

2018

ANNUAL REPORT

MISSOURI DEPARTMENT OF LABOR & INDUSTRIAL RELATIONS

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MESSAGE FROM THE DIRECTOR

Anna S. Hui Department Director

Over the past year, the Department of Labor and Industrial Relations (DOLIR) team has embarked on an exciting journey to enhance our efforts as part of the state's economic development team. This has led us to reflect on what our team does well, where we need to improve and how we can innovate programs and services to better meet the public's needs. To strengthen support of the Department's mission as well as our motto - "Better Together," we forged a new vision to promote economic vitality, safety and fairness for Missouri's employers and workers. This vision underscores the DOLIR's strategic focus on growth, safety and opportunity.

Collectively in the DOLIR's strategic placemat, these three themes served as the foundation for a number of innovative agency initiatives that truly illustrate our commitment to this vision and how they support the Governor's top priorities of workforce development, infrastructure and government efficiency. All state agency placemats can be found at strategicchange.mo.gov.

Under the theme of "Growth," the DOLIR's Division of Employment Security (DES) implemented a cross-training initiative to provide faster help for Missouri's unemployed. Every winter, the DES faces a substantial increase in weekly unemployment benefit claims and calls from seasonal workers who need help filing claims. To combat this trend, the DES cross-trained current staff who do not normally work in call centers and enabled them to answer calls and help Missourians file their unemployment claims. The cross training resulted in reduced wait times by 41 percent and an increase of calls answered by 29 percent. Non-claims staff fielded approximately 10,000 calls that might have been deflected or resulted in longer wait times. The DOLIR will continue the practice within the DES, and look at other cross-training opportunities in other areas throughout the agency.

Supporting the goal of "Safety," the DOLIR's Division of Labor Standards (DLS) launched a new tool that gives Missouri businesses faster access to resources that help them develop safer and healthier workplaces while saving money on lost time and workers' compensation insurance costs. The new "Safe@Work" program joined the DLS's three main safety programs: the On-Site Safety and Health Consultation Program, the Missouri Workers' Safety Program, and the Missouri Mine and Cave Safety Program. The program also provides businesses with one portal to access resources for improving workplace safety and health. The "Safe@Work" program provides employers with workplace injury and fatality statistics provided by the

DOLIR's Division of Workers' Compensation (DWC). The new website features data on Missouri's most hazardous industries; including, days of the week and times of the year injuries are most likely to occur; the counties in Missouri where industries see the bulk of their injuries occur; and the types of injuries most common within a particular industry. This data gives employers and workers specific areas of emphasis that need to be covered in their safety plans for their industry. This initiative serves as a great example of how divisions within the DOLIR are working better together and by data-sharing, two divisions are providing unprecedented value to the public we serve.

Under the theme of "Opportunity," most of the initiatives currently focus on how we are investing in our workforce in an effort to make government more efficient, effective, and accountable. By focusing inward, we believe that this will foster a culture where staff are expected and empowered to be problem solvers and strategic partners with the public we serve. As I have traveled across the state sharing this renewed vision and strategic goals with internal and external stakeholders, we continue to gather feedback to help guide the implementation of our goals to maximize what we can do to support industry and labor.

In support of the Governor's priorities, the DOLIR team will continue to focus our efforts on compliance assistance, common sense regulations, investing in the development of our state employees, and innovating our service delivery. On behalf of this agency, I would like to thank Governor Parson for his tireless leadership in asking us to love Missouri and Missourians as he does. His simple statement, "if it is to be, it is up to me," reminds us that each state employee has the privilege and responsibility to create solutions to the state's challenges. This charge underscores the importance for each DOLIR staff member to work better individually and together, both internally and externally, in order to make a positive impact on the state's economic development.

These are just a few of the successful initiatives that the DOLIR team has completed in 2018, and we look forward to furthering our efforts in 2019. We invite you to join us in this effort and welcome your emailed suggestions and proposed solutions at BetterTogether@labor.mo.gov.

MISSION

STATEMENT:

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

The Department is comprised of:

Labor and Industrial Relations Commission

The Commission's primary constitutional duty is to oversee the Department of Labor and Industrial Relations.

Division of Employment Security

Administers the state's Unemployment Insurance (UI) program by ensuring the benefits are paid to eligible workers and tax contributions are collected 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

Defines, certifies, and recertifies appropriate bargaining units of public employees and oversees annual financial reporting by public employee unions and officials.

Missouri Commission on Human Rights

Investigates alleged violations of and enforces the Missouri Human Rights Act which prohibits discrimination in housing, employment and public accommodations.

FINANCIAL APPROPRIATIONS



The operating budget for the Department is appropriated by the General Assembly and approved by the Governor in the annual budget process. These appropriations fund personnel services (payroll), equipment and other expenses necessary to carry out the duties of the Department. It does not include any benefit payments.

\$36,260,450	Division of Employment Security*
\$9,461,120	Division of Workers' Compensation**
\$5,458,021	Director and Staff
\$2,163,898	Division of Labor Standards
\$1,766,236	Missouri Commission on Human Rights
\$1,012,520	Labor and Industrial Relations Commission
\$123,480	State Board of Mediation

\$56,245,725 Total

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

^{**}This amount excludes Second Injury and tort victims' claim payments and Second Injury Fund refunds.

LEGISLATIVE SUMMARY



Bills were considered by the General Assembly that would impact the Department



Bills were passed by the legislature and became law

Get updates on the Missouri Legislature at moga.mo.gov

House Bill 1413

This bill makes various changes to the laws regarding public employees and public employee labor organizations. Public employers must receive the written or electronic consent of each of their employees before deducting union dues or fees from their paycheck. Annual informed consent of each public employee (union member or non-member) is required before a labor organization may use any such fees for political/campaign purposes.

