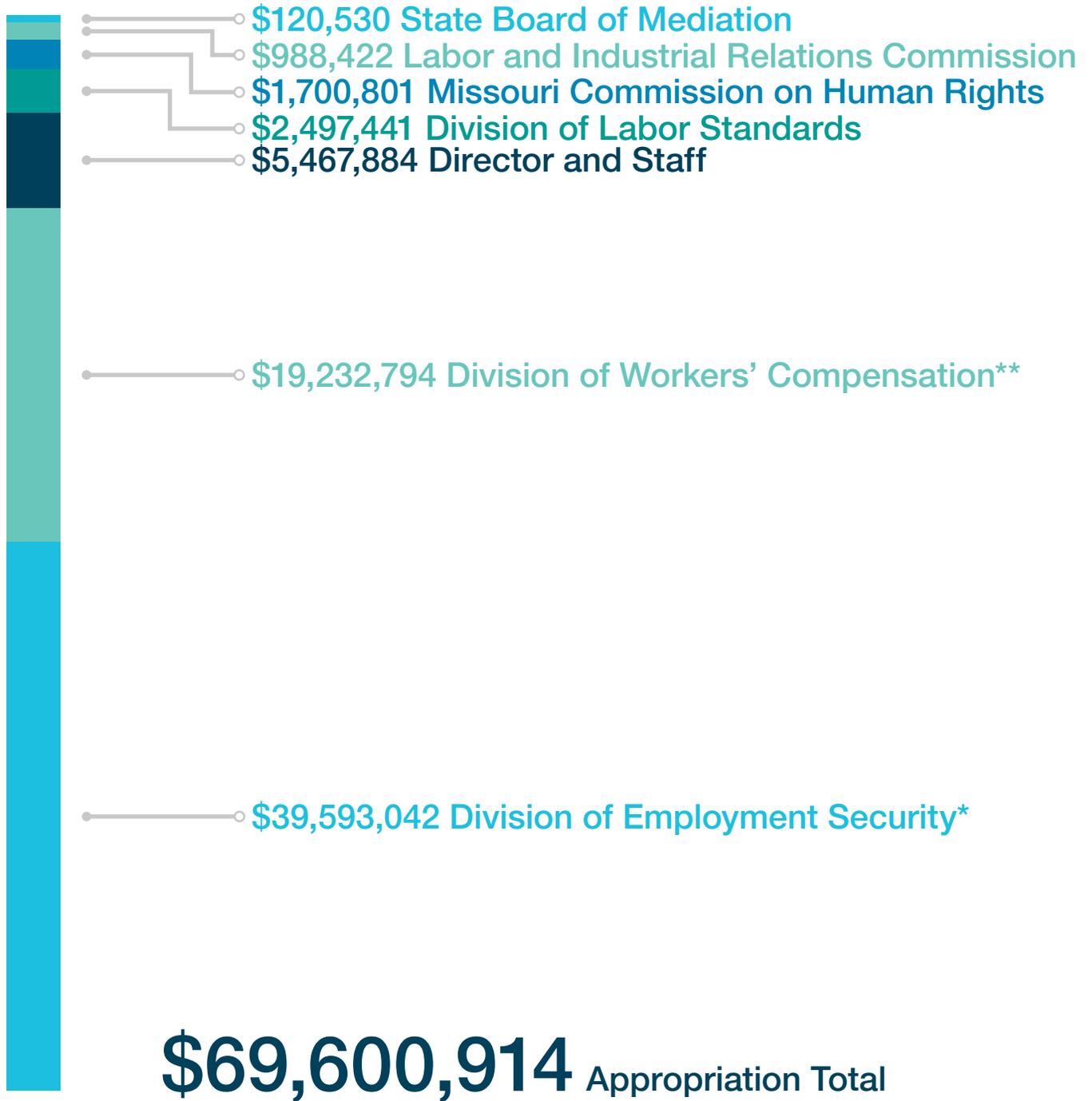
## SB 700: Workers' Compensation Law Modifications

SB 700 modifies several provisions of workers' compensation law. Volunteers of certain tax-exempt veterans' organizations will no longer be covered under workers' compensation. Volunteer fire protection districts will be permitted to apply for grants through the state Fire Marshal to help pay for workers' compensation premiums. Employers can now pay for medical costs that do not exceed 20 percent of the current split of primary and excess losses and when the employee lost no time at work. These injuries will have no impact on the experience modification.

The provisions regarding volunteer fire protection districts can also be found in SB 613.

# FINANCIAL SUMMARY

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\* This amount includes the Unemployment Insurance Computer Modernization Project and excludes tax interceptions, claim payments, and federal interest payments.

\*\* This amount includes the Workers' Compensation Computer Modernization Project, but excludes Second Injury and tort victims' claim payments and Second Injury Fund refunds.

# LABOR AND INDUSTRIAL RELATIONS COMMISSION

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**JOHN J. LARSEN, JR.**  
**Chair**  
Public Member



**JAMES G. AVERY, JR.**  
**Commissioner**  
Employer Member



**CURTIS E. CHICK, JR.**  
**Commissioner**  
Employee Member

The Labor and Industrial Relations Commission (LIRC) is established by Article IV, Section 49 of the Missouri Constitution. The LIRC's primary constitutional duty is to oversee the Department of Labor and Industrial Relations.

The LIRC is composed of three members appointed by the governor, with the advice and consent of the Senate. One member is classified as a representative of employers, one as a representative of employees, and one as a representative of the public. The public representative must be licensed to practice law in Missouri.

The LIRC nominates and the governor appoints, with the advice and consent of the Senate, a director who serves as the chief administrative officer of the Labor Department. In 1974, the LIRC issued an order delegating many of its powers to the director of the Labor Department, and that order is still in effect today.

The LIRC has the authority to adopt rules for the management of the Labor Department and to approve the administrative rules promulgated by the Labor Department and its Divisions. In addition to its oversight duties, the LIRC serves as a higher authority appeal board, reviewing appeals from workers' compensation cases, unemployment insurance cases, and tort victims' compensation cases. The LIRC also hears and determines objections to prevailing wage determinations and challenges to determinations by public bodies to enter into project labor agreements.

## State Fiscal Year 2016 Appeals

### Employment Security

2,501	Employee Benefit Appeals
57	Employer Contribution Appeals
1,154	Benefit Decisions Issued
1,356	Benefit Orders Issued
21	Contributions Decisions Issued
19	Contributions Orders Issued
0	Oral Arguments Heard
313	Appeals to the Missouri Court of Appeals
328	Benefit Cases Pending as of June 30

### Workers' Compensation/Tort Victim

197	Applications for Review of Award of Administrative Law Judge
82	Motions for Modification of Award
80	Applications for Approval of Settlements
93	Awards Issued
361	Orders Issued
45	Oral Arguments Heard
50	Appeals to the Missouri Court of Appeals
121	Cases Pending as of June 30

### Prevailing Wage

2	Objections Filed
0	Hearings Held
3	Decisions Issued
0	Appeals to Court

# DIVISION OF EMPLOYMENT SECURITY

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**CHRIS MILLER**  
Acting Director

The Missouri Division of Employment Security (DES) collects taxes from employers and pays unemployment benefits to individuals who are determined eligible under the law. State unemployment taxes 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 benefits to qualified claimants.

The 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 unemployment insurance (UI) program are made from a trust fund financed by the employer tax contributions noted above. Contributions are not deducted from worker wages.

Missouri processes weekly requests for payment and pays benefits to individuals in covered employment under state and federal unemployment programs. The state's unemployment program is normally comprised of regular UI, unemployment compensation for ex-service members, unemployment compensation for federal employees and Trade Readjustment Allowances. When authorized, the DES is also responsible for administering federal-state extended benefits, federal Emergency Unemployment Compensation, and Disaster Unemployment Assistance.

**1,503,461**

Weekly requests for payment processed

**\$292,883,516**

Paid in unemployment benefits for all state and federal benefit programs

The Federal Unemployment Tax Act (FUTA) tax rate is six percent of the first \$7,000 paid to covered workers. Generally, employers can take a credit against their FUTA tax for amounts paid into state unemployment funds.

The credit may be as much as 5.4 percent of FUTA taxable wages. If an employer is entitled to the maximum 5.4 percent credit, the FUTA tax rate after credit is 0.6 percent. An employer is entitled to the maximum credit if the United States Department of Labor (USDOL) certifies the state's unemployment compensation program as conforming and the employer pays the state unemployment tax in a timely manner.



# UI PROGRAMS SECTION

One of the main objectives of the DES is prompt, accurate payment of unemployment 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 unemployment benefits.

**20 weeks**

Maximum number of weeks a worker may be entitled to benefits

**\$320**

Maximum weekly benefit amount

**\$248.82**

Average weekly benefit amount paid to eligible individuals

## Federal Benefits, Timeliness, and Quality Review

for separation determinations

scored  
**92%**

for non-separation determinations

scored  
**89.8%**

surpassed the federal Core Measure goal of

**75%**

The DES crossmatches unemployment claims with the Missouri Department of Corrections and local law enforcement agencies to identify claimants who are incarcerated and continue to file for benefits.

