DEPARTMENT OF LABOR
REPORT TO THE APPROPRIATIONS COMMITTEE

Informational Hearing Regarding Impact of COVID19
August 14th, 2020
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Summary

Since the passage of the Families First Coronavirus Response ("FFCRA") Act on March 18, 2020, and the Coronavirus Aid, Relief, and Economic Security ("CARES") Act on March 27, 2020, the Connecticut Labor Department ("CTDOL") has experienced a qualitative and quantitative demand for unemployment compensation services unlike that of any time in its history. Before the COVID-19 pandemic began to dramatically affect Connecticut residents and its business community, the CTDOL typically received 2,500 - 3,000 new claims a week with a peak of under 10,000 per week. Since March 13, 2020, we have received the number of claims that we would ordinarily receive in more than five years.

With Agency automation reliant on four-decades-old technology – which was within one year of being modernized – the federal government created four (4) stand-alone, new unemployment insurance programs to address the demands of the burgeoning COVID-19 crisis. Forced to postpone its long overdue automation project in order to develop the federal programs, the CTDOL immediately shifted all available personnel resources — to begin the design, implementation and processing of the federal and state UI programs.

It is reasonable to expect that significant effects of the virus are going to linger into at least the second quarter of 2021, and perhaps longer. Current economic forecasts project that the present estimated 16-17% unemployment rate will exceed 9% well into the next calendar year. Even when the unemployment rate does begin to decline, the demands upon the Agency will remain at extremely higher-than-normal levels. Given the time it takes to file and process claims, hold hearings and adjudicate appeals, it is likely that the CTDOL will be experiencing the adverse effects of COVID-19 for at least the next 12 to 18 months.
Unemployment Insurance (UI)

Unemployment Compensation Programs

State Unemployment Insurance is a program that provides up to 26 weeks of cash benefits to eligible workers who are unemployed or underemployed through no fault of their own. Generally, Weekly Benefits Rates (WBR) are calculated based on the wages in an individual’s base period. The base period is the first four of the last five completed quarters. These benefits are paid out of the UI Trust Fund which is maintained through quarterly employer contributions. Unemployment insurance is not paid for by employee contributions. Some types of employers such as the self-employed and certain religious institutions do not traditionally pay into the unemployment system and have therefore not typically been eligible for unemployment benefits. Since March 13th CTDOL has received 764,495 applications and provided $3.8 B in benefits as of August 10th.

In the wake of the COVID 19 pandemic, the federal government created three additional federal unemployment programs to support unemployed individuals. These programs are administered by the States, necessitating the construction of multiple new systems to accommodate the existence of these unprecedented service provisions, for which the timeframes, and eligibility requirements remain under the jurisdiction of the Federal government. In addition, multiple states have triggered onto Extended Benefits, which is a state/federal program, administered under state law in accordance with the Federal-State Extended Unemployment Compensation Act of 1970” (EUCA).

Federal Pandemic Unemployment Compensation (FPUC) is a federally funded emergency increase in unemployment benefits which had provided an additional $600 per week to individuals who receive a weekly benefit of at least $1 in unemployment benefits. CTDOL began administering FPUC on April 24th and has since issued $2.88 billion in FPUC payments as of August 10th (payment totals for each program include the attached FPUC payments). FPUC payments ceased with Claim Week Ending (CWE) July 25th.