Another component of the bill relates to requirements on public sector unions (excluding those public safety and corrections unions carved out of the law) to file reports with the Missouri State Board of Mediation (SBM). Required filings include the Labor Organization Report, the Labor Organization Financial Report, and the Labor Organization Officer/Employee Financial Report.

All labor organizations in the state (excluding those public safety and corrections unions carved out of the law) must be recertified by the public sector employees they represent during the twelvemonth period beginning on August 28, 2018. Individual recertification election dates will vary for each public sector labor organization based on their initial certification date. Any labor organization that has a labor agreement that expires after August 28, 2020, may be recertified at any time prior to, but in no event later than, August 28, 2020. After that, public sector unions must recertify every three years with over 50% of the public employees they represent voting to sustain.

The new law prevents voluntary recognition by any public body of a labor organization as an exclusive bargaining representative. Upon application by 30% of all public employees represented (members and non-members), the State Board of Mediation will conduct a decertification election. A union will be decertified as the exclusive bargaining agent if over 50% of employees vote to decertify. For more information on SBM's implementation of HB 1413 visit labor.mo.gov/sbm.

House Bill 1729

The act makes substantial revisions to Missouri's Prevailing Wage laws. The act states that prevailing wages shall not be paid for public works where the estimated cost, or accepted bids, are \$75,000 or less. All public works projects estimated to cost, or with an accepted bid of \$10,000 or less, for all occupational titles shall be exempt from competitive bidding requirements.

Employers may use entry-level workers and federally-registered apprentices for on-the-job training provided that the combined total of those workers and apprentices does not exceed a one to one ratio with the number of journeyman in any occupational title on a public works project. The wage rate for the on-the-job training workers shall be 50% of the wage rate for an appropriate journeyman.

Complaints regarding a violation of prevailing wage laws shall be filed with the Department of Labor and Industrial Relations and may only be filed by certain individuals, as specified in the bill.

Currently, contractors and subcontractors working on public works projects are required to pay employees the prevailing wage for the particular locality in which the project is being completed. This bill instead requires that either the prevailing wage or public works contracting minimum wage be paid for workers on public works. The prevailing wage shall be paid for occupations in localities where at least 1,000 reportable works hours occur, but otherwise workers shall be paid the public works contracting minimum wage. The prevailing wage shall be set using the weighted average of the wages for an occupational title, and the public works contracting minimum wage shall be 120% of the average hourly wage in a particular locality. For more information regarding implementation of HB 1729 visit labor.mo.gov/prevailing-wage/2018-changes.

Senate Bill 981

Under current law, the Division of Workers' Compensation is required to develop a notice relating to workers' compensation laws that employers are required to post on their premises. This act provides that such notice must be posted on the website of the Department of Labor and Industrial Relations. You can find that notice at labor.mo.gov/posters. Furthermore, if an employer maintains workers' compensation insurance, the carrier shall provide this notice in either paper or electronic format to employees. If the carrier chooses to provide the notice in electronic format, the carrier shall direct the insured to the notice that is available on the Department of Labor and Industrial Relation's website. This act additionally provides that any group of political subdivisions qualified to self-insure their workers' compensation liability may choose either the average rate classification method or the filed rate method. The group may only change the method used once without the consent of the Director of the Division of Workers' Compensation.

LABOR & INDUSTRIAL RELATIONS COMMISSION



Robert W. Cornejo, Chair Public Member

Reid K. Forrester, Commissioner

Sommissioner Employer Member



Curtis E. Chick, Jr., Commissioner Employee Member

The Labor and Industrial Relations Commission (LIRC) was 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 Labor and Industrial Relations Commission is composed of three commissioners and operates under the authority of Chapter 286, RSMo. 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, who must be a licensed Missouri attorney, represents the public. The other two members represent employers and employees respectively. The governor designates one member as the chair.

The Commission hears appeals from administrative decisions in workers' compensation, unemployment compensation, and tort victims' compensation cases. The Commission also hears and decides prevailing wage disputes. In addition, the Commission approves or disapproves all rules or regulations proposed by the divisions within the Department.

Employment Security

- 1,702 Employee Benefit Appeals
 - 0 Employer Contribution Appeals
- 2,472 Benefit Decisions/Orders Issued
 - 17 Contribution Decisions/Orders Issued
 - 172 Appeals to the Missouri Court of Appeals
 - 176 Benefit/Contribution Cases Pending as of June 30, 2018

Workers' Compensation/Tort Victims/Line of Duty

- 162 Applications for Review of Award by Administrative Law Judge
 - 35 Motions for Modification of Award
 - 59 Applications for Approval of Settlement
 - 87 Awards Issued
- 283 Orders Issued
 - 35 Oral Arguments Heard
 - 20 Appeals to the Missouri Court of Appeals
- 120 Cases Pending as of June 30, 2018

Prevailing Wage

- 0 Objections Filed
- 0 Hearings Held
- 1* Decisions Issued
- 0 Appeals to Court

^{*}The Division of Labor Standards filed a Motion to Amend to correct errors. The LIRC issued an Order granting the Motion to Amend.



DIVISION OF EMPLOYMENT SECURITY

Chris Slinkard, Division Director

The Division of Employment Security (DES) is responsible for administering the state's Unemployment Insurance (UI) program. In Missouri, it is a joint state-federal program funded solely through tax contributions paid by employers, so no deductions are made from employees' paychecks for this insurance. All tax contributions are deposited into the Missouri Unemployment Compensation Fund (UTF). Payments of benefits under the regular UI program are made from the UTF to eligible claimants.