**During 2016, the state incarceration cross-match prevented an estimated \$33,819 in possible overpayments for 15 claims.**

**For FY 2016, the local cross-match prevented an estimated \$278,070 in possible overpayments for more than 897 claims.**

The UI Programs Section enhanced its new hire investigation process in 2015, by creating a specific team dedicated to investigating potential issues from cross-matches with both the national and state directories of new hires. Employers are required to have new employees complete a W-4 form when hired. This information is sent to the state and national new hires directories. The data is compared with the record of the weekly requests for payment filed by claimants. If a match occurs, the unit investigates whether the claimant is receiving benefits for which they are not entitled. For FY 2016, the cross-match unit detected 26,358 matches for investigation. After investigation, the unit established 7,415 overpayments.

In May of 2016, the DES implemented a solution to provide front-end instant verification and instant authentication (IV/IA) for individuals as they apply for unemployment benefits. This functionality is designed to ensure that the information provided during the initial claim intake process belongs to the person filing a claim for unemployment benefits. This IV/IA solution uses a series of questions that only the claimant should be able to answer. If the claimant does not answer the questions correctly, they are mailed a letter directing them to report to a Missouri Job Center with proof of their identity. Since implementation, 4,448 claimants were required to report to a Job Center to verify their identity.



**The DES continues to partner with the Missouri Division of Workforce Development to offer extensive re-employment services for jobseekers.**

The collaborative efforts allow for data sharing which sustains a large number of programs aimed at improving the ability of unemployed workers to either find new jobs or seek further education to enhance opportunities for re-employment.

## **EMPLOYER CONTRIBUTIONS SECTION**

The Employer Contributions Section ensures all employers are properly reporting their workers' wages and paying the correct tax on those wages.

The administrative staff investigates matters pertaining to employer liability and makes determinations relating to employer payrolls and taxes. These determinations are appealable through the DES appeals process and the state judicial system.

An account is maintained for each employer to which tax payments are credited and to which unemployment benefits paid to the employer's former workers are charged. The employer's tax rate is based on the relationship of the experience account balance to the employer's average annual taxable payroll.

### **In calendar year 2016:**

- **average tax rate for all employers was 1.798 percent**
- **average rate for employers with a positive experience account balance was 1.422 percent**
- **average rate for employers with a deficit account balance (more benefits have been paid out to former employees than taxes paid in) was 7.646 percent**

During FY 2016, there were 153,003 employers subject to coverage provisions of the law. There were 19,918 employers not previously covered that became subject to the law. These employers reported 3,073,121 employees. Employee wages are required to be reported each calendar quarter as they are used to determine claimant benefit entitlement.

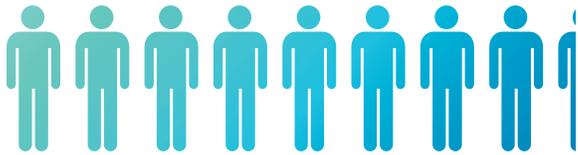
The DES collected \$566,834,558 in taxes, which is credited to the UTF for payment of unemployment benefits.

The DES ensures that employers are properly classifying their workers, reporting their workers' wages, and paying the correct taxes on the wages. Employers that misclassify workers fail to pay taxes to the UTF, which gives them an unfair advantage over competitors that are properly reporting and paying their taxes.

In FY 2016, the DES continued using its Misclassified Worker Detection System to assist in identifying employers that potentially misclassify workers. The online Report Worker Misclassification tip system also allows individuals or businesses to report misclassification concerns to the DES. In addition, employers issued determinations stating their workers are employees and not independent contractors are contacted after a year to verify if they are complying with their DES determination.



**2,108 audits**  
were conducted



**8,196 workers**  
identified as incorrectly classified



**\$2,171,945**  
additional taxes due  
because of misclassified workers

In FY 2016, Field Audit and Collections staff improved efforts to increase compliance and reduce the amount of unpaid taxes, interest, and penalties and the number of outstanding quarterly reports due. These efforts positively impact both the UTF and the payment of unemployment benefits to eligible claimants.

**\$5,556,391.25 resolved in past due taxes, interest, and penalties**

**16,082 outstanding quarterly reports collected**

# BENEFITS SECTION

The Shared Work Program is an alternative to layoffs for employers faced with a reduction in available work. The program is experiencing considerable growth due to increased outreach efforts to provide awareness and benefits of the program to employers. These efforts include radio ads throughout the state, mailing of Shared Work informational pamphlets, exhibit booths at job fairs and employer conferences, and extensive coordination of services with other state and federal agencies.



The DES continued its efforts to prevent and detect fraud and improper payments of the UI program. During FY 2016, benefits paid under all programs administered by the DES amounted to \$292,883,516. Overpayments for all programs totaled \$14,494,955 representing 4.9 percent of benefits paid.

The benefit payment control program uses a number of cross-matches to detect potential cases of improper payment of benefits. The primary means of overpayment detection is a quarterly cross-match of employer wage reports with benefit payments. The DES mails more than 18,900 requests for wage information to employers each quarter. On average 14.4 percent of these requests result in cases of overpaid benefits. Improperly paid benefits in the amount of \$5,731,413 were detected by this quarterly cross-match during FY 2016.



Collection of overpaid benefits is a high priority for the DES. Methods used to collect the debt for overpaid benefits include intercepting state and federal income tax refunds and state lottery winnings, offsetting future payment of unemployment benefits, voluntary credit card payments, cash payments, and garnishment of wages.

The most egregious overpayment of benefits due to fraud are investigated and referred for criminal prosecution.

# Prosecution Activity Report

Cases Referred	245
Overpayment Total	\$955,155.07
Average Overpayment Referred	\$3,898.59
Convictions	175
Court Ordered Restitutions	\$978,356.58
Restitutions Received	
Cash	\$883,323.93
UI Weeks	\$2,805
Tax/Lottery Intercepts	\$491,346.37
Total Restitution Received	\$1,377,475.30

## Operation Round-Up

- addressed outstanding warrants for claimants who have received fraudulent unemployment benefits
- worked with 52 law enforcement agencies throughout the state
- apprehended 218 individuals charged with unemployment fraud whose outstanding overpayments totaled \$1,214,050.50

## APPEALS SECTION

Pursuant to federal and Missouri law, the DES must provide an opportunity for a fair hearing before an impartial tribunal to all parties affected by a deputy's determination. The DES Appeals Section provides due process hearings for all appeals arising under the basic programs of UI benefit entitlement and tax liability, as well as special programs such as federal EUC, DUA, TRA and EB, when authorized.

Once an appeal is filed, an impartial Appeals Referee conducts an evidentiary hearing and issues a written decision regarding the appeal. The decision of the Appeals Referee is subject to review by the Labor and Industrial Relations Commission upon timely application by the aggrieved party.

**17,450**  
appeals filed

**17,976**  
hearings scheduled

**16,797**  
appeals disposed  
by decision or order

# QUALITY CONTROL SECTION

The Quality Control Section is responsible for the operation of two federally mandated programs, Benefit Accuracy Measurement (BAM) and Tax Performance System (TPS). The BAM Program audits paid and denied unemployment claims. The TPS Program audits the operation of the DES UI tax program.

In addition, this section and the Department of Economic Development's Division of Workforce Development are jointly responsible for the operation of Missouri's Reemployment Services and Eligibility Assessment (RESEA) Program. This program randomly selects UI claimants and refers them to their local Missouri Career Center to receive reemployment services and a UI eligibility assessment.

