

ALABAMA DEPARTMENT OF LABOR 2015 ANNUAL REPORT



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**Letter to the Governor
The Honorable Robert Bentley
Governor of Alabama**

Dear Governor Bentley,

2015 proved to be an exciting year for the Department of Labor. It was my first complete year as Commissioner, and I'm proud to tell you of some of the things the Department was able to accomplish.

Employment was the big story of 2015. Alabama exceeded employment expectations in a big way. In January 2015, economists predicted that Alabama would add 33,800 wage and salary jobs over the year. We ended the year by adding 45,500 jobs! (January 2015-December 2015) Employers continued to hire throughout the year, with the majority of jobs coming from the education and health services sector and the leisure and hospitality sector.

Our unemployment rate continued to make progress as well. We ended the year at 6.2%, which is still at pre-recession level.

The Career Centers reflected this improvement in the economy with more than 320,000 new registrations and more than half a million Alabamians served. Alabama JobLink, the state's free online jobs database, registered more than 143,000 new job orders representing more than 219,000 job openings. More than 780,000 people visited JobLink in 2015!

Over 162,000 job seekers entered employment after receiving services through the Career Centers, representing more than half of the job seekers exiting the labor exchange system. An overwhelming majority were found to still be employed six months after exiting the system with a job, with average earnings of \$25,684 a year.

We expanded on our marketing efforts this year, holding five jobs phone banks at TV stations in Birmingham, Mobile, Montgomery, and Huntsville. More than 1,000 phone calls were answered during these events.

Additionally, we started a new initiative in which we took our services to those who need us most. We coordinated and participated in six job fairs in rural counties with traditionally high unemployment rates. Additionally, we conducted "Job Readiness Workshops" in these areas to help better prepare jobseekers for today's work environment. Approximately 12,000 job seekers attended the fairs, and we hope that these will become annual events.

We also launched a digital marketing campaign, to increase awareness of our services. The state's mobile Career Center was upgraded, and logged over 10,000 miles traveling to nearly 60 events statewide.

We also made great efforts in further reducing veteran unemployment by coordinating and hosting the first annual Governor's Summit for Alabama Veteran Employers in November. More than 40 businesses participated and helped to steer the discussion for ways to improve veteran hiring in Alabama.

As unemployment continued to decline, the amount of unemployment insurance taxes employers paid decreased as well, providing much needed relief. The shared costs portion of the UI taxes reached 0% this year, the first time in almost 25 years.

Our investigators continue to crack down on unemployment compensation fraud, recovering more than \$8 million in 2015 and filing 425 warrants.

Additionally, following a Memorandum of Understanding with the U.S. Department of Labor and a cooperative training seminar, we discovered 2,601 misclassified workers and over \$20 million in misclassified wage dollars.

ADOL will continue to provide services to those Alabamians who need us the most, the unemployed and underemployed. Our staff is dedicated to upholding our efficient and professional service standards.