The Unemployment Insurance system in the United States was created in 1935 to stabilize the economy and alleviate personal hardship stemming from involuntary job loss. Benefits paid to eligible recipients are intended to provide temporary financial assistance to people who are able and willing to work and who are unemployed through no fault of their own. These benefits help maintain the economy of the state during periods of economic downturn by helping preserve the level of consumer purchasing power.

The DES processes weekly requests for payment and pays benefits to individuals in covered employment under state and federal unemployment programs. Missouri's unemployment program is normally comprised of regular UI, Unemployment Compensation for Ex-Servicemembers (UCX), 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.

During the summer of 2017, DES leadership created a vision to handle the annual spike in initial UI claims that Missouri experiences during the winter. Division leadership undertook a new approach to improve its responsiveness and customer service in the processing of UI claims. An agency-wide workforce development initiative was executed and a cross-sectional team was assembled for initial claims intake cross-training for rapid staff augmentation. Over 100 staff members from all sections of the agency spent a portion of each week away from their regularly assigned duties to take unemployment claims during high-volume months. The improvements to both efficiency and effectiveness of the agency were clearly evident. Comparing a five week period ending the week of January 20, 2018, to the same period one year earlier, over 10,000 calls were answered by cross-trained staff which resulted in an average wait time decrease of 41%.

People that Filed a UI Claim

217,332

Weekly Requests for Payment Processed

1,317,938

Amount of UI Benefits Paid

\$284,123,315

Employers Liable for Contributions

166,745

Employer Contributions Collected

\$376,249,040

Numbers are based on the fiscal year ending June 30, 2018

UI 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 UI 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 unemployment programs, 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.

19,621 Appeals filed

22,474 Hearings scheduled

20,688 Appeals disposed by decision or order

UI Benefits Section

The DES works to provide prompt and accurate payments 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. The formula to determine the benefit amount uses wages earned by the individual worker, which means not all workers are eligible for 20 weeks of benefits.

20 weeks

Maximum number of weeks eligible for benefits

\$320

Maximum weekly benefit amount paid

\$264.12

Average weekly benefit amount paid

The DES uses an identity verification solution for all unemployment claims filed. The program is designed to ensure that the information provided during the claim intake process is correct and belongs to the person filing a claim for unemployment benefits prior to UI benefits being paid. A series of questions are presented that only the user should be able to answer. If individuals do not provide the correct answers, they are mailed a letter directing them to report to a Job Center with proof of their identity.

In SFY 2018, over 3,887 people failed the identity proofing program and subsequently did not report to the Job Center as required to verify their identity.

The DES continues to partner with the Missouri Division of Workforce Development (DWD) to offer extensive re-employment services for jobseekers. The collaborative efforts maintain an environment within both agencies that allows data sharing which sustains a large number of programs aimed at improving the ability of unemployed workers to find new jobs or seek further education to enhance opportunities for re-employment. For example, the joint effort resulted in implementation of a job matching system, where unemployed workers are provided available job openings matching their skills and prior work history when filing unemployment claims.

In addition, the DES and the DWD are jointly responsible for the operation of Missouri's Reemployment Services and Eligibility Assessment (RESEA) Program. This program targets claimants who are most likely to exhaust their UI benefits and UCX recipients and requires them to report to their local Job Center to receive specialized reemployment services and a UI eligibility assessment. In SFY 2018, 9,977 job seekers received services through the RESEA program.

SHAREDWORK

An alternative to layoffs for employers faced with a reduction in available work

284 Employers participated

15,268 Employee layoffs avoided

\$3,049,132 Paid in Shared Work benefits

UI Tax Section

The UI Tax Section assists businesses in meeting their obligations under the UI program for filing required quarterly reports and payment of UI tax. Liable employers are assigned a UI tax rate as defined within the law.

Employers paid \$376,249,040 in UI taxes that were credited to the UTF

Provided UI coverage for 3,272,601 employees

Generally, an employer's tax rate is determined by the relationship between chargeable benefits paid out, UI taxes paid in, and an employer's average annual taxable payroll.

MISSOURI IS 1 OF 15 STATES THAT ALLOW A MINIMUM UI TAX RATE OF 0%

The UI Tax Section monitors and improves compliance among businesses to ensure equity and a level playing field. Businesses that don't properly report and pay UI taxes for their workers gain an unfair advantage. It also creates barriers for eligible workers to access UI benefits in a time of need.

166,745 employers were assisted in establishment of liability and maintenance of their employer accounts and records.

22,166 employers not previously liable for UI tax, became liable.

10,020 Investigations conducted

4,590 Workers identified as improperly classified

\$1,024,950 Additional taxes owed due to improperly classified workers

UI Integrity Section

As part of an ongoing effort to detect and reduce improper UI benefit payments, DES conducts cross-matches to compare relevant databases to claimants who file for UI benefits. Claimants who have returned to work and continue to complete weekly requests for payment are one of the leading causes of improper payments. One of the most effective tools for early detection of improper payments is cross-matching new hire data reported by employers.

DES New Hire 7,943 22,670 Over **New Hire Matches** Cross-match \$3.1 million in Overpayment detected for Unit investigated determinations overpayments **Cross-match** investigation cross-matches established discovered Unit

The DES utilizes a variety of cross-matches to prevent and detect fraud and improper payments of the UI program, including the quarterly cross-match with wages reported by employers.

\$3,174,106 in improperly paid benefits were detected by quarterly wage cross-match.

Collection of overpaid benefits is a high priority. 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.

\$14.6 million of improperly paid benefits

and more than \$3.1 million
in fraud penalties

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

The DES joined a centralized, multi-state data analysis project to prevent UI fraud and address identity theft. The Suspicious Actor Repository (SAR) allows Missouri to cross-match initial, renewed and weekly UI claims against a database of information associated with potentially fraudulent claims or overpayments. The SAR project offers several benefits to Missouri including leveraging information collected by other state workforce agencies, a focus on identifying and addressing identity theft, an expanded visibility into potential multi-state fraud activity, and automated flagging of data for further investigation.