**Fiscal Notes Prepared ▶ 36**

**USDOL Required Reports Submitted ▶ 475**

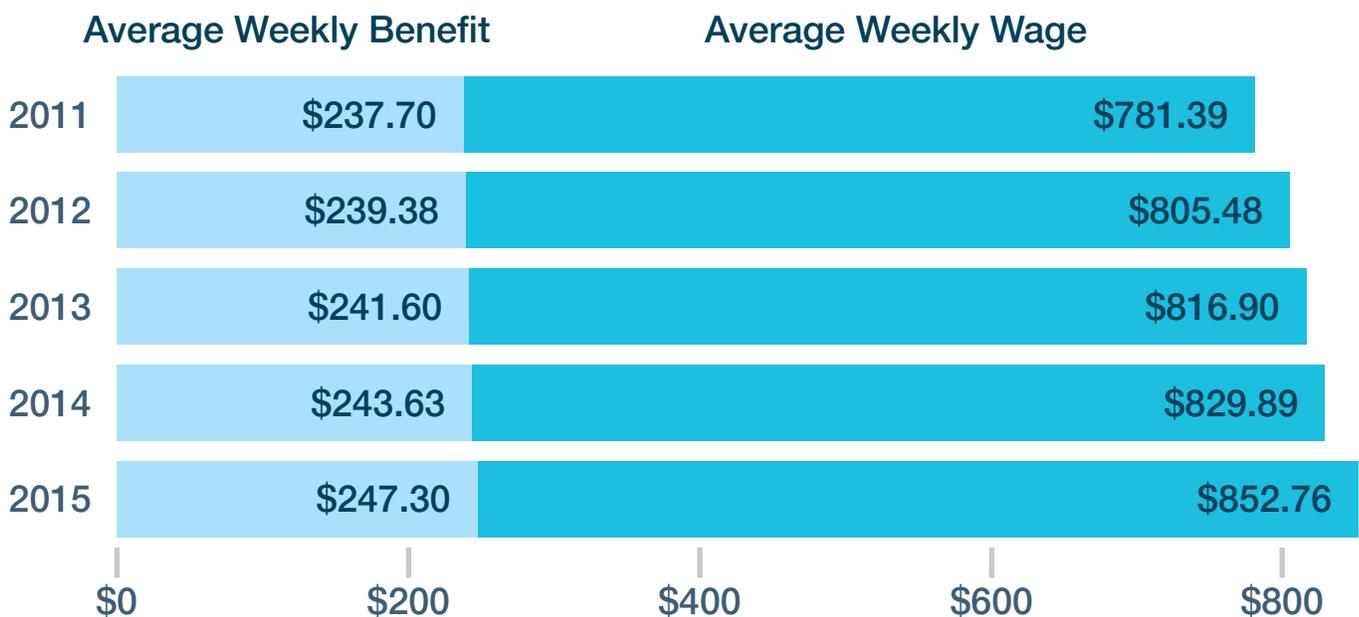
**Benefit Claims Audited ▶ 930**

**Tax Cases Audited ▶ 952**

**Claimants Selected for REA Program ▶ 15,646**

Other functions and responsibilities of the Quality Control Section include producing and providing statistical information, raw data, and financial information to the executive staff of the Department of Labor and Industrial Relations, the Missouri State Unemployment Council, the USDOL, members of the Missouri General Assembly, and all other interested stakeholders. The Quality Control Section also prepares and submits USDOL-required reports, UTF projections, budget oversight, and fiscal notes; calculates and monitors the DES performance measures; writes and monitors grants; assists in the implementation of statutory changes; and ensures Missouri's UI system complies with federal laws and policies.

## UI Wages and Benefits



## Employment and Earnings

Cal. Year	Covered Employers	Covered Employees <sup>1</sup>	State Revenues <sup>1</sup>	Wages Paid in Covered Employment <sup>1</sup>		Average Tax Rate-Percent of		Taxable Wage Base	Annual Wage
				Total	Taxable	Total	Taxable		
2011	137,223	2.55M	\$680.3M	\$102.3B	\$26B	0.8	2.3	\$13,000	\$40,993
2012	138,732	2.56M	\$673.5M	\$106.3B	\$26.7B	0.7	2.4	\$13,000	\$42,248
2013	142,230	2.6M	\$648.9M	\$109B	\$26.9B	0.7	2.3	\$13,000	\$42,642
2014	145,488	2.64M	\$634.9M	\$112.1B	\$27.6B	0.7	2.2	\$13,000	\$43,923
2015	150,049	2.7M	\$605.9M	\$117B	\$28.6B	0.6	2.0	\$13,000	\$45,130

1 - These are abbreviated figures

## UI Claims and Benefits

Cal. Year	First Payments	Weeks Compensated	Benefits Paid <sup>1</sup>	Avg. Weekly Benefit Amount	Average Duration	Exhaustion Rate	Trust Fund Balance <sup>1</sup>	Outstanding Federal Loans <sup>1</sup>
2011	168,199	2,807,589	\$642.4M	\$237.70	16.7	48.5	\$13.4M	\$725.5M
2012	149,970	2,235,107	\$514.5M	\$239.38	14.9	48.7	\$37.4M	\$569.1M
2013	137,718	2,024,310	\$469.3M	\$241.60	14.7	46.3	\$66.2M	\$321.5M
2014	118,063	1,664,558	\$389.2M	\$243.63	14.1	41.5	\$104.8M	\$0
2015	103,654	1,362,049	\$324.4M	\$247.30	13.1	35.5	\$377.5M	\$0

1 - These are abbreviated figures

# Unemployment Compensation Fund FY 2016

<b>Balance on Hand, July 1, 2016</b>	<b>\$289,809,508.93</b>
<b>Deposit</b>	
Net UI Contributions	\$566,834,537.93
Penalty/Interest	\$5,151,626.44
U.S. Treasury Interest Credits	\$9,109,393.91
Intra-Account Transfer	\$872,200,000
From Other States-Interstate Benefits CWC	\$4,197,582.83
FECA Advances/Reimbursements-UCX	\$1,819,278.84
Reimbursable-Local Govt. & Other Pol. Subdivisions	\$6,033,656.22
Reimbursable-State Govt., State Hospitals, and Higher Education	\$1,935,153.56
Reimbursable-Nonprofit Organizations	\$12,159,889.31
Federal Share Extended Benefits	\$0
Federal Emergency Compensation/EUC08	\$(1,000,000)
Federal Emergency Compensation/FAC	\$(100,000)
Short Time Compensation-Federal	\$730,000
FECA Advances/Reimbursements-UCFE	\$5,307,210.93
From Other Sources-Trust Fund Loans	\$1,590,044.84
From Other Sources-Federal Assessment	\$1,117.31
From Other Sources-Federal Interest Payment	\$0
<b>Total Receipts</b>	<b>\$1,485,919,512.12</b>
<b>Disbursements</b>	
Net UI Benefits	\$250,440,869.83
Net Reimbursable Benefit Payments-Local Govt. and Other Pol. Subdivisions	\$6,182,453.02
Net Reimbursable Benefit Payments-State Govt., State Hospitals, and Higher Education	\$2,035,556.85
Net Reimbursable Benefit Payments-NonProfit Organizations	\$12,993,223.72

(continued on page 20)

<b>Disbursements (continued)</b>	
FECA Net Benefit Payments-UCX	\$1,809,995.34
Net Federal Benefits-Federal Share (Extended)	\$(89,053.50)
EUC 08 Activity	\$(2,869,488.29)
TEUC Activity	\$(9,695.68)
Federal Emergency Compensation-FAC	\$(164,343.08)
Short Time Compensation-Federal	\$4,946,540.28
To Other States-Interstate Benefits CWC	\$29,557,255.01
Title IX Funds-Withdrawn (Reed Act)	\$463,893.27
To Special Funds Penalty/Interest	\$5,166,580.81
FECA Net Benefit Payments-UCFE	\$5,259,377.95
Intra-Account Transfers	\$872,200,000
Other First Pmts EB/Loan Repayment	\$27,275.10
<b>Total Disbursements</b>	<b>\$1,187,950,440.63</b>
<b>Balance On Hand, June 30, 2016</b>	
	<b>\$587,778,580.42</b>
<b>Cash Balance, June 30, 2016</b>	
<b>Clearing Account</b>	
Central Bank, Jefferson City, MO	\$67,598.29
<b>Benefit Account</b>	
Central Bank, Jefferson City, MO	\$1,884,778.70
<b>Trust Fund Account</b>	
U.S. Treasury	\$585,826,203.43

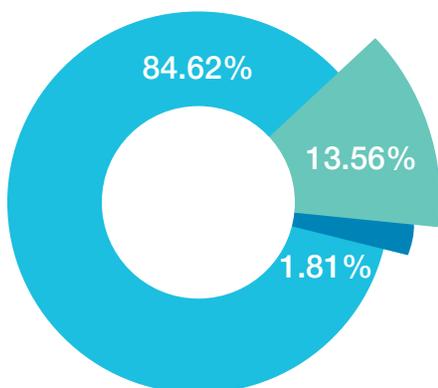
# DIVISION OF WORKERS' COMPENSATION



**JOHN J. HICKEY**  
Director

The Missouri Division of Workers' Compensation (DWC) administers programs that provide services to all stakeholders including workers who were injured on the job or were exposed to occupational diseases arising out of and in the course of employment. The DWC makes sure injured workers receive benefits they are entitled to under the Missouri Workers' Compensation Law.

## Workplace Injuries



**89,891** No claim for compensation filed with FROI

**14,405** Claims for compensation filed with FROI

**1,928** Claims for compensation filed with no FROI

**104,296**  
Total FROIs Received

**106,224** Total workplace injuries reported

Several changes have been made to the Workers' Compensation Law effective Jan. 1, 2014. Section 287.120, RSMo, was amended to include occupational diseases under the exclusive remedy provisions of the Workers' Compensation Law. A new definition was created for "occupational diseases due to toxic exposure" which includes only the following: mesothelioma, asbestosis, berylliosis, coal worker's pneumoconiosis,

bronchiolitis obliterans, silicosis, silicotuberculosis, manganism, acute myelogenous leukemia and myelodysplastic syndrome. If an employee sustains an occupational disease due to toxic exposure from the list above that results in permanent total disability or death, an employee may be entitled to receive an enhanced benefit in addition to permanent total disability or death benefits.

The funding for the DWC to administer the Workers' Compensation Law comes from a tax and surcharge on employer workers' compensation net deposits, net premiums or net assessments, and net premium equivalents for self-insured employers.

## Funding for the DWC to administer the Workers' Compensation Law

comes from a  
**tax and  
surcharge**

**capped at  
2%**  
per Missouri Statute

**set at  
1%**  
for CY 2010-2016

on employer workers' compensation net deposits, net premiums or net assessments, and net premium equivalents for self-insured employers

# \$17,876,127

Workers' Compensation Tax for CY 2015

# \$102,518,495

Second Injury Fund Surcharge for CY 2015

An employer or its insurer must report workplace injuries to the DWC, other than injuries that require immediate first aid and no further medical treatment or lost time from work, within 30 days of knowledge of the injury. Any person who knowingly fails to report the injury as required by law is deemed guilty of a misdemeanor and, on conviction shall be punished by fine or imprisonment, or both. Employees can file a formal Claim for Compensation to initiate a contested case proceeding in the Workers' Compensation Program.