Pandemic Unemployment Assistance (PUA) is a program that temporarily provides unemployment insurance (UI) to qualified individuals who are not eligible for regular unemployment compensation, Pandemic Emergency Unemployment Compensation (PEUC), or extended benefits under state or Federal law, including those who have exhausted all rights to such benefits. Covered individuals also include self-employed workers, 1099 employees, "gig" workers, workers in jobs not covered by regular unemployment benefits, and individuals disqualified from receiving regular, PEUC, or extended benefits. In general, PUA provides up to 39 weeks of benefits to qualifying individuals who are otherwise able to and available for work within the meaning of applicable state unemployment compensation law, except that they are unemployed, partially unemployed, or unable or unavailable to work due to one or more of the COVID-19 related reasons specified in the CARES Act. The PUA program is predicated upon first having been found ineligible for regular unemployment. Then, the individual must establish that they are totally or partially unemployed or are unable or unavailable for work as a direct result one or more of the ten reasons specified in the federal law. On May 7th, CTDOL began administering the first phase of the PUA program, this phase includes individuals who are self-employed, 1099 and "gig" workers, and others who have no covered wages or insufficient wages to qualify for regular unemployment. CTDOL began accepting applications from “Phase 2a” applicants, individuals who have a state UI eligibility disqualification, as of July 4th. The Agency has received 47,863 PUA claims and issued $572 million in PUA payments as of August 10th.
Pandemic Emergency Unemployment Compensation (PEUC) is a federal extension program, that provides qualifying claimants 13 additional weeks of unemployment compensation. CTDOL began receiving applications for PEUC on May 26th and has since received 22,592 applications and issued $186 million in PEUC payments as of August 10th.

Extended Benefits (EB) is a program that allows for additional weeks of unemployment compensation benefits during periods of high unemployment in the state. Extended Benefits (EB) are available to workers who have exhausted regular unemployment benefits during periods of high unemployment. Individual must first exhaust the 13 weeks of PEUC before being potentially eligible for EB. CTDOL began receiving applications for EB on June 29th and has received 4,930 applications and issued $15 million in benefits as of August 10th. As of 8/2/20, Connecticut’s continued pandemic-related high unemployment rate triggered the start of High Extended Benefits (HEB). Primarily federally funded, the ‘trigger on’ to the High Extended Benefits program occurs when the state’s unemployment rate averages 8% or higher for three consecutive months. It offers claimants an additional seven weeks of EB for a total of 20 weeks, and it extends the Pandemic Unemployment Assistance (PUA) program for another seven weeks for a total of 46 weeks. To qualify for HEB, claimants must have a BYE of 5/2/20 or later.

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>CLAIMS RECEIVED</th>
<th>CLAIMS PROCESSED</th>
<th>AMOUNT PAID</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATE UNEMPLOYMENT INSURANCE</td>
<td>764,495</td>
<td>758,823</td>
<td>$3.8 billion</td>
</tr>
<tr>
<td>PUA</td>
<td>47,863</td>
<td>47,730</td>
<td>$572 million</td>
</tr>
<tr>
<td>PEUC</td>
<td>22,592</td>
<td>22,144</td>
<td>$186 million</td>
</tr>
<tr>
<td>EXTENDED BENEFITS</td>
<td>4,930</td>
<td>4,768</td>
<td>$15 million</td>
</tr>
<tr>
<td>TOTAL</td>
<td>839,880</td>
<td>833,465</td>
<td>$4.5 billion</td>
</tr>
</tbody>
</table>

Budget

The Unemployment Insurance services expenditures through the third quarter of federal fiscal year 2020 totaled approximately $42,000,000. This includes implementation costs for the range of newly established federal programs. Costs over the next year are expected to average $23,000,000 per quarter to maintain the current level of service provisions.

The Emergency Unemployment Insurance Stabilization and Access Act of 2020 (EUISAA) funding was provided to support the administration of the UI program. The 'Base' UI allocations are the standard minimum level of UI funding states receive for the administration of the state’s UI program. This level of funding does not take into consideration the level of unemployment or the resources needed to run the UI program during a particular year. The 'Above Base' allocations provide supplemental administrative funding and are estimated to coincide with the anticipated workload levels for the fiscal year. While 'Above Base' funding levels vary based on the unemployment situation and the availability of federal funding, the 'Base' funding has been steadily declining over the past several years.