The DES 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.

930 Benefit claims audited 932 Tax cases audited

Other functions and responsibilities of the UI Integrity Section include producing and providing statistical information, raw data, and financial information to the Department's executive staff, the U.S. Department of Labor (USDOL), members of the Missouri General Assembly, and all other interested stakeholders. The UI Integrity 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.

Employment and Earnings									
Cal. Year	Covered Employers	Covered Employees ¹	State Revenues ^{1,2}	Wages Paid in Covered Employment ¹		•		Taxable Wage Base	Annual Wage
				Total	Taxable	Total	Taxable		
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
2016	153,948	2.7M	\$570.9M	\$121.7B	\$29.5B	0.57	1.88	\$13,000	\$45,711
2017	161,917	2.7M	\$434.4M	\$126.9B	\$30.5B	0.43	1.44	\$13,000	\$46,931
1- These a	re abbreviated figures.								

2 - As the reserves in Missouri's UI Trust Fund continue to grow, statutory thresholds are exceeded that activate reductions in the amount of UI Revenue (taxes) paid by businesses

UI	UI Claims and Benefits								
Cal. Year	First Payments	Weeks Compensated	Benefits Paid ¹	Avg. Weekly Benefit Amt.	Average Duration	Exhaustion Rate	Trust Fund Balance ^{1,2}	Outstanding Fed. Loans ¹	
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	
2016	95,704	1,148,289	\$279.8M	\$253.45	12.0	39.5	\$663.9M	\$0	
2017	92,635	1,117,855	\$283.8M	\$260.58	12.1	32.6	\$826.5M	\$0	
	1 - These are abbreviated figures.2 - As the reserves in Missouri's UI Trust Fund continue to grow, statutory thresholds are exceeded that activate reductions in the amount of UI Revenue (taxes) paid by businesses.								

Unemployment Compensation Fund	
Balance on Hand - July 1, 2017	\$793,576,615.73
Deposit	
Net UI Contributions	\$376,249,039.14
Penalty/Interest	\$7,049,209.60
U.S. Treasury Interest Credits	\$18,806,463.61
Intra-Account Transfer	\$671,701,624.88
From Other States-Interstate Benefits CWC	\$6,040,781.03
FECA Advances/Reimbursements-UCX	\$866,961.02
Reimbursable-Local Govt. & Other Pol. Subdivisions	\$6,126,920.09
Reimbursable-State Govt., State Hospitals, and Higher Education	\$1,889,363.63
Reimbursable-Nonprofit Organizations	\$12,252,379.80
Federal Share Extended Benefits	\$0.00
Federal Emergency Compensation/EUC08	\$0.00
Federal Emergency Compensation/FAC	\$0.00
Short Time Compensation-Federal	\$0.00
FECA Advances/Reimbursements-UCFE	\$5,167,871.79
From Other Sources-Trust Fund Loans	\$40,415.40
From Other Sources-Federal Assessment	\$0.00
From Other Sources-Federal Interest Payment	\$0.00
Total Receipts	\$1,106,191,029.99
Disbursements	
Net UI Benefits	\$251,763,466.89
Net Reimbursable Benefit Payments-Local Govt. and Other Pol. Subdivisions	\$4,746,302.43
Net Reimbursable Benefit Payments-State Govt., State Hospitals, and Higher Education	\$1,797,111.76
Net Reimbursable Benefit Payments-NonProfit Organizations	\$10,269,944.28

Disbursements (continued)	
FECA Net Benefit Payments-UCX	\$818,019.05
Net Federal Benefits-Federal Share (Extended)	\$(64,238.85)
EUC 08 Activity	\$(2,530,908.20)
TEUC Activity	\$(13,470.23)
Federal Emergency Compensation-FAC	\$(118,169.28)
Short Time Compensation-Federal	\$3,028,607.02
To Other States-Interstate Benefits CWC	\$26,079,786.51
Title IX Funds-Withdrawn (Reed Act)	\$0.00
To Special Funds Penalty/Interest	\$7,277,146.59
FECA Net Benefit Payments-UCFE	\$5,199,591.89
Intra-Account Transfers	\$671,701,624.88
Other First Payments EB/Loan Repayment	\$40,434.55
Total Disbursements	\$979,995,249.29
Balance on Hand - June 30, 2018	\$919,722,396.43
Cash Balance - June 30, 2018	
Clearing Account	
Central Bank, Jefferson City, MO	\$36,756.08
Benefit Account	
Central Bank, Jefferson City, MO	\$1,202,797.72
Trust Fund Account	
U.S. Treasury	\$918,532,842.63



DIVISION OF WORKERS' COMPENSATION

Colleen Vetter, Division 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 ensures injured workers receive benefits they are entitled to under the Missouri Workers' Compensation Law.

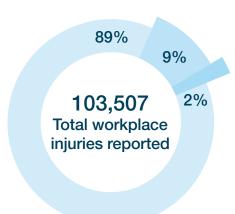
Funding for the DWC to administer Missouri's Workers' Compensation Law Comes from a tax and surcharge Capped at 2% per Missouri Statute

Set at 1% for CY 2010-2018

On insurance carriers net deposits, net premiums or net assessments for workers' compensation insurance, and net premiums equivalent for self-insured employers

\$17,049,761 Workers' Compensation Tax for CY 2017 \$104,298,949 Second Injury Fund Surcharge for CY 2017

Workplace Injuries Reported



91,979 First Report of Injury (FROI) received, but no Claim for Compensation filed

9,776 FROI received, and a Claim for Compensation filed

1,752 Claims for Compensation filed but no FROI received

101,755 Total FROIs received 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 Professional Registration or obtain approval from the DWC to self-insure their workers' compensation liability.