Employers subject to the Missouri Workers' Compensation Law are required to either purchase workers' compensation insurance coverage through an insurance carrier authorized to insure such liability in the state of Missouri by the Missouri Department of Insurance, Financial Institutions and Profession Registration or obtain approval from the DWC to self-insure their workers' compensation liability.

## Self-Insurance

Security Held FY 2016 <sup>2</sup>	\$632,312,532
Security Held FY 2015	\$606,845,818
Security Held FY 2014	\$614,670,258
Security Held FY 2013	\$613,656,185

### Individual Self-Insurance

FY	Employers	Employees Covered <sup>1</sup>	Payroll Covered <sup>1</sup>	Applications Received	Applications Approved	Voluntary Withdrawals	Involuntary Terminations
2016	284	404,941	\$18,791,261,053	6	4	2	0
2015	284	411,976	\$18,343,765,153	0	2	6	0
2014	290	401,155	\$17,463,219,006	6	5	6	0
2013	285	395,978	\$17,165,682,119	4	7	9	0
2012	287	409,809	\$17,792,180,746	13	1	7	0

### Group Trust Self-Insurance

FY	Employers	Employees Covered <sup>1</sup>	Payroll Covered <sup>1</sup>	Applications Received	Applications Approved	Voluntary Withdrawals	Involuntary Terminations
2016	2,705	274,783	\$9,271,689,585	0	0	0	0
2015	2,706	278,783	\$8,735,676,343	0	0	0	0
2014	2,631	263,949	\$8,445,711,213	0	0	1	0
2013	2,597	256,951	\$8,164,050,965	0	0	0	0
2012	2,504	253,798	\$8,206,046,623	0	0	1	0

<sup>1</sup> - Number valid as of close of prior calendar year

<sup>2</sup> - Excludes security called due to default

Injured workers bear the burden of proving entitlement to benefits under the Workers' Compensation Law. Injured workers also can qualify for benefits from the Second Injury Fund.

▶ **The Fund was created to benefit the physically handicapped and individuals with a previous work-related disability.** ◀

▶ **It encourages employment by permitting persons to be employed without exposing employers to any liability for previous disabilities.** ◀

The Fund, which receives money from a surcharge on employers' workers' compensation premiums, began facing financial difficulty in 2005 when the Second Injury Fund surcharge was capped at three percent by the General Assembly.

A change to the law effective Jan. 1, 2014, authorizes the imposition of a supplemental surcharge, not to exceed three percent, on employers' workers' compensation premiums. In addition, the Fund's liability was reduced by eliminating permanent partial disability claims to be filed against the Fund and permanent total claims were limited to certain prior disabilities. Other benefits were also eliminated from the Fund such as second job wage loss and medical and death benefits if the employer fails to insure its workers' compensation liability as required by law.

## Second Injury Fund

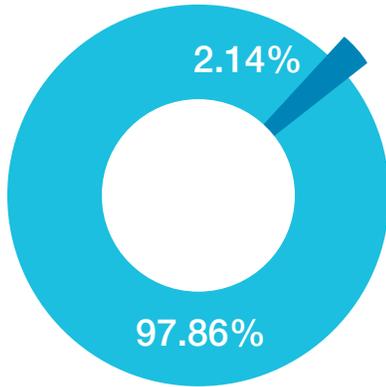
Total recipients of *PTD benefits (both ongoing and lump sum)	2,636
Recipients who received ongoing, lifetime PTD benefits	1,924
Total PTD benefits paid	\$94,522,468.15
Total recipients of **PPD benefits (both ongoing and lump sum)	1,218
Total PPD benefits paid	\$8,508,796.74
Total recipients of Rehab benefits (both ongoing and lump sum)	42
Total Rehab benefits paid	\$18,919.91
Total recipients of Uninsured Medical benefits (both ongoing and lump sum)	12
Total Uninsured Medical benefits paid	\$182,032.21
Total recipients of Uninsured Death benefits (both ongoing and lump sum)	11
Total Uninsured Death benefits paid	\$178,651.36
Total recipients of Lost Wages benefits (both ongoing and lump sum)	40
Total Lost Wages benefits paid	\$100,778.04

\*Permanent Total Disability  
 \*\*Permanent Partial Disability

Most workers' compensation cases are resolved through a settlement between the parties and without proceeding to a hearing, which is costly and time consuming. For cases not resolved by compromise settlement, the DWC's Administrative Law Judges (ALJs) conduct hearings and make determinations on what, if any, benefits are owed to the injured worker.

10,238 | 1,584

Cases set for hearing or conference | Formal hearings conducted



402 Workers' Compensation awards

18,380 Workers' Compensation settlements approved

18,782 Total Workers' Compensation awards and settlements



### Administrative Law Judges

Karla Boresi  
 Kenneth Cain  
 Suzette Carlisle  
 Joseph Denigan  
 Robert Dierkes  
 Hannelore Fischer  
 Karen Fisher  
 Emily Fowler  
 Kathleen Hart  
 Margaret Holden\*

Robert House  
 Lawrence Kasten  
 Joseph Keaveny  
 Edwin Kohner  
 Margaret Landolt  
 Victorine Mahon  
 Paula McKeon  
 Lisa Meiners  
 Robert Miner  
 John Ottenad

Lawrence Rebman  
 Gary Robbins  
 Angela Robyn  
 Lee Schaefer  
 Mark Siedlik  
 Carl Strange  
 Maureen Tilley  
 Linda Wenman\*  
 L. Timothy Wilson  
 David Zerrer

\*Judges who served as Division of Workers' Compensation Administrative Law Judges during Fiscal Year 2016 that are no longer Administrative Law Judges with the Division of Workers' Compensation.

The DWC's Fraud and Noncompliance Unit investigates all allegations of fraud and noncompliance under chapter 287 of the Missouri Revised Statutes. Employers who are subject to the law and knowingly fail to insure their workers' compensation liability are committing a criminal offense that can lead to fines and prison time.

Under § 287.128.3(6), RSMo, fraud includes "Knowingly making or causing to be made any false or fraudulent material statement or material representation for the purpose of obtaining or denying a benefit."



**1,963** Fraud and Noncompliance Cases Investigated



**300** Fraud and Noncompliance Cases Referred to Attorney General's Office for Prosecution

## Accidents and Diseases by Severity for FY 2016

Industry	Fatalities <sup>1</sup>	Lost Time <sup>2</sup>	Medical <sup>3</sup>	Unknown or Incident Only <sup>4</sup>	Total
Accommodation and Food Services	2	423	2,097	3,718	6,240
Administrative and Support and Waste Management and Remediation Services	2	470	1,451	2,271	4,194
Agriculture, Forestry, Fishing and Hunting	3	77	300	321	701
Arts, Entertainment and Recreation	0	109	815	903	1,827
Construction	17	754	1,598	2,918	5,287
Educational Services	0	556	3,434	3,886	7,876
Finance and Insurance	2	103	364	939	1,408
Health Care and Social Assistance	2	1,139	6,844	10,629	18,614
Information	0	145	349	602	1,096
Management of Companies and Enterprises	0	18	37	94	149
Manufacturing	12	1,243	5,421	7,912	14,588
Mining	1	19	32	77	129
Missing	6	35	44	623	708
Other Services (Except Public Administration)	0	180	777	1,077	2,034
Professional, Scientific, and Technical Services	1	198	1,071	1,787	3,057
Public Administration	6	862	2,959	5,549	9,376
Real Estate and Rental and Leasing	1	125	292	632	1,050
Retail Trade	4	966	4,174	6,388	11,532
Transportation and Warehousing	18	997	1,578	2,471	5,064
Utilities	1	160	714	542	1,417
Wholesale Trade	2	628	1,575	2,976	5,181
<b>Total</b>	<b>80</b>	<b>9,207</b>	<b>35,926</b>	<b>56,315</b>	<b>101,528</b>

1-Deaths reported. Death may later be determined not to be a compensable work related injury.

2-Cases where Temporary Total Disability (TTD) or Temporary Partial Disability (TPD) benefits were reported paid.

3-Cases where no TTD or TPD benefits were reported but medical costs were reported.

4-Cases where no payment information has been received. Includes incident only cases reported to DWC as a precautionary measure.