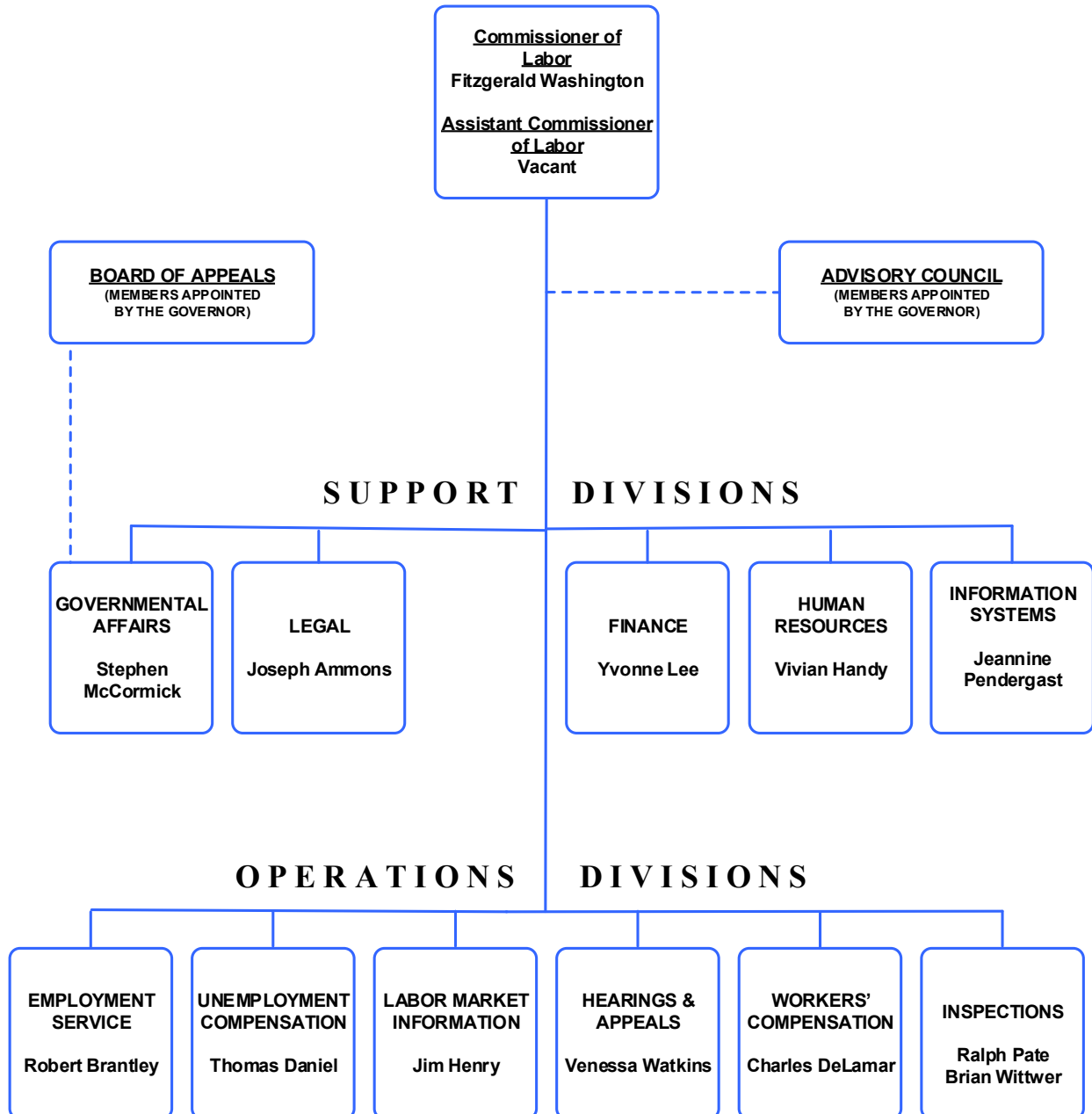
I present the 2015 Alabama Department of Labor Annual Report, which reflects a high level of commitment to positive, proactive, and ongoing efforts to adapt to ever-changing times and to position Alabama for the future.

Sincerely,

A handwritten signature in cursive script that reads "Fitzgerald Washington".

Fitzgerald Washington, Commissioner

**STATE OF ALABAMA
DEPARTMENT OF LABOR
ORGANIZATION CHART**



EMPLOYMENT SERVICES



Robert Brantley, Director

The Employment Services Division of the Alabama Department of Labor (ADOL) serves as the gateway to the state’s labor and job markets, delivering labor exchange services for both job seekers and employers through the Alabama Career Center System serving as the state’s One-Stop Workforce Development system. Alabama is also a proud partner in the American Job Center Network, <http://jobcenter.usa.gov>, designed to unify and brand workforce services as part of a single national network.

As a partner in the Alabama Career Center System, ADOL works with all workforce partners to build a customer-friendly system providing job seekers and employers with a full range of seamless employment and training services in 48 “One-Stop Career Centers” located throughout the state. Services were expanded to Dale County this year with the opening of an itinerant point center in Ozark.