Self-Insurance									
Security H	eld FY 2016		\$632,312,532						
Security H	eld FY 2017	\$622,419,435							
Security H	eld FY 2018 ²		\$620,890,435						
Individua	Individual Self-Insurance								
FY	Employers	Employees Covered ¹	Payroll Covered ¹						
2015	284	411,976	\$18,343,765,153						
2016	284	404,941	\$18,791,261,053						
2017	277	408,792	\$19,365,151,611						
2018	273	415,406	\$19,901,171,185						
Group Tr	ust Self-Insurar	nce							
FY	Employers	Employees Covered ¹	Payroll Covered ¹						
2015	2,706	278,783	\$8,735,676,343						
2016	2,705	274,783	\$9,271,689,585						
2017	2,667	273,261	\$9,327,369,666						
2018	2,658	273,363	\$9,638,482,159						
	as of close of prior calendar year rity called due to default	ar							

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 (SIF).

The SIF was created to benefit workers who are handicapped and certain workers with a previous work-related disability. It encourages employment by permitting persons to be employed without exposing employers to any liability for previous disabilities in certain cases.

The SIF receives money from a surcharge of up to three percent and a supplemental surcharge, not to exceed three percent, on employers' workers' compensation premiums.

Second Injury Fund	
Total recipients of PTD* benefits (both ongoing and lump sum)	2,430
Recipients who received ongoing, lifetime PTD* benefits	2,071
Total PTD* benefits paid	\$77,087,506.55
Total recipients of PPD** benefits (both ongoing and lump sum)	3,714
Total PPD** benefits paid	\$23,165,994.00
Total recipients of Rehab benefits (both ongoing and lump sum)	8
Total Rehab benefits paid	\$2,954.28
Total recipients of Uninsured Medical benefits (both ongoing and lump sum)	8
Total Uninsured Medical benefits paid	\$176,179.78
Total recipients of Uninsured Death benefits (both ongoing and lump sum)	10
Total Uninsured Death benefits paid	\$166,974.15
Total recipients of Lost Wages benefits (both ongoing and lump sum)	13
Total Lost Wages benefits paid	\$51,210.52
*Permanent Total Disability **Permanent Partial Disability	

Most workers' compensation cases are resolved through a settlement between the parties and without proceeding to a hearing. A hearing can be 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.

18,925 Compromise settlements approved*6,952 Claims dismissed*1,295 Hearings

*(INS, SIF and MFD)

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 to "Knowingly make or cause to be made any false or fraudulent material statement or material representation for the purpose of obtaining or denying any benefit."

637 Fraud and noncompliance cases investigated

122 Fraud and noncompliance cases referred to the Missouri Attorney General's Office for prosecution

951 Workers potentially impacted by failure of employer to insure, from the referred cases

\$532,627.36 In penalties recovered from the referred cases to the Attorney General's Office**

**Penalties recovered include those from cases referred, or penalties from, previous fiscal years. Some cases take longer than a year to reach a resolution and many penalties are paid in monthly installments over several years.

Accidents and Diseases by Severity*

Industry	Fatalities ¹	Lost Time ²	Medical ³	Unknown or Incident Only ⁴	Total
Accommodation and Food Services	4	422	2,361	3,137	5,924
Administrative and Support and Waste Management and Remediation Services	9	533	1,694	2,131	4,367
Agriculture, Forestry, Fishing and Hunting	0	70	285	447	802
Arts, Entertainment and Recreation	1	126	850	813	1,790
Construction	13	856	1,650	2,493	5,012
Educational Services	3	617	4,352	3,491	8,463
Finance and Insurance	0	98	426	752	1,276
Health Care and Social Assistance	6	1,232	7,930	10,703	19,871
Information	0	143	343	546	1,132
Management of Companies and Enterprises	0	5	44	157	206
Manufacturing	7	1,363	5,866	7,030	14,266
Mining	0	17	50	64	131
Employer Industry Unknown	2	39	32	600	673
Other Services (Except Public Administration)	0	250	1,007	1,031	2,288
Professional, Scientific and Technical Services	3	225	1,334	1,539	3,101
Public Administration	10	991	3,134	4,809	8,944
Real Estate and Rental and Leasing	0	105	316	609	1,030
Retail Trade	7	1,118	4,821	5,736	11,682
Transportation and Warehousing	14	1,104	1,713	2,536	5,367
Utilities	1	116	437	286	840
Wholesale Trade	4	584	1,504	2,261	4,353
Total	84	10,014	40,149	51,171	101,418

*Workers' Compensation cases develop over time. The counts disclosed are based on information as of 10-19-2018 and are likely not reflective of the final counts and dollar amounts for the Fiscal Year, because the cases have not fully developed.

^{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 the DWC as a precautionary measure.