## Cost by Industry and Type of Benefit for FY 2016

Industry	Temporary Benefits	Permanent Benefits	Death Benefits	Medical Benefits	Total Benefits
Accommodation and Food Services	\$513,295.12	\$501,028.68	\$0.00	\$6,052,771.87	\$7,067,095.67
Administrative and Support and Waste Management and Remediation Services	\$1,287,283.62	\$1,232,544.44	\$0.00	\$7,722,233.23	\$10,242,061.29
Agriculture, Forestry, Fishing, and Hunting	\$178,380.57	\$413,736.17	\$0.00	\$2,269,769.22	\$2,861,885.96
Arts, Entertainment, and Recreation	\$231,199.64	\$468,349.69	\$0.00	\$3,189,185.53	\$3,888,734.86
Construction	\$3,683,000.91	\$2,835,363.45	\$0.00	\$17,500,010.25	\$24,018,374.61
Educational Services	\$1,092,491.57	\$1,414,354.99	\$0.00	\$14,000,248.78	\$16,507,095.34
Finance and Insurance	\$213,475.64	\$192,795.76	\$0.00	\$1,624,704.83	\$2,030,976.23
Health Care and Social Assistance	\$2,035,305.68	\$2,384,413.09	\$0.00	\$20,331,386.71	\$24,751,105.48
Information	\$617,747.49	\$173,795.22	\$0.00	\$2,391,830.32	\$3,183,373.03
Management of Companies and Enterprises	\$36,058.67	\$3,291.38	\$0.00	\$189,350.53	\$228,700.58
Manufacturing	\$3,712,903.61	\$4,352,805.94	\$0.00	\$30,040,547.88	\$38,106,257.43
Mining	\$91,719.94	\$51,724.47	\$0.00	\$601,765.00	\$745,209.41
Missing	\$125,488.27	\$456,236.06	\$0.00	\$608,073.06	\$1,189,797.39
Other Services (Except Public Administration)	\$441,989.47	\$541,999.00	\$0.00	\$3,744,046.82	\$4,728,035.29
Professional, Scientific, and Technical Services	\$589,402.24	\$788,919.41	\$0.00	\$4,744,989.91	\$6,123,311.56
Public Administration	\$2,323,012.10	\$2,730,012.80	\$5,000.00	\$14,801,252.94	\$19,859,277.84
Real Estate and Rental and Leasing	\$356,602.73	\$408,898.02	\$0.00	\$2,085,473.80	\$2,850,974.55
Retail Trade	\$1,923,659.87	\$2,237,990.14	\$50,000.00	\$17,669,459.34	\$21,881,109.35
Transportation and Warehousing	\$4,239,284.64	\$1,927,667.75	\$0.00	\$14,460,231.55	\$20,627,183.94
Utilities	\$604,044.82	\$615,957.78	\$0.00	\$4,502,992.70	\$5,722,995.30
Wholesale Trade	\$1,994,753.39	\$1,139,582.84	\$0.00	\$11,625,025.94	\$14,759,362.17
<b>Total</b>	<b>\$26,291,099.99</b>	<b>\$24,871,467.08</b>	<b>\$55,000.00</b>	<b>\$180,155,350.21</b>	<b>\$231,372,917.28</b>

## Cost by Type of Disability of All Incidences

Type	Fiscal Year	Number of Incidences	Non Medical Compensation <sup>2</sup>	Medical Compensation	Total
<b>Accidental<sup>3</sup></b>					
Temporary <sup>4</sup>	2012	49,210	\$10,726,548.85	\$93,384,843.83	\$104,111,392.68
	2013	47,175	\$12,147,554.33	\$97,690,660.55	\$109,838,214.88
	2014	47,530	\$16,159,441.66	\$125,231,501.61	\$141,390,943.27
	2015	47,320	\$21,734,787.20	\$147,876,578.41	\$169,611,365.61
	2016	41,389	\$20,898,170.85	\$146,252,117.04	\$167,150,287.89
Permanent <sup>5</sup>	2012	16,257	\$277,847,183.44	\$300,065,323.54	\$577,912,506.98
	2013	15,313	\$253,161,280.07	\$283,933,718.71	\$537,094,998.78
	2014	14,172	\$222,358,080.36	\$259,939,871.85	\$482,297,952.21
	2015	10,444	\$141,220,493.30	\$166,430,852.81	\$307,651,346.11
	2016	2,975	\$29,070,508.99	\$31,254,130.52	\$60,324,639.51
Death <sup>6</sup>	2012	101	\$3,921,426.80	\$1,098,655.11	\$5,020,081.91
	2013	92	\$4,135,169.24	\$902,244.44	\$5,037,413.68
	2014	83	\$1,445,121.16	\$1,660,225.86	\$3,105,347.02
	2015	94	\$4,418,398.99	\$1,188,201.52	\$5,606,600.51
	2016	78	\$88,517.12	\$273,569.72	\$362,086.84
<b>Total</b>	<b>2012</b>	<b>65,568</b>	<b>\$292,495,159.09</b>	<b>\$394,548,822.48</b>	<b>\$687,043,981.57</b>
	<b>2013</b>	<b>62,580</b>	<b>\$269,444,003.64</b>	<b>\$382,526,623.70</b>	<b>\$651,970,627.34</b>
	<b>2014</b>	<b>61,785</b>	<b>\$239,962,643.18</b>	<b>\$386,831,599.32</b>	<b>\$626,794,242.50</b>
	<b>2015</b>	<b>57,858</b>	<b>\$167,373,679.49</b>	<b>\$315,495,632.74</b>	<b>\$482,869,312.23</b>
	<b>2016</b>	<b>44,442</b>	<b>\$50,057,196.96</b>	<b>\$177,779,817.28</b>	<b>\$227,837,014.24</b>
<b>Occupational</b>					
Temporary	2012	1,472	\$2,583.00	\$2,321,989.04	\$2,595,572.04
	2013	1,727	\$428,984.27	\$1,891,162.39	\$2,320,146.66
	2014	1,647	\$249,393.78	\$2,139,313.30	\$2,388,707.08
	2015	1,840	\$376,150.83	\$2,304,555.25	\$2,680,706.08
	2016	949	\$267,305.37	\$1,781,380.92	\$2,048,686.29

## Occupational (continued)

Type	Fiscal Year	Number of Incidences	Non Medical Compensation <sup>2</sup>	Medical Compensation	Total
Permanent	2012	795	\$13,319,664.21	\$7,571,246.13	\$20,890,910.34
	2013	699	\$11,935,846.31	\$6,758,134.21	\$18,693,980.52
	2014	607	\$10,338,471.85	\$5,882,128.80	\$16,220,600.65
	2015	402	\$6,586,552.31	\$3,951,536.41	\$10,538,088.72
	2016	65	\$893,065.74	\$592,995.21	\$1,486,060.95
Death	2012	7	\$80,003.09	\$13,590.50	\$93,593.59
	2013	9	\$100.00	\$0.00	\$100.00
	2014	14	\$19,740.67	\$16,282.48	\$36,023.15
	2015	14	\$185,000.00	\$0.00	\$185,000.00
	2016	2	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>2012</b>	<b>2,274</b>	<b>\$13,673,250.30</b>	<b>\$9,906,825.67</b>	<b>\$23,580,075.97</b>
	<b>2013</b>	<b>2,435</b>	<b>\$12,364,930.58</b>	<b>\$8,649,296.60</b>	<b>\$21,014,227.18</b>
	<b>2014</b>	<b>2,268</b>	<b>\$10,607,606.30</b>	<b>\$8,037,724.58</b>	<b>\$18,645,330.88</b>
	<b>2015</b>	<b>2,256</b>	<b>\$7,147,703.14</b>	<b>\$6,256,091.66</b>	<b>\$13,403,794.80</b>
	<b>2016</b>	<b>1,016</b>	<b>\$1,160,371.11</b>	<b>\$2,374,376.13</b>	<b>\$3,534,747.24</b>
<b>Records Unknown<sup>7</sup></b>	2012	39,241	\$0.00	\$0.00	\$0.00
	2013	38,430	\$0.00	\$0.00	\$0.00
	2014	40,308	\$0.00	\$0.00	\$0.00
	2015	41,621	\$0.00	\$0.00	\$0.00
	2016	56,070	\$0.00	\$1,156.80	\$1,156.80
<b>Total</b>	<b>2012</b>	<b>107,083</b>	<b>\$306,168,409.39</b>	<b>\$404,455,648.15</b>	<b>\$710,624,057.54</b>
	<b>2013</b>	<b>103,445</b>	<b>\$281,808,934.22</b>	<b>\$391,175,920.30</b>	<b>\$672,984,854.52</b>
	<b>2014</b>	<b>104,361</b>	<b>\$250,570,249.48</b>	<b>\$394,869,323.90</b>	<b>\$645,439,573.38</b>
	<b>2015</b>	<b>101,735</b>	<b>\$174,521,382.63</b>	<b>\$321,751,724.40</b>	<b>\$496,273,107.03</b>
	<b>2016</b>	<b>101,528</b>	<b>\$51,217,568.07</b>	<b>\$180,155,350.21</b>	<b>\$231,372,918.28</b>

1-Based on date of injury.

2-Includes any compensation paid other than medical (TTD, TPD, TTSalary, PPD, PTD, Death, Burial)

3-Defined as any injury reported with a nature code other than those classified as "Occupational Disease or Cumulative Injury" by WCIO standards.

4-Defined as any non fatal injury with reported TTD, TPD, TTSalary or Medical compensation.

5-Defined as any non fatal injury with reported PPD or PTD compensation.

6-Deaths reported. Death may later be determined not to be a compensable work related injury.

7-Lack of compensation reported prohibits determination of type of disability, if any.

# DIVISION OF LABOR STANDARDS

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**JOHN LINDSEY**  
Director

The Division of Labor Standards (DLS) and its sections help employers comply with Missouri labor laws and handle complaints from workers to ensure all Missourians are safe on the job and paid wages required by law.

## WAGE AND HOUR

The Wage and Hour Section administers the Child Labor, Minimum Wage and Prevailing Wage Laws for the state of Missouri. Its primary responsibility is assuring child safety, resolving pay disputes and providing information to the public. In FY 2016, the division continued its community outreach program to reduce violations by encouraging compliance through education. This new program targets Missouri counties, public bodies and businesses with a direct visit from division staff. During these visits, the entity is informed and given the opportunity to correct any discrepancy outside the law.

### Youth Employment

The Missouri Child Labor Law ensures no child under 16 years of age is employed in an occupation or in a manner that is hazardous or detrimental to the child's safety, health, morals, educational processes or general well-being.

<b>1,579</b> Entertainment Permits Issued	<b>4,060</b> Work Certificates Reviewed	<b>2,617</b> Public and Private Contacts	<b>32</b> Children at Businesses in Compliance	<b>25</b> Complaints Reviewed
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## Minimum Wage

The minimum wage program responds to inquiries from employers and workers about their responsibilities and rights under Missouri wage and hour laws. The program also provides educational outreach to businesses and mediates pay disagreements under the Minimum Wage Law.

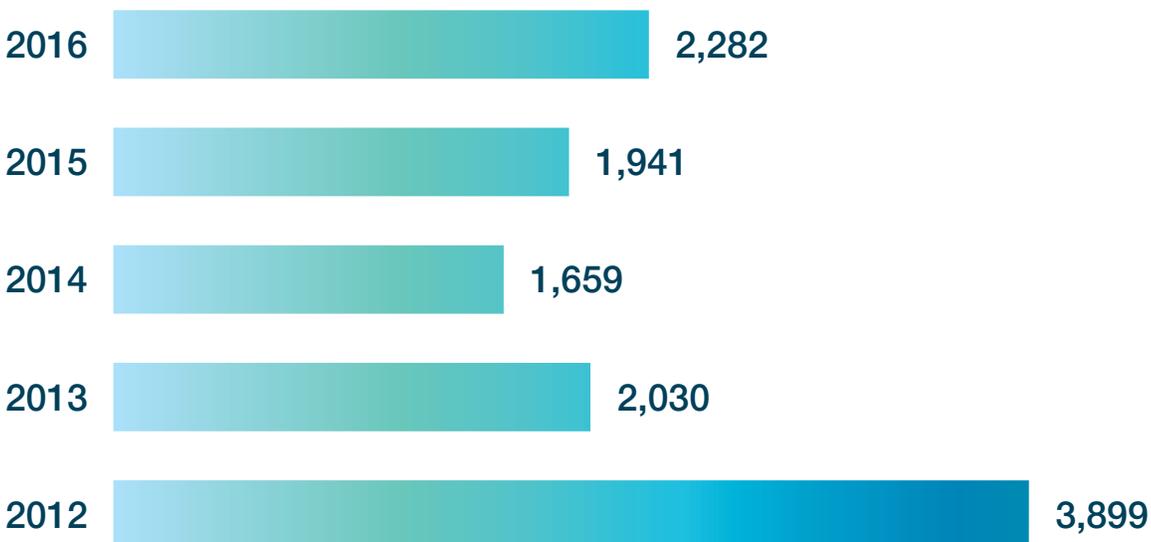


## Prevailing Wage

The prevailing wage program is responsible for setting the wage rate on public works construction projects with submitted wage surveys collected from contractor representatives around the state. The program also provides educational training to public bodies, contractors, reviews complaints for authenticity and presents audit conclusions in pay disagreements.



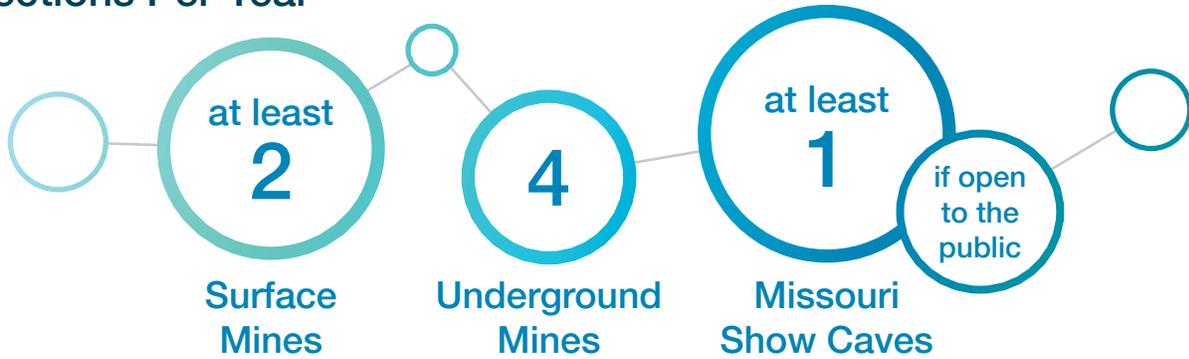
## Public Works Construction Projects Reported



# MINE AND CAVE SAFETY

The Mine and Cave Safety and Health Program improves the safety of Missouri mines and caves by offering training to miners, mine owners, mine operators and contractors. Chapter 293 of the Missouri Revised Statutes requires each mine to be inspected on a regular basis for hazards and unsafe or unhealthy work practices.

## Inspections Per Year



Missouri has received federal grant money to provide required training to miners since 1979. Currently, three full-time mine training specialists and one private contract trainer provide the required MSHA training through the program.

The program focuses on innovative training solutions, applying modern adult learning principles for maximum information retention to help achieve the overall goal of eliminating all mine fatalities.

≡ **6%** Increase in training provided to contractors over the past two calendar years ≡

There are a total of 160 individuals trained from operators with less than five employees. Small operators that are unable to take advantage of resources larger operators receive, continues to be our focus as well as providing training resources for contractors and other stakeholders.

Also in 2016, Missouri University of Science and Technology in Rolla played host to the Missouri Mine Rescue Association Mine Rescue Competition. Sixteen mine rescue teams from around the country participated.

<b>3,657</b>	<b>miners trained</b>
<b>440</b>	<b>caves inspected</b>
<b>957</b>	<b>hazards found/abated</b>
<b>12,577</b>	<b>miners affected</b> (including contactors)
<b>\$689,040</b>	<b>fines operators avoided</b>

## Missouri Show Caves

Bear Cave, Camdenton  
 Bluff Dwellers Cavern, Noel  
 Bonne Terre Mine, Bonne Terre  
 Bridal Cave, Camdenton  
 Cameron Cave, Hannibal  
 Cathedral Cave, Leasburg  
 Cave Restaurant, Richland  
 Cave Vineyard, Ste. Genevieve  
 Crystal City Underground, Crystal City

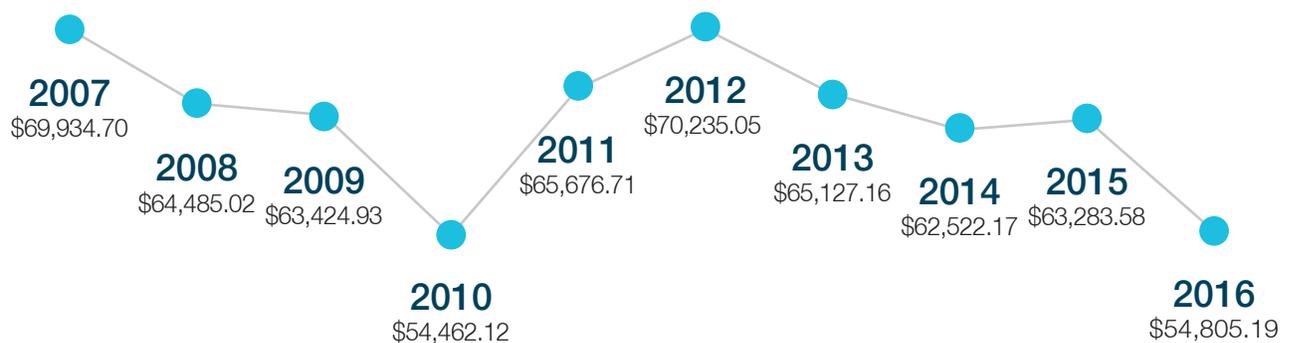
Current River Cavern, Van Buren  
 Fantastic Caverns, Springfield  
 Fantasy World Caverns, Tuscumbia  
 Fisher Cave, Sullivan  
 Jacob's Cave, Versailles  
 Ozarks Marina, Camdenton  
 Mark Twain Cave, Hannibal  
 Marvel Cave, Branson  
 Meramec Caverns, Stanton

Mincke Quarry Cave, Eureka  
 Onondaga, Leasburg  
 Ozark Caverns, Linn Creek  
 Smallin Civil War Cave, Ozark  
 Talking Rocks Cavern, Branson  
 The Cave, Festus  
 The Cave Bar and Grill, Lanagan  
 Third Rail Mine, Pacific  
 Truitt's Cave, Lanagan

## 10 Year Production in Tons

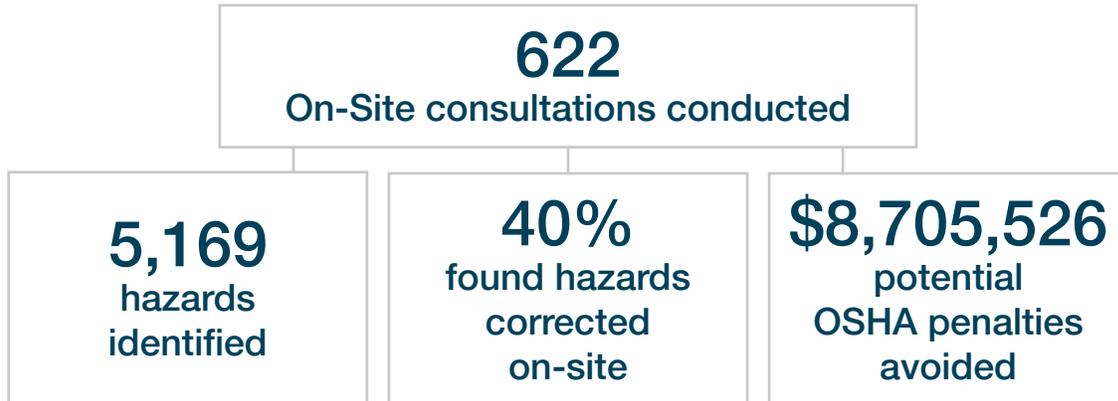
Year	Clay	Coal	Copper	Iron	Lead	Zinc	Granite	Shale	Silica
2007	1,176,266.97	239,944.37	21,300	1,876.81	323,421	78,406	1,174,647.45	674,598.46	707,326.10
2008	1,192,187.66	230,893.34	22,580	9,923.67	305,165	66,285	973,800.56	755,767.74	977,703.60
2009	1,085,690.43	373,513.79	23,154	26,244.27	280,673	58,650	1,056,331.45	667,066.52	895,707.67
2010	1,386,241.19	458,401.48	16,710	4,085.66	241,185	55,329	784,836.99	260,425	1,097,696.35
2011	1,736,957.68	455,713.73	17,695	25	250,911	57,250	1,108,165.49	264,190.07	1,419,175.41
2012	1,912,067.44	460,918.67	28,240	18,926.95	260,150	53,187	1,162,022.20	301,162.06	1,861,986.66
2013	1,728,676.48	402,486.45	27,902	15,614	262,028	53,717	1,025,649.45	301,162.06	1,538,325.69
2014	1,743,699.71	383,705.75	22,693	13,348.91	264,214	61,294	1,027,504.43	305,264.82	1,159,259.30
2015	1,709,539.51	269,701.78	29,759	7,533	262,115	54,236	1,027,342.48	313,214.88	1,200,739.94
2016	1,735,977.45	99,232.85	21,605	0	172,748	34,294	1,053,681.69	252,048.19	718,810.22

## 10 Year Production Fee Collection



# ON-SITE SAFETY AND HEALTH CONSULTATION PROGRAM

The On-Site Safety and Health Consultation Program strives to reduce work-related injuries, illnesses and fatalities by educating and training employers and employees in workplace safety and health issues. The program provides free consultations for Missouri employers with less than 250 employees. At the request of the employer, the consultants identify safety and health hazards and offer recommendations for correction with no penalties or fines.



## Hazard Lab

In FY 2011, two consultants developed an idea to promote a safer working environment by assisting employers in identifying hazards. That idea is now known as the Hazard Lab, where actual hazards are displayed and attendees walk through the lab and identify the hazards. The Hazard Lab also reveals the types of hazards found during a typical consultation, showing the employer the importance of participating in the On-Site Program. After viewing the Hazard Lab, there is a presentation discussing the hazards and standard OSHA violations.

## Safety and Health Achievement Recognition Program (SHARP)

The Missouri On-Site Safety and Health Consultation Program, in conjunction with OSHA, administers the program. It rewards small businesses that operate exceptional health and safety programs. Participation is offered to businesses that worked with the On-Site consultants, implemented safety programs and significantly reduced workplace injury and illness rates.

**Holloway America and Prestressed Casting Company achieved SHARP status**

**36 companies are currently participating in SHARP**

In 2008, the Missouri On-Site Safety and Health Consultation Program, along with Missouri SHARP employers, formed the Missouri SHARP Association. The association mentors and educates potential and current SHARP sites in continually improving their safety and health management programs. Three meetings are held each year where presenters provide information on the latest safety and health management techniques.

# MISSOURI COMMISSION ON HUMAN RIGHTS

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**DR. ALISA WARREN**  
Executive Director

The mission of the Missouri Commission on Human Rights (MCHR) is to prevent and eliminate discrimination and to provide equitable and timely resolutions to discrimination complaints. MCHR also provides training and education to members of the public about their rights and responsibilities under the Missouri Human Rights Act.



**1,642 Complaints filed**



**1,603 Complaints resolved by MCHR staff**



**\$3,141,549 Negotiated in settlements**



**5,600 people attended education, training, and outreach events**

MCHR also provides mediation and negotiation services to assist employees and businesses resolve complaints and avoid costly litigation.



**11 Local human rights agencies in Missouri**

They support human rights education and outreach efforts as well as addressing local human rights issues.

Commissioners are appointed by the Governor with the advice and consent of the Senate. The Governor appoints one member from each of Missouri's eight Congressional Districts, two members are at large, and one member as chairperson. The Commissioners serve for six years without compensation. The Commission meets quarterly, and its meetings are open to the public.

## Commissioners

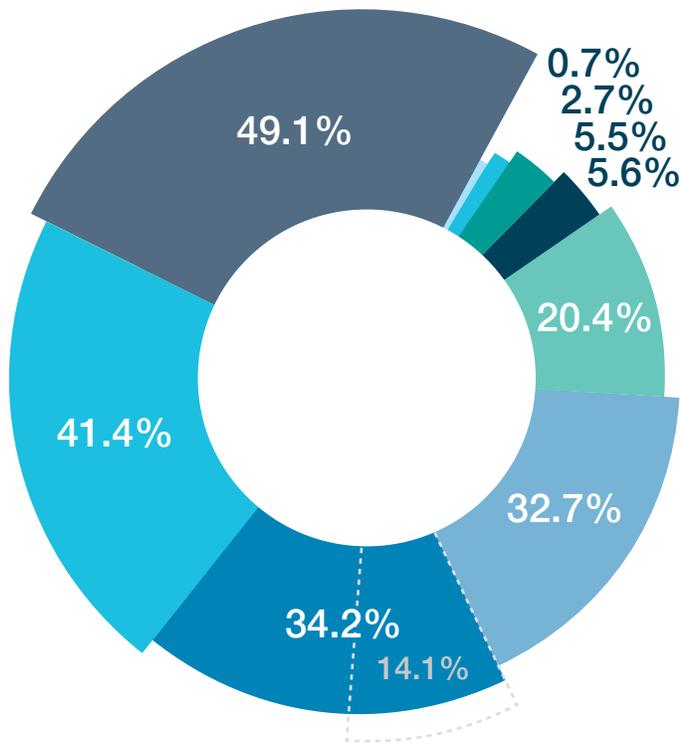
<p><b>1<sup>st</sup></b> District</p> <p><b>ANNA E. CROSSLIN</b> Commissioner Term Expires: April 1, 2019</p>	<p><b>6<sup>th</sup></b> District</p> <p><b>DR. MELODY A. SMITH</b> Commissioner Term Expires: April 1, 2018</p>
<p><b>2<sup>nd</sup></b> District</p> <p><b>MICHAEL DIERKES</b> Commissioner Term Expires: April 1, 2015</p>	<p><b>7<sup>th</sup></b> District</p> <p><b>JENIFER M. PLACZEK</b> Commissioner Term Expires: April 1, 2015</p>
<p><b>3<sup>rd</sup></b> District</p> <p><b>RALPH C. BRAY, JR.</b> Commissioner Term Expires: April 1, 2020</p>	<p><b>8<sup>th</sup></b> District</p> <p><b>VACANT</b> Commissioner</p>
<p><b>4<sup>th</sup></b> District</p> <p><b>DR. DAVID C. THOMAS</b> Commissioner Term Expires: April 1, 2020</p>	<p><b>At Large</b></p> <p><b>VACANT</b> Commissioner</p>
<p><b>5<sup>th</sup></b> District</p> <p><b>DONNA L. BIRKS</b> Commissioner Term Expires: April 1, 2018</p>	<p><b>Chair</b></p> <p><b>SARA N. LAMPE</b> Commission Chair and Commissioner At Large Term Expires: April 1, 2017</p>

The Missouri Human Rights Act authorizes MCHR to investigate complaints of discrimination and, where probable cause is found, to litigate those cases at public hearings. The statute empowers MCHR to certify local commissions and grant them enforcement power, enter into work sharing agreements with the Equal Employment Opportunity Commission (EEOC), and the U.S. Department of Housing and Urban Development (HUD), and local human rights agencies and develop ways to prevent discrimination. There were 3,702 complaints dual filed with MCHR, the EEOC and HUD. MCHR has jurisdiction over complaints of discrimination in housing, employment, and places of public accommodations based on race, color, religion, national origin, ancestry, sex, disability, age (in employment only), and familial status (in housing only). The Missouri Human Rights Act also prohibits retaliating against any person who opposes any practice prohibited by the Act or who has filed a complaint, testified, assisted, or participated in any manner in any investigation, proceeding or hearing conducted pursuant to the Act.

## Complaints Filed by Type



## Complaints Received in Each Protected Category



11 Familial Status

45 Religion

91 Ancestry/National Origin

92 Unknown/Other

336 Age

537 Race

563 Sex (Including Sex Harassment)  
(231 Sexual Harassment)

680 Disability

806 Retaliation

**1,642 Total**

Total does not match total number of cases received because many cases allege multiple allegations and categories.

## Hearing Decisions

State of Missouri ex rel. Craig D. Mershon v. Kenny Lai and Kenny Lai d/b/a Prolong Nails 04/14/16

Mr. Mershon is a person with a disability who uses a motorized wheelchair for mobility. Mr. Mershon began patronizing Prolong Nails in 2007. Sometime in 2009, Mershon went to Prolong Nails for his monthly manicure and pedicure. The owner of Prolong Nails, Kenny Lai, told Mr. Mershon they could no longer provide him services because they were not licensed or insured to provide services to people with disabilities. Mr. Lai told Mr. Mershon not to return to Prolong Nails because of issues relating to Mr. Mershon's disability and that if he did, then the owner would charge him more than twice the posted price for his pedicure.

The hearing panel determined Respondents denied Complainant services from a place of public accommodations because of his disability and awarded Mr. Mershon \$13,000 in damages for deprivation of his civil rights, humiliation, and emotional distress. The hearing panel also ordered Respondents to cease and desist any ongoing unlawful and discriminatory practices that violate the prohibition on discrimination against persons with disabilities, to obtain training on how to accommodate customers with disabilities, and to submit a plan to comply with these orders to the Missouri Commission on Human Rights.

State of Missouri ex rel. Danny, Danyelle & Tiata Campbell v. Boggs Steele Investments, LLC, et al. 01/28/16

The Complainants alleged the Respondents of terminating their tenancy because of their race (white) and their association with people of a different race (their bi-racial children). The hearing panel determined that the Respondents had legitimate, non-discriminatory reasons for terminating Complainants' tenancy. No violation was found, and the case was dismissed.

## Case Dispositions in FY 2016

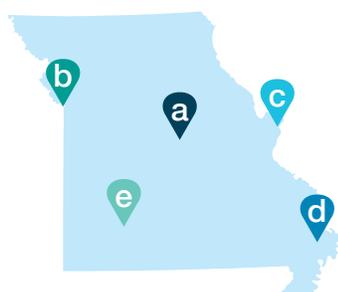
Investigations	Employment	Public Accommodations	Housing	Total
Administrative Closure	22	1	6	27
Failure to Cooperate	19	2	7	28
Negotiated Settlement	6	1	28	35
No Jurisdiction	55	14	9	78
No Violation	496	50	63	609
Probable Cause	10	1	14	25
Right to Sue	461	57	0	518
Unable to Locate	12	1	0	13
Withdrawal	107	9	9	125
Withdrawal/Settled	86	15	16	117
<b>Conciliation</b>				
Administrative Closure	6	1	5	12
Successful Conciliations	1	0	3	4
Right to Sue	2	0	0	2
<b>Hearings Decisions</b>				
Administrative Closure	4	0	2	6
Hearing Panel Order	0	1	1	2
Prehearing Settlement	0	2	1	3
<b>Total</b>	<b>1,287</b>	<b>154</b>	<b>162</b>	<b>1,603</b>

**1,493**  
complaints under  
investigation

**10**  
conciliation  
complaints

**4**  
public hearing  
complaints

MCHR continues to receive among the largest number of complaints in the Midwestern region of alleged discrimination. The Commission maintains five offices in Missouri as a means of providing access to and delivery of its services.



- a. Jefferson City (Central Office)
- b. Kansas City
- c. St. Louis
- d. Sikeston
- e. Springfield

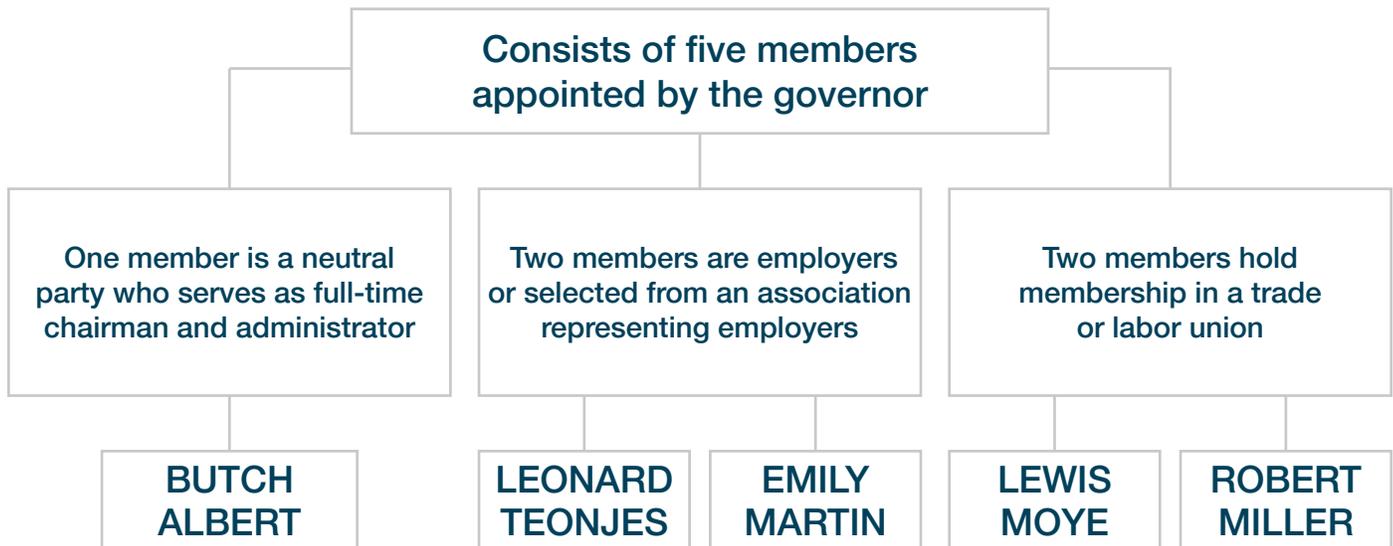
# STATE BOARD OF MEDIATION



## BUTCH ALBERT Chairman

Article I, Section 29 of the Missouri Constitution states “That 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 word “employees” as used in this provision applies to public employees, as well as private-sector employees.

The State Board of Mediation (SBM) is a quasi-judicial board created by the General Assembly in 1947 to assist in the resolution of labor disputes in the public utility industry. The SBM’s primary activity, however, changed in 1965, with the passage of the Public Sector Labor Law, Sections 105.500 to 105.530, RSMo. This Law authorizes the SBM to determine appropriate bargaining units of public employees based on their community of interests and to conduct secret-ballot elections to determine whether a majority of the employees in a bargaining unit agree to be represented by a petitioning labor organization.



If a public employer and a petitioning labor organization cannot agree as to the makeup of an appropriate bargaining unit or on the manner of conducting the election, the SBM will hold a formal hearing at which the parties may present evidence and legal arguments in support of their positions on the disputed questions. After considering the evidence and the legal points made, the Board issues a written decision resolving the disputes.

If a majority of the members of a bargaining unit vote for the labor organization in a board-conducted election, the SBM certifies it as the exclusive bargaining representative for all the unit members for the purposes of collective bargaining. The labor organization will then negotiate with the public employer of the unit members over salaries and other conditions of employment with the goal of reaching a written agreement governing these matters. It will also represent unit members with regard to individual employment issues that may arise.

The SBM's jurisdiction under the Public Sector Labor Law to determine appropriate bargaining units and to certify exclusive bargaining representatives extends to almost all public employees, including those employed by the state and its agencies, counties, cities, school districts, fire departments, and other special districts. The SBM, however, does not have jurisdiction to resolve such matters for police officers, deputy sheriffs, Missouri Highway Patrol officers, Missouri National Guard members, or teachers at schools, colleges, and universities. These types of employees still have the right to organize and bargain collectively, but the SBM does not play a role when they are doing so. The SBM continues to be charged with assisting in the resolution of labor disputes in the public utility industry and also works to ensure that the election process it oversees is fair and equitable.

<b>Petitions Filed</b>	<b>38</b>
<b>Representation Elections Conducted</b>	<b>14</b>
<b>Requests for Public Sector Labor Law Assistance/Information</b>	<b>33</b>
<b>Hearings on Disputed Issues</b>	<b>2</b>
<b>Public Employees Affected</b>	<b>924</b>
<b>Unit Clarifications</b>	<b>4</b>
<b>Cases Dismissed</b>	<b>7</b>
<b>Amendment of Certifications</b>	<b>11</b>



**DEPARTMENT OF LABOR  
& INDUSTRIAL RELATIONS**

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[www.labor.mo.gov/contact-labor](http://www.labor.mo.gov/contact-labor)