The Above Base funding for the quarter ending June 30, 2020 totaled $20,224,976 to support CT DOL’s UI, FPUC and PEUC administrative efforts. Based on CT DOL’s anticipated workload, contingent upon available funding, it is assumed that the current level of UI and Cares Act activities will continue through
September 30, 2021. Should the employment downturn reverse before the end of this period, CTDOL will be able to adjust its support of both UI and the Cares Act programs.

**UI Trust Fund**

The UI Trust Fund is insolvent and has been for some time now. A solvent UI Trust Fund should have enough funds to pay benefits for one year in recessionary times. CTDOL’s Department of Research has calculated this amount to be $1.4B, as of February 2020. Prior to the Pandemic, the UI Trust Fund contained $700M dollars and currently we have $206M, as of August 10th, which decreases daily. CTDOL is constantly monitoring our UI Trust Fund Balance to determine when we need to begin borrowing funds to pay benefits. Our projections indicate that we may need to borrow this month.

Borrowing requests are made in 3 months intervals. Our recent projected three month borrowing request was: July - $50M, August - $220M, September - $380M, but we have not yet needed to borrow. This Pandemic is not the norm and it is very difficult to determine our borrowing needs. In a typical recession, the economy shows a steady increase in unemployment as businesses reduce their workforce and we can project accordingly as the economy worsens. In the last recession, we borrowed $1.2B. Since we do not know how long the Pandemic will last or if it will result in a long-term recession, there are too many unknowns at this time to project how much we will borrow in the long term. Likewise, we cannot estimate a timeframe to pay off our borrowing. In the last recession it took us 7 years from our initial borrowing (2009) to repay the loan (2016).

**Staffing**

Based upon current demands on UI staff, it is anticipated that UI administrative funding will maintain a small surplus through September 30th. Currently the Department is employing 137 temporary staff including 120 temporary employees, 16 retiree recalls, and 1 staff on loan from another state agency. In order to continue the current level of UI activities after October 1st, and because the Emergency Unemployment Insurance Stabilization and Access Act of 2020 (EUISAA) funding was fully expended, the 2021 UI Base award and Above Base awards will be utilized. While CTDOL does not know the ongoing quarterly Above Base funding levels, it is anticipated that the ongoing UI funding will be able to fund ongoing UI activities but may not be sufficient to support expansion and may require reducing the number of temporary staff or limiting overtime.

The following table reflects average and projected delays experienced by claim filers based on current staff levels:

<table>
<thead>
<tr>
<th>Function</th>
<th>Current Status</th>
<th>Cumulative Delay</th>
<th>12/31/20 Status</th>
<th>Cumulative Delay</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Claims Processing</strong></td>
<td>6668 claim backlog</td>
<td>3-4 day delay in processing time</td>
<td>3 weeks</td>
<td>80,000 claim backlog</td>
</tr>
<tr>
<td><strong>Adjudications</strong></td>
<td>16,000 claim backlog</td>
<td>10-12 weeks</td>
<td>11 weeks</td>
<td>15,000 claim backlog</td>
</tr>
<tr>
<td><strong>Referee Section</strong></td>
<td>3,529 appeal backlog</td>
<td>10 weeks</td>
<td>21 weeks</td>
<td>4,410 appeal backlog</td>
</tr>
<tr>
<td><strong>Board of Review</strong></td>
<td>282 appeal backlog</td>
<td>6 weeks</td>
<td>27 weeks</td>
<td>514 appeal backlog</td>
</tr>
</tbody>
</table>
The hiring of long-term temporary UI employees also will allow the CTDOL to create a “succession plan bench” in the event that as many as twenty-seven percent (27%) of the agency UI workforce retires in 2022. As noted above, the Department is employing 137 temporary staff. On a monthly basis, the 137 temporary staff cost approximately $930,000 per month prior to overtime. The Department is currently incurring approximately $1.5 million per month to support overtime for both temporary staff and regular CTDOL staff.