Cost by Industry and Type of Benefit* Temporary Permanent Death Medical Total Industry **Benefits Benefits Benefits Benefits** Benefits Accommodation and Food \$700,609.60 \$908,978.20 \$0.00 \$8,618,127.15 \$10,227,714.95 Services Administrative and Support and Waste Management and \$1,841,519.98 \$1,749,228.05 \$0.00 \$11,734,401.14 \$15,325,149.17 Remediation Services Agriculture, Forestry, Fishing \$196,406.36 \$0.00 \$277,563.06 \$2,224,508.19 \$2,698,477.61 and Hunting Arts, Entertainment and \$926,169.19 \$378,867.46 \$0.00 \$3,685,539.36 \$4,990,576.01 Recreation Construction \$4,410,084.06 \$5,786,678,72 \$0.00 \$27,640,379.30 \$37,837,142.08 **Educational Services** \$1,241,803.98 \$1,830,992.57 \$0.00 \$16,461,903,01 \$19,534,699.56 Finance and Insurance \$242,255.06 \$337,841.65 \$0.00 \$2,247,320.29 \$2,827,417.00 Health Care and Social \$2,722,729.33 \$2,875,458.90 \$0.00 \$31,771,619.44 \$26,173,431.21 Assistance \$247,392.46 Information \$638,786.95 \$0.00 \$2,178,461.65 \$3,064,641.06 Management of Companies \$24,597.48 \$17,996.48 \$0.00 \$103,634.18 \$146.228.14 and Enterprises Manufacturing \$4,484,591.32 \$6,182,698.41 \$0.00 \$38,010,426.09 \$48,677,715.82 Mining \$35,116.15 \$58,121.84 \$0.00 \$518,020.35 \$611,258.34 Employer Industry Unknown \$180,882.57 \$838,359.44 \$0.00 \$657,275.32 \$1,676,517.33 Other Services (Except Public \$6,022,410.01 \$721,624.65 \$602,422.97 \$0.00 \$7,346,457.63 Administration) Professional, Scientific and \$663,395.31 \$770,141.53 \$0.00 \$5,527,796.71 \$6,961,333.55 **Technical Services** Public Administration \$2,825,523.16 \$3,191,902.23 \$4,221.18 \$22,741,281.89 \$28,762,928.46 Real Estate and Rental and \$360,697,62 \$325.729.90 \$0.00 \$2.091.856.58 \$2,778,284.10 Leasing \$2,716,266.55 Retail Trade \$2,591,380.60 \$24,462,522.05 \$0.00 \$29,770,169.20 Transportation and \$5,412,844.97 \$3,607,952.44 \$25.079.60 \$18,624,100.93 \$27,669,977.94 Warehousing Utilities \$543,950,54 \$271,665.54 \$0.00 \$3,058,439.10 \$3,874,055.18

\$2,110,896.50

\$35,087,154.90

\$0.00

\$12,869,199.71

\$29,300.78 \$235,651,034.22

\$2,186,754.45

\$32,951,723.33

Wholesale Trade

Total

\$17,166,850.66

\$303,719,213.23

^{*} Workers' Compensation cases develop over time. The dollar amounts disclosed are based on information as of 10-19-2018 and are likely not reflective of the final dollar amounts for the Fiscal Year, because the cases have not fully developed.

Cost by Type of Disability of All Incidences*								
Туре	Fiscal Year	Number of Incidences ¹	Non Medical Compensation ²	Medical Compensation	Total			
Accidental ³								
Temporary ⁴	2015	44,974	\$14,246,488.36	\$107,385,003.05	\$121,631,491.41			
	2016	47,576	\$19,021,712.72	\$135,573,637.64	\$154,595,350.36			
	2017	48,808	\$24,066,059.86	\$180,051,568.36	\$204,117,628.22			
	2018	45,334	\$25,492,623.31	\$189,119,569.82	\$214,612,193.13			
Permanent ⁵	2015	15,629	\$285,266,881.55	\$309,489,452.72	\$594,756,334.27			
	2016	14,607	\$246,601,535.63	\$280,989,606.41	\$527,591,142.04			
	2017	10,918	\$161,375,470.19	\$189,077,461.39	\$350,452,931.58			
	2018	3,754	\$41,287,476.05	\$43,778,329.84	\$85,065,805.89			
Death ⁶	2015	101	\$7,220,375.53	\$1,341,504.31	\$8,561,879.84			
	2016	89	\$3,402,728.13	\$676,581.03	\$4,079,309.16			
	2017	99	\$1,566,988.14	\$946,042.04	\$2,513,030.18			
	2018	76	\$27,711.82	\$3,400.56	\$31,112.38			
Total	2015	60,704	\$306,733,745.44	\$418,215,960.08	\$724,949,705.52			
	2016	62,272	\$269,025,976.48	\$417,239,825.08	\$686,265,801.56			
	2017	59,825	\$187,008,518.19	\$370,075,071.79	\$557,083,589.98			
	2018	49,164	\$66,807,811.18	\$232,901,300.22	\$299,709,111.40			
Occupational								
Temporary	2015	1,796	\$406,464.63	\$1,888,232.05	\$2,294,696.68			
	2016	1,512	\$433,058.33	\$2,415,418.38	\$2,848,476.71			
	2017	1,697	\$528,494.65	\$2,170,700.51	\$2,699,195.16			
	2018	1,394	\$320,374.30	\$1,906,007.37	\$2,226,381.67			
Permanent	2015	767	\$15,250,270.14	\$7,500,651.86	\$22,750,922.00			
	2016	652	\$12,008,168.09	\$5,630,957.52	\$17,639,125.61			
	2017	376	\$5,950,996.11	\$3,467,572.05	\$9,418,568.16			
	2018	73	\$935,772.35	\$722,686.22	\$1,658,458.57			

(Continued on next page)

Occupational (continued)								
Туре	Fiscal Year	Number of Incidences	Non Medical Compensation ²	Medical Compensation	Total			
Death	2015	25	\$1,470,000.00	\$7,850	\$1,477,850.00			
	2016	20	\$1,324,168.52	\$0	\$1,324,168.52			
	2017	24	\$0	\$0	\$0			
	2018	8	\$4,221.18	\$0	\$4,221.18			
Total	2015	2,588	\$17,126,734.77	\$9,396,733.91	\$26,523,468.68			
	2016	2,184	\$13,765,394.94	\$8,046,375.90	\$21,811,770.84			
	2017	2,097	\$6,479,490.76	\$5,638,272.56	\$12,117,763.32			
	2018	1,475	\$1,260,367.83	\$2,628,693.59	\$3,889,061.42			
Disability type	2015	39,033	\$0	\$0	\$0			
not determined	2016	39,647	\$0	\$0	\$0			
due to lack of reported	2017	41,028	\$0	\$0	\$0			
compensation	2018	50,779	\$0	\$121,040.41	\$121,040.41			
Total	2015	102,325	\$323,860,480.21	\$427,612,693.99	\$751,473,174.20			
	2016	104,103	\$282,791,371.42	\$425,286,200.98	\$708,077,572.40			
	2017	102,950	\$193,488,008.95	\$375,713,344.35	\$569,201,353.30			
	2018	101,418	\$68,068,179.01	\$235,651,034.22	\$303,719,213.23			