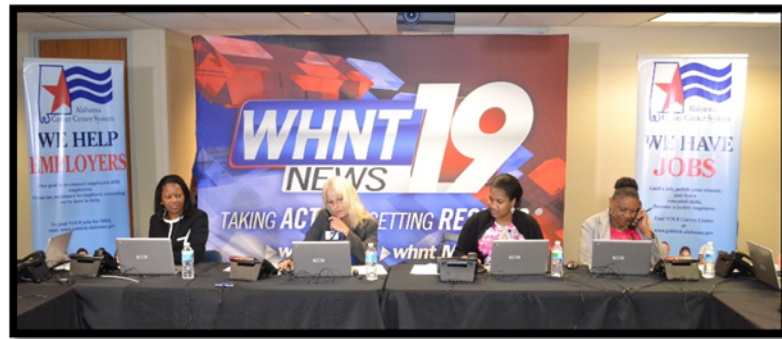


Grand opening of Ozark Career Center

Access to service is available 24/7 on the internet at <http://JobLink.alabama.gov> or via “Resource Areas” located in Career Centers. Customers have access to high-speed internet, computers, software designed to aid job seekers, and a vast array of resource materials, including the latest labor market information to assist with career and job search and employer recruitment. Computers are equipped to offer registration assistance, résumé preparation, and labor market career information, along with a wide range of online resource materials and tutorials covering a wide array of job-related subjects. Service may be either self-directed by the customer or provided by professional staff available in the Job Center for assistance.

Implementation of the Workforce Innovation and Opportunity Act (WIOA) in July 2015 has prompted new and ongoing initiatives. Strengthening of a common identifier for branding recognition of the Career Center System has been a major goal throughout the year. This was accomplished, in part, through a collaborative effort with TV stations in the state’s major markets to broadcast live Job Fairs with five conducted this year in Mobile, Montgomery,

Birmingham, and Huntsville. More than 1,000 viewer calls were answered during these events.



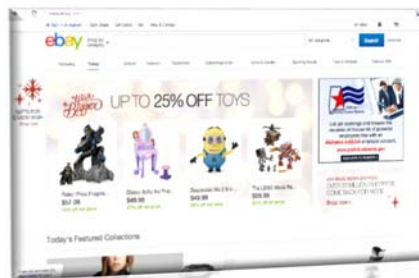
Career Center Employees taking viewer calls at WHNT in Huntsville, AL



Career Center employees taking calls at WSFA in Montgomery, AL

A digital advertising campaign directed at publicizing the Career Center System and its services kicked off Nov. 3, 2015. Through Nov. 23, 2015, well over a quarter million (427,275) impressions were targeted resulting in 493 viewer clicks to learn more. The click-through rate of 0.12% doubles the national rate of 0.06%.

A screenshot of the new digital marketing campaign. This ad was seen on www.ebay.com.

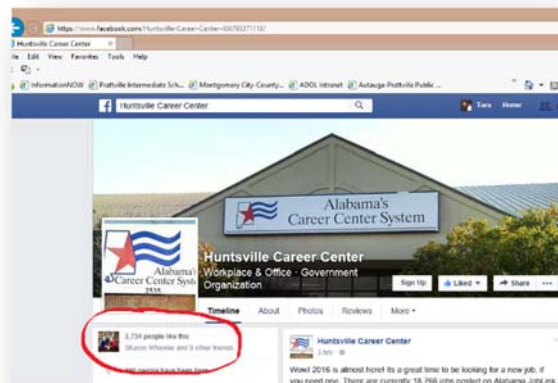


The state’s mobile Career Center (MCC) vehicle was updated with a new exterior design and interior renovation including new computers to better serve citizens in areas without a Career Center. This year, the MCC logged over 10,000 miles appearing at 56 workforce-related events throughout the state.



Workforce staff capacity building emphasized in WIOA was sustained this year with all Career Center staff trained on interviewing and communications. Additional training is under development for delivery in 2016 to provide staff with critical knowledge and skills required to serve job seekers and employers.

Recognition of the unlimited potential of social media to expand outreach service to a vastly wider audience through Facebook and the commitment to utilize this medium proliferated this year with Career Centers almost doubling “likes” to over 36,000 with an unlimited future upside.



Unemployment continued to improve in the state for the sixth consecutive year in 2015, registering 6.2% in December. Payrolls added almost 21,000 jobs this year with gains in the education and health services sector (+5,100), the leisure and hospitality sector (+4,800), and the trade, transportation, and utilities sector (+4,500) leading the way.