Through recent approval of CRF funds by OPM the CTDOL has completed the hiring of 22 new temporary hires and completed posting for another 61 to be hired by 8/21. These funds are also supporting the CTDOL to contract with a vendor for at least 30 FTEs to support PUA beginning later this month.

**UI Tax Division**

The primary function of the Unemployment Insurance Tax Division is to provide and account for the funding needed to pay benefits to those individuals who become unemployed through no fault of their own. This Division is comprised of six units; Employer Status, Employer Tax Accounting, Delinquent Accounts Unit, Fund Accounting Unit, Field Audit Unit, and Tax Administration.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Current Staffing Level</th>
<th>Staff Level Needed for Normal Processing</th>
<th>Staff Needed During COVID 19</th>
<th>Anticipated Post-pandemic Staff level Needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer Status</td>
<td>5</td>
<td>7</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Employer Tax Accounting</td>
<td>10</td>
<td>14</td>
<td>16</td>
<td>14</td>
</tr>
<tr>
<td>Delinquent Accounts</td>
<td>8</td>
<td>11</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>Fund Accounting</td>
<td>5</td>
<td>5</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Field Audit</td>
<td>29</td>
<td>35</td>
<td>55</td>
<td>35</td>
</tr>
<tr>
<td>Tax Administration</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

The UI Tax Division currently has 5 requests to refill positions vacated by retirements and 10 additional positions. When filled, they will have the staff needed for normal processing. 29 employees will be retiring before June 2022.

**Integrity and Benefit Payment Control Unit**

The UI integrity and Benefit Payment Control Unit has sixteen permanent and seven temporary employees, with a target for thirteen additional temporary employees (total: 16 permanent and 20 temporary). These employees are handling thousands of overpayment customer inquiries, addressing federal and state recovery programs, handling the IRS Federal Tax Intercept components, data mining, collaborating with vendor supported fraud prevention techniques, and so much more. The current staff will not be able to handle the mandated process to establish overpayments and recovery of these funds, monies that belong in the UI Trust Fund.

There are approximately fifty thousand potential overpayments identified, and an estimated eighty thousand additional overpayment cases to be identified over the next several months. A total of one hundred thirty thousand overpayment cases is the current estimate for action items. The agency estimates approximately ninety thousand overpayment cases will result in a final overpayment decision.
**Appeals Division**  
The Appeals Division consists of the lower authority referee section, which conducts evidentiary hearings, and the higher authority Board of Review, which conducts appellate review of referee decisions. A claim must be filed, processed and adjudicated before an appealable decision is issued.

An overpayment resulting from fraud, error or a reversal on appeal must be investigated, and an audit completed, before an appealable decision is issued. Since appeals are the final stage of the claims and overpayment processes, and because the Appeals Division is just starting to receive PUA appeals, the pandemic’s impact on the Appeals Division has barely begun. Due to staff reductions beginning in 2014, the Appeals Division was already failing to meet USDOL’s acceptable level of performance for timeliness and case aging prior to the pandemic. As of the first quarter of 2020, Connecticut had the second-longest average age of pending lower authority appeals in the nation.

The recent surge in UI demand has and will continue to exacerbate our failure to meet USDOL standards. Prior to the pandemic, the lower authority had a backlog of 2,887 pending appeals and an average wait of 8 weeks. Although the true impact on appeals is yet to come, the lower authority already had a 69% increase in appeals received in July, as compared to March, and the higher authority already had a 74% increase in appeals received in July as compared to March. As of July 31, the lower authority’s backlog has grown to 3,529 cases with an average wait of 10 weeks and would have been even larger but for staff working overtime and referees hearing additional cases. We are projecting the backlog will grow to 4,410 with a wait of 18 weeks by the end of the year.