^{*} Workers' Compensation cases develop over time. The counts and amounts are based on information as of 10-19-2018. The more recent the year, the less reflective the counts and amounts are of what the final counts and dollar amounts will be once the cases have fully developed.

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 nonfatal injury with reported TTD, TPD, TT Salary, or medical compensation.

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

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



DIVISION OF LABOR **STANDARDS**

Vacant, Division 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.

The Division of Labor Standards consists of four sections: Wage and Hour, On-Site Safety and Health Consultation Program, Mine and Cave Safety, and Workers' Safety Program. The DLS determines and enforces Missouri's Child Labor Law and Minimum Wage Law. The DLS offers a free consultation service to employers to reduce workplace fatalities and help businesses comply with federal Occupational Safety and Health Administration (OSHA) regulations. Mine and cave inspections are also provided along with training to miners on safe work practices.

Wage and Hour Section

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. The DLS continues to provide outreach programs to help Missouri businesses comply with wage and hour laws.

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.

1,320

Entertainment permits issued

5,044 | 2,965

Work certificates reviewed

Public and private contacts

Complaints reviewed

Minimum Wage

The Minimum Wage Program responds to inquiries from employers and workers about their responsibilities and rights under Missouri wage and hour laws. It 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 contractors.

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. Missouri has received federal funding to provide required training to miners since 1979.

Inspections Required Per Year



Zero mining fatalities occurred in FY 2018.

On average, two fatalities occur per year in Missouri's mining industry.

The last recorded fatality from an operator that received training from this program was in 1995.

Mo Safe@Work

safeatwork.mo.gov

The DLS launched a new tool this year to help give Missouri businesses faster access to resources that help them develop safer and healthier workplaces while saving money on lost time and workers' compensation insurance costs. The new program joins together the DLS' three main safety programs, the On-Site Safety and Health Consultation Program, the Missouri Workers' Safety Program, and the Missouri Mine and Cave Safety Program, and provides businesses with one portal to access resources for improving workplace safety and health.

Workers' Safety Program

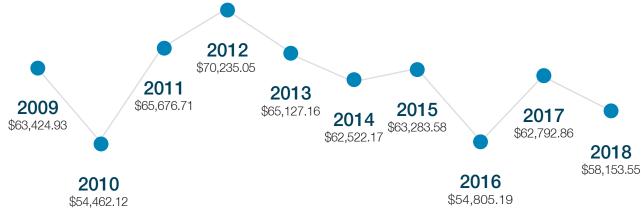
The Missouri Workers' Safety Program helps employers improve workplace safety and reduce workers' compensation insurance costs. The program helps to regulate safety services provided by insurance carriers and maintains a list of certified safety consultants and engineers that offer independent services and offers free safety and health consultants.

The program experienced a 6.8 percent increase in training to contractors over the past three years. Small operators that are unable to take advantage of the resources larger operators receive, continues to be the focus as well as providing training resources for contractors and other stakeholders. Currently, three full-time mine training specialists and one private contract trainer provide the required Mine Safety and Health training.

2,786	Miners trained
442	Total inspections
517	Hazards found and eliminated
10,440	Miners and contractors affected
\$628,320	Fines operators avoided

10	Year Pro	duction	in Tor	าร					
Year	Clay	Coal	Copper	Iron	Lead	Zinc	Granite	Shale	Silica
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
2017	1,810,909.24	245,713.53	27,765	0	185,171	33,498	1,198,199.09	194,104.67	2,068,906.61
2018	1,674,304.18	251,938.73	25,936	0	168,039	35,548	934,778.43	434,509.25	3,630,402.29

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 consultations at no cost to Missouri businesses. At the request of the employer, the consultants identify safety and health hazards and offer recommendations for correction with no penalties or fines.



472
On-Site consultations

conducted



3,377
Hazards
identified



39% of hazards were corrected on location

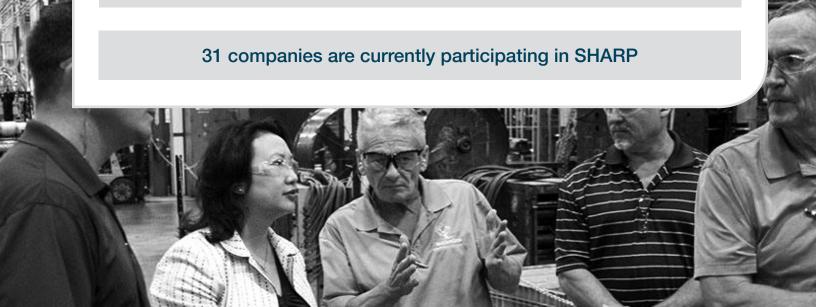


\$11.2 M Potential OSHA penalties avoided

Safety and Health Achievement Recognition Program (SHARP)

The Missouri On-Site Safety and Health Consultation Program, in conjunction with OSHA, administers the SHARP 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.

McClain Forest Products achieved SHARP status in 2018.





COMMISSION ON HUMAN RIGHTS

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.