Alabama’s Career Centers reflected this improvement in the economy with 320,000 new registrants contributing to 600,000 customer visits to Centers, and over 550,000 individuals

being served. Approximately 75% of registrants self-register for service while the remaining 25% visit Career Center locations throughout the state seeking registration assistance and service from professional staff. However, 20% of self-registrants eventually seek staff-assistance at a Career Center. Approximately half of those seeking help were Unemployment Insurance claimants.

Driving Alabama’s workforce development system is Alabama JobLink (AJL), an Internet-based, customer-driven service delivery system at (<http://Joblink.alabama.gov>), featuring self-service options for job seekers and employers. Google Analytics reports that for the first 10 months of 2015, there have been more than 781,000 users on AJL, with more than 2.4 million sessions consisting of more than 44 million page views.

AJL refined its email matches to more closely meet the needs of the job seekers and of the employers, thus reducing mismatches. This year, AJL generated more than 110,000 automatic e-mail job match notifications to job seekers, and more than 10,000 automatic e-mail notifications to employers of resume matches.

For job seekers, AJL offers around-the-clock access for registration, job search, creation of an online résumé, automatic e-mail notifications when skills match employer openings, and, in some instances, direct employer contact. For employers, AJL is available 24/7 to post and manage job openings, search for qualified workers, and receive automatic e-mail notifications when job requirements match job seeker skills.

AJL, in addition to jobs listed by employers with the Alabama Career Center System, also includes jobs from the Job Central National Labor Exchange. Job Central represents the job openings available through an array of leading global employers. Jobs from Job Central also include jobs in Alabama from USAJOBS, the federal government’s official one-stop source for federal jobs and employment information.

AJL offers the ability to upload a résumé to the system, display job openings on a map for ease of location, and “job speeding” / “job spidering” which expands access to millions of jobs from sources such as Monster, Hotjobs, Careerbuilder, the New York Times, and Fortune 500 corporate websites, as well as from thousands of other sources including small, industry-specific job boards, local newspapers, and associations.



Empowerment of the users of Alabama’s Labor Exchange system to self-direct job and worker searches has opened access to the public labor exchange system, making it truly a customer demand-driven system. Success in this shift in service delivery is borne out in the numbers of job seekers and employers served by the system, with 99,000 new job seeker accounts and 3,900 new employer accounts established this year. Over 143,000 new job orders representing over 219,000 job openings were listed on AJL this year. Automation and stream-

lining of the delivery of workforce development services continues to position the Alabama Career Center System as the gateway to Alabama's job and labor markets.

For the most recently completed year, over 162,000 job seekers entered employment after receiving employment services through the Career Center System representing more than half (60.1%) of the job seekers exiting the labor exchange system during this period. An overwhelming majority (80.7%) were found to still be employed six months after exiting the system with a job. Average earnings were \$25,684 a year or \$12.35 per hour.

Responsive adaptation to change serves to support and strengthen the mission of the Employment Services Division to achieve, as a partner in Alabama's Career Center System and America's Job Center Network, a customer-focused, technologically advanced, outcome-driven workforce delivery system, providing high standards of customer service and satisfaction delivered efficiently and effectively.

CLAIMANT ASSISTANCE PROGRAM

The Claimant Assistance Enhancement Program is designed to reduce the duration of joblessness for Unemployment Compensation claimants. This is accomplished through quick, early-on intervention by Career Center staff with UC claimants to assess their needs and offer services designed to return them to work as quickly as possible. Among these services are: preview of job search efforts; orientation to Career Center services; provision of Labor Market/Career Information; skills assessment; employability development plans; job search plans; job search workshops; and, intensified job development and placement services including skills assessment/transferability tools provided online to claimants by the Career Center.

During the most recent year, more than 111,900 eligible claimants were helped to find jobs, representing 64% of the eligible claimants exiting the labor exchange system during this period. More than 83% were still employed six months after exiting the system. Average earnings for eligible claimants going to work was \$26,536 a year creating a significant savings to the Unemployment Trust Fund.

BUSINESS CONTACTS

Over 21,500 promotional business contacts were made by Career Center staff with Alabama employers this year, matching last year's decade-best performance. Sustaining the record-level pace was continued emphasis on the Business Services program with trained Business Service Representatives focusing outreach to both new employers and those not previously using Career Center services to help solve workforce problems.

Employers are apprised of services, programs, and assistance available through the Career Center System to include On-the-Job training and Incumbent Worker training program opportunities to help in meeting their workforce needs. The goal of the Business Services initiative is to help employers take advantage of programs in order to grow and create jobs. In turn, employers' feedback is used to adjust services or develop new services to better serve employers.

RAPID RESPONSE

Rapid Response activities provided by Career Center staff, funded under contract with the Alabama Department of Commerce, support the State's Rapid Response Team in providing assistance to the business community and workers affected by layoffs or plant closings in the state. Career Center staff participate in group employee meetings as key members of the State's Rapid Response Team to provide information and direction to dislocated workers relative to Career Center services, including: UI registration; job registration; résumé preparation; online job search; job placement; veteran's services; labor market information; and, where necessary and appropriate, conduct dedicated on-site job search workshops.

During the past year the Rapid Response team assisted workers at 35 major closing and layoffs which affected 5,690 dislocated workers.



Laid off workers attend a Rapid Response Meeting

FOOD STAMP PROGRAM

During Fiscal Year 2015, 29,300 Food Stamp registrants were referred to the Alabama Department of Labor Food Stamp Employment and Training Program from the Department of Human Resources. These referrals came from 14 counties: Mobile, Montgomery, Houston, Morgan, Etowah, Jefferson, Tuscaloosa, Bibb, Shelby, Chilton, Coosa, Talladega, St Clair, and Blount. This represents little change from the number that were referred in FY 2014. Of those referred, 17,742 clients were placed into the Food Stamp Job Search Component, and/or provided training in job seeking skills. A total of 2,419 Food Stamp clients were either placed on jobs via the Career Centers or obtained employment after participating in the program.



The emphasis of the program was refocused to working with Able Bodied Adults without Dependents (ABAWDs) to find employment. Key to success will be increased emphasis in the development of quality résumés for clients in AJL to improve employer job match searches and availability of job shops to hone job search/hiring skills.

TAX CREDITS FOR EMPLOYERS

The Work Opportunity Tax Credit (WOTC) program is a federally-funded program that provides incentives to businesses to hire individuals who have historically faced barriers to employment. The benefits of WOTC are twofold: it is an aid in helping targeted job seekers find and retain employment and it saves employers money by reducing their tax liability. Private-sector employers can reduce their tax costs by employing individuals from any of nine targeted WOTC designated groups. These include: TANF recipients, Food Stamp recipients, youth, ex-felons, SSI recipients, Veterans, and those with Disabilities, among others.



Legislative authority for the WOTC program expired on Dec. 31, 2014. On Dec. 18, 2015, Congress passed, and the President signed, a bill which included a five-year extension of WOTC. The extension is retroactive to Jan. 1, 2015 and expires on Dec. 31, 2019.

To date, Alabama's WOTC program has issued 38,727 certifications for 2015, representing a potential tax savings of \$109,286,600 for Alabama employers. Alabama WOTC has received 57,932 requests to issue certification for employees hired in 2015.

WOTC automation efforts for streamlining access to records of UI receipt and wage data and the Supplemental Nutrition Assistance Program (SNAP) for use in determining eligibility for veteran target groups continues. Also, continued efforts were taken to eliminate the need for hard-copy applications with more encouragement and direction for filing electronically. Those who take advantage of filing electronically have the added benefit of monitoring their decisions online. This eliminates the cost of mailing decisions in the traditional manner.

Additional information regarding the WOTC is available at <http://www.doleta.gov/business/incentives/opptax/> and <http://wotc.alabama.gov/WOTC.html>.

SERVICES TO RURAL RESIDENTS

In addition to Comprehensive Career Centers located in the state's more densely-populated Metropolitan Areas, the Alabama Career Center System also operates 13 satellite Career Centers and 10 itinerant point Career Centers to facilitate access to workforce delivery services through the Alabama Career Center System in the state's rural areas serving the needs of rural customers.

As a part of this service, the Alabama Career Center System conducts the Agricultural Recruitment Service (ARS) and assists the U.S. Department of Labor, Office of Foreign Labor Certification, with the Foreign Labor Certification H-2A temporary agricultural program for nonimmigrant foreign workers. Staff members based in Alabama Career Centers as well as members of the Alabama Department of Labor Central Office staff are also responsible for overseeing the Migrant and Seasonal