**UI Modernization**
Prior to the Pandemic, CTDOL was engaged in a multi-state consortium project to modernize our antiquated UI system. The ReEmployCT system will provide DOL with the ability to make most changes in just weeks; rather than in the several months required for today’s legacy systems. CTDOL has experienced a projected 11 to 13 month delay due to shifting resources from UI modernization to designing, building and implementing the mandatory federal CARES Act provisions. Based upon current resources and assumptions, the revised timeline is 5 Years, 5 months, thereby extending the implementation date to between April and June 2022.

**CTDOL In-Person Services at American Job Centers (AJCs)**
Given our current staffing levels, demands around state and federal UI programs, and the ever-present need for health and safety of our staff and the public, CTDOL does not expect to resume in-person services at AJCs before Labor Day. We continue to serve our customers while adapting to the challenges of doing so during the pandemic. Therefore, wherever possible we are working and delivering services remotely and/or virtually until a future date that has yet to be determined.
Workforce Programs

Connecticut Youth Employment Program
State of Connecticut is operating Youth Employment Programming during the summer and throughout the year. There are three funding sources that are currently being utilized each with a slight variation. The programs are administered through the CT Department of Labor and operated through the 5 Regional Workforce Development Boards (WDBs). The programs are as follows:

• CT Department of Children and Families - DCF Funded Youth Employment Program serving 14-24 year-old DCF supported participants – Summer and Year-Round Components

• Governor’s Summer Youth Initiative supported with CARES Act funds – Serving 16-24 year-old participants – to provide opportunities until December 30, 2020 with Federally Qualified Health Centers (FQHCs) and Area Health Education Centers (AHECs) -and other providers- to address certain aspects of the health crisis.
  o This initiative is supported by $2 million of Coronavirus Relief Funds which will be allocated equally to the 5 Workforce Development Boards. Approximately, 350-400* additional youth are expected to be served as a result of the supplemental funding.
  o The CARES Act funds are required to be used specifically towards work related activities addressing the pandemic. Costs per participant, age of targeted participants, length of employment and the types of employment opportunities will most likely be at a higher rate than those of our typical youth employment funding. CTDOL, WDBs, Federally Qualified Health Centers, Area Health Education Centers, local health departments and others are working together to identify opportunities for participants that may include disseminating pandemic related guidance, contact tracing assistance and COVID-19 testing sites. In preliminary discussions hourly rates for this work will be over $18/hr.

• CT Youth Employment Program (CYEP) – Traditional/Annual Youth Employment Program serving 14-21 year-old participants – Summer and Year-Round Components
  o A $500,000 holdback, approximately 450 subsidies, has been applied to the state appropriation for FY 21.
  o Through our regular and annual programming – CYEP and DCF, more, younger youth – between 14 and 16 - are provided with the more traditional employment opportunities like working for municipalities and summer camps. These jobs typically pay at minimum wage, 20 hours per week for approximately 8 weeks. This year with the impact from COVID-19, much more in the way of virtual services and career exploration will be taking place that will most likely result in shorter duration than 8 weeks simply because there is only so much activity that may take place in a virtual space; also participants may be paid a stipend that is less than minimum wage because they are participating in work related activities that are not employment directly.

*This estimate is based on a potential pay rate & will be greatly impacted by what employment opportunities are available
WIOA Services

WIOA Title I Funded Services –
Workforce Innovation and Opportunity Act (WIOA) includes career services, job training and education. These services are provided by five regional Workforce Development Boards (WDBs).

All 5 WDBs have developed and begun phased re-opening plans. These plans include limited staff on location at American Job Centers conducting scheduled one-on-one appointments with participants. All plans are subject to change based on new and changing federal and state guidance. A comparison of numbers served during the same time frame last year of March 13 through June 30 shows that there is a significant decline in services as would be expected with centers closed due to COVID-19.

<table>
<thead>
<tr>
<th></th>
<th>3/15/19 - 6/30/19</th>
<th>3/15/20 - 6/30/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Participants</td>
<td>474</td>
<td>110</td>
</tr>
<tr>
<td>DW Participants</td>
<td>365</td>
<td>94</td>
</tr>
<tr>
<td>Youth Participants</td>
<td>221</td>
<td>79</td>
</tr>
<tr>
<td>DWG</td>
<td>46</td>
<td>30</td>
</tr>
<tr>
<td>Trade Participation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>completed</td>
<td>48</td>
<td>13</td>
</tr>
</tbody>
</table>

WDBs have been and will continue to provide a range of services that include the combination of limited in-person and virtual access. To properly evaluate the system’s ability to reach and serve jobseekers and employers, we will need to gather data and compare to non-COVID-19 time frames. Staff at WDBs have continued to work with active participants in the WIOA programs while seeking and procuring technology in order to provide additional and virtual services to both new and current participants. Service being delivered included eligibility determinations, on-line orientations to services, various employment related workshops and one-on-one job search assistance. Programming that relies on employer based participation such as On-the-Job Training and Work Experience will be limited due to compliance with COVID-19 guidance related to social distancing, the use of PPE, and whether the employer is considered an essential business or one that may be open as part of CT’s reopening plans.

When we reopen we can expect there to be a bubble effect in WIOA participant number for two reasons – 1) those who struggle with UI filing will seek assistance in centers regardless of technology due to their apprehension to use it or inability to access it consistently, and 2) as more furloughed individuals are permanently laid off and they reach the potential for exhausting UI benefits they will seek assistance returning to work. The timing of this may very well occur in early to Mid-fall as a substantial number of COVID-19 related separations all occurred around the same time in March and April. For state funded programs which are contracted out primarily to the WDBs, the impacts as described will be similar in nature. These programs include:

- CT Youth Employment Programs – including DCF funded
- STRIVE
- Opportunities for Long-term Unemployed
- Mortgage Crisis Job Training Program
- Manufacturing Pipeline Initiative
- Second Chance
**Dislocated Worker Rapid Response Services and Funding**

There have been a number of businesses whose initial response to the health crisis was to furlough (temporarily lay-off) employees. As the crisis has moved into a longer than anticipated time frame, businesses, such as those in hospitality and leisure and other service-related industries, have converted furloughs into permanent layoffs. The ability of CT DOL to provide Rapid Response and Early Intervention sessions for these newly created groups of dislocated workers is severely impacted by the number of staff needed to provide assistance to UI that would have traditionally been funded to provide these services. Dislocated Worker Program funds used for this purpose have a required benchmark established by WIOA legislation and compliance with that benchmark may be in jeopardy due to the need for staff time to address the high UI claim load.

**Trade Adjustment Assistance (TAA) Services**

TAA services are provided by CTDOL staff. A number of staff from our Central Office and Field offices have been assisting with UI claims since the onset of the Pandemic. This has impacted our expenditure rate but until now, has not diminished our ability to service eligible TAA participants. However, the ability to utilize the funds for this program is contingent upon the number of TAA certified employers. We are now seeing an increase in potential TAA certified employers that is necessitating the return of TAA staff to their traditional job functions which will exacerbate the existing staff shortages in UI units.

CT has been allotted over $12 million dollars for FFY20. USDOL reviews a state’s obligation rate in the first year of life for these funds to determine if it is at an appropriate level or if there is a need to recapture the funds for redistribution to other states.

**Jobs First Employment Services (JFES)**

Due to Executive Order, as of March 18, 2020, the Connecticut Department of Labor (CTDOL) temporarily suspended all JFES in-person visits at the American Job Centers (AJCs). JFES participants were no longer mandated to participate in employment services, however, they could continue to volunteer to participate in the program virtually. There were 3,103 participants required to participate in JFES prior to the shutdown. An estimated 1,433 or 46% continued in virtual services during the shutdown.

Once safety precautions are in place to re-open the AJCs or participation requirements resume, the goal would be to engage approximately 1000 individuals to the JFES program. This number reflects clients that the Department of Social Services (DSS) never referred to the JFES program for services but were granted cash benefits. Employment activities such as job search assistance, subsidized employment, vocational training or adult basic education, case management services and support services will be provided. DOL and DSS are currently having conversations regarding how to best recommence the program. DOL will be working closely with the five Workforce Development Boards (WDBs) to develop recommencement procedures.

During the suspension of in-person services, JFES Case Managers shifted to providing virtual services to participants that continued to volunteer in the program. Virtual services include communication by email, phone calls and/or video-conferencing, online help with career guidance and resume creation, and helping participants identify local resources to help families that may be in crisis due to COVID-19.

**Employment Services Operations (ES)**

Employment Services Operations (ES) administers many of the programs delivered through the
American Job Centers (AJCs). Majority of ES staff from central office and the 5 AJCs are currently dedicated to assisting UI claimants and has been reassigned from their primary roles to working on UI Benefits and charging to UI benefits.

Underspending based on comparison of spending from April-July 2019 to spending April-July 2020:

- Wagner-Peyser
  - Underspending estimate - $1,814,905.94
  - Funding can be carried over
- Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment Program (RESEA)
  - Underspending estimate - $499,368.42
  - 30% of funding can be carried over. We will work with USDOL to negotiate any flexibility as a result of the current circumstances.
- Jobs for Veterans State Grant Program (JVSG)
  - Underspending estimate - $148,356.45

ES Operations has been able to meet all federal and state requirements regarding monitoring, reporting and plans, although the volume of services conducted is significantly lower given the same time frame in the previous year.

**Exploration/Testing of Virtual Platforms**
During this time, ES has pursued technology advancements for improved delivery of services to individuals and groups. ES is testing these tools to provide virtual services. This new service delivery model will require training staff and is targeted to begin in September.

**CT Back to Work**
Resources developed in collaboration with the Governor’s Office, DOL, other State Agencies and private partnerships to develop a resource page for seeking jobs, posting jobs, free training and information on hiring events during the COVID pandemic.

**CT Hires State Job Bank**
Technical assistance to job seekers and hiring employers maintained. No interruption of service to employers registering in the state job bank and posting jobs as vetting process continued with staff working remotely.

**American Job Centers**
Closed to the public. Majority of staff reassigned to assist with UI Benefits. Developing a new service delivery model that will minimize physical, provide virtual services and eventually a scheduling component.

**Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment Program (RESEA)**
RESEA was suspended March 13, 2020, as a result of the pandemic. These services have traditionally been provided in the American Job Centers, but due to a lack of technology at the time of closure the program needed to be suspended. RESEA is being redesigned to provide more effective and efficient virtual services utilizing current technology including electronic forms, services by phone, video platform and tracking. Selected individuals must participate, or their UI benefits may be affected.

RESEA is a mission critical program per USDOL and they are looking for it to be reinstated. We are working on a Pilot to implement during the month of September.
Wagner-Peyser (W-P) Employment Services –
Curriculum for our Core Employment Workshops were restructured into 1-hour workshops for virtual delivery to Wagner-Peyer and RESEA claimants:

1. Starting Your Resume
2. Finishing Your Resume
3. Interviewing Strategies and Techniques – Part I (Preparing for the Interview)
5. Successful Job Search Strategies – Part I: Networking
6. Successful Job Search Strategies – Part II: Online Job Search, Social Media and Job Search
7. LinkedIn Basics
8. Advanced LinkedIn

Jobs for Veterans State Grant Program (JVSG) –
Staff still providing services at a reduced number. 10 staff spent 50% of time assisting UI from May to July. 4 staff remain working in UI at 50% of time.

Apprenticeship
The Governor had identified Manufacturing, Construction and Healthcare as essential sectors of which there are thousands of apprentices in those sectors that we have served and continue to serve. From 3/15 thru 7/9 the Office of Apprenticeship Training (OAT) has registered 234 new apprentices in various occupations. Though this pandemic has caused unprecedented job loss, apprenticeship not only remains unphased – there is an increase in employers utilizing this workforce development program as a tool. The OAT also realized an increase in apprentices.

Active Apprentices & Employer/Sponsors as of 7/9/2019
1664 Employers/Sponsors  -------  6037 Apprentices

Active Apprentices & Employer/Sponsors 7/9/2020
1751 Employers/Sponsors  -------  6458 Apprentices

The Office of Apprenticeship Training now has 50% of its 14 staff dedicated full time or nearly full time to Departments directly or indirectly assisting with the unemployment crisis. Yet, the OAT has provided nearly seamless service and a relatively uninterrupted delivery of all the services that the OAT offers to the public utilizing technology, email and phone protocols that the OAT developed in lieu of conducting business in person.

Due to training center closures, apprentices lost the ability to complete classes required for the next phase/term of apprenticeship and/or complete the final requirements of apprenticeship to take an exam and become a licensed journeyperson, a credentialed profession of which the state is in short supply. The semester/academic year was more than half over (well over the recommended 144 instruction hours of apprenticeship) and did not resume. A waiver was granted and allowed for the students that were in good standing, and had completed more than 144 hours at time of closure, to be credited and complete the semester as intended.

When an apprentice completes the requirements of the program, that individual receives an apprenticeship completion credential which makes an individual eligible to take an occupational licensing exam. Even though the 3rd party testing vendor was closed, the Office of Apprenticeship
Training continued to issue 257 requested completion credentials from 3/15 thru 7/9 to allow those individuals to pursue licensure exams once the testing facilities re-opened.
The Office of Apprenticeship is currently completing its annual renewal process of all registered apprentices and employers in the state. The renewal imposes a fee of $110.00 per apprentice of which fifty per cent of any amount collected by the Labor Department is deposited in the General Fund and fifty per cent is credited to a separate non-lapsing appropriation to the Labor Department, for the purpose of administering the department’s apprentice training program.

The Office of Apprenticeship Training has also been awarded various federal grants which were to sunset in the 3rd quarter of 2020. The CTDOL has requested no cost grant extensions in order to continue funding the various programs as their programs have paused due to the pandemic and will be re-starting in the near future and relying on these funds.

The Apprenticeship Connecticut Initiative (ACI) awarded an initial $5M in 2019 to two regional partnerships that have implemented their respective manufacturing ACI programs through contractual agreements with the CTDOL. The Northwest Regional Workforce Investment Board Partnership and the Workforce Alliance Partnership both deployed their programs beginning spring of 2019 and have been meeting their first-year training goals and objectives.

On March 6, 2020, the second allocation of $10M was “awarded” but not fully dispersed, due to the quickly following onset of COVID-19. Awards have been allocated in the following amounts; $2.2 million to The Workplace Partnership, $500,000 to the Workforce Alliance Careers Partnership, $3 million to the Eastern Connecticut Workforce Investment Board Partnership, $1.5 million to the Northwest Regional Workforce Investment Board Manufacturing Industry Partnership, and $2.2 million to the Capital Area Pipeline Partnership. Thus far, only The Capital Workforce Partnership and Northwest Workforce Investment Board Partnerships have initiated new contracts with their recent awards.

In addition, the Office of Apprenticeship Training administered the Manufacturing Innovation Fund Apprenticeship Program from July 1, 2015 until June 30, 2020. The program total budget of $10,799,000. All but $64,022 was allocated as of 6/30/2020. This program served 227 Connecticut manufacturers in the form of wage, credentialing and related instruction education subsidies for those manufacturing employers 803 registered apprentices. Of those 227 companies, 147 of them are new to utilizing registered apprenticeship as their workforce development strategy to recruit, train and retain manufacturing workers which was the intent of this program and funding.