The Missouri Human Rights Act authorizes MCHR to receive and investigate complaints of discrimination and, where probable cause is found, to hold public hearings. MCHR enters into work sharing agreements with federal and local human rights agencies to develop ways to prevent discrimination.



1,706 Complaints filed



1,508 Complaints resolved by MCHR staff



\$2,190,187 Negotiated in settlements



14 Local human rights agencies in Missouri



Nearly 7,800 people attended education, training, and outreach events

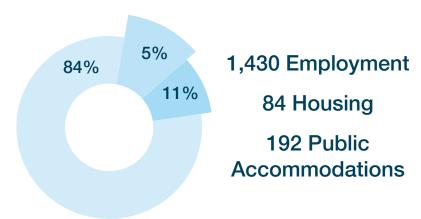
During MCHR's 60 years of working toward eradicating discrimination, the agency has provided immeasurable services. The MCHR has five offices which provide access to and delivery of its services. The MCHR continues to receive among the largest number of complaints in the Midwestern region of alleged discrimination in employment, public accommodations, and housing.



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).

MCHR has established work-sharing agreements with the U.S. Equal Employment Opportunity Commission (EEOC) and local human rights agencies, increasing efficiency and eliminating duplication.

Complaints Filed by Type



Complaints Received in **Each Protected Category** Age 271 Ancestry/National Origin 100 586 Disability 471 Race Religion & Familial Status 49 Retaliation 726 Sex 615 Sexual Harassment 286 Unknown/Other 70 Total 1,706

Totals do not match total number of cases received because many cases allege multiple allegations and categories.

Commissioners

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.

Anna E. Crosslin Commissioner, 1st District Term Expires: April 1, 2019

Dr. David C. Thomas Commissioner, 4th District Term Expires: April 1, 2020

Donna L. Birks Commissioner, 5th District Term Expires: April 1, 2018

Dr. Melody A. Smith Commissioner, 6th District Term Expires: April 1, 2018

Jade Jump Commissioner, At-Large Term Expires: April 1, 2023

Martin Luther King, Jr. State Celebration Commission

The Dr. Martin Luther King, Jr. Celebration Commission considers and recommends to individuals and organizations appropriate activities for the recognition and celebration of Martin Luther King, Jr. Day in Missouri.

Hearings and Appeals

One case was set for hearing but elected to be heard in circuit court and is still pending. Several significant decisions were made and appealed in court and are summarized below.

State of Missouri ex rel. Tivol Plaza, Inc. v. MCHR, et al. Missouri Supreme Court

The Supreme Court upheld MCHR's practice issuing a notice of right to sue without making jurisdictional determinations in cases where the Complainant requested such notice after 180 days.

Linda Vermett, et al. v. MCHR, et al. Eastern District Court of Appeals

Vermett, et al. appealed the MCHR's finding and order that Vermett and Villa Roma Apartments

failed to rent an apartment to the Complainant due to the Complainant's disability. Both circuit and appellate courts upheld MCHR's decision.

James Naugles v. MCHR, et al. Cole County Circuit Court

Naugles filed a complaint alleging that correctional centers are places of public accommodation and are therefore, required to reasonably accommodate his disability. MCHR determined that prisons/jails are not places of public accommodation and the circuit court upheld that decision.

1,236 Complaints under investigation

12 Conciliation complaints

1 Public hearing case

Case Dispositions				
Investigations	Employment	Public Accommodations	Housing	Total
Administrative Closure	18	0	11	29
Failure to Cooperate	21	13	10	44
Negotiated Settlement	10	1	20	31
No Jurisdiction	62	17	3	82
No Violation	442	53	50	545
Probable Cause	1	0	3	4
Right to Sue	449	75	0	524
Unable to Locate	5	0	1	6
Withdrawal	117	17	9	143
Withdrawal/Settled	74	5	7	86
Conciliation				
Administrative Closure	4	2	1	7
Successful Conciliations	2	0	0	2
Right to Sue	1	0	2	3
Hearings Decisions				
Administrative Closure	1	0	0	1
Hearing Panel Order	0	0	0	0
Prehearing Settlement	1	0	0	1
Total	1,208	183	117	1,508



STATE BOARD OF MEDIATION

Todd Smith, Chair

The State Board of Mediation (SBM) duties include defining of appropriate bargaining units of employees; certification and recertification of bargaining units; determination of majority representation status by secret ballot elections; oversight of annual financial reporting by public employee unions and officials; and enforcement of "paycheck protection" for public sector employees.

Consists of five members appointed by the governor

One member is a neutral party who serves as full-time chairman and administrator

Two members are employers or selected from an association representing employers

Two members hold membership in a trade or labor union

Todd Smith Leonard P. Teonjes

Michael P. Rother Lewis B. Moye

Robert G. Miller If a public employer and a petitioning labor organization cannot agree on which employees should be included in an appropriate bargaining unit, or on the manner of conducting the election, the Board 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 legal arguments, 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 Board 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. The labor organization will also represent unit members with regard to individual employment issues that may arise, such as disciplinary charges.

The board'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, and school districts. Significant new duties were assigned to the Board in 2018 (HB 1413). New responsibilities include collection and publication of labor organizations' annual financial reports, labor officials personal financial disclosures, and recertification of all bargaining units every three years. For more information about the SBM's implementation of HB 1413 visit labor.mo.gov/sbm/2018-certification-changes-hb-1413.

FY 2018

Petitions Filed	19
Cases Closed	33
Mail-In Ballot	8
Electronic Balloting	1
Representation Elections Conducted	18
Decertifications	8
Election Appeals	2
Hearings on Disputed Issues	2
Public Employees Affected	1,851
Unit Clarifications	8
Cases Dismissed/Withdrawn	5
Amendment of Certifications	0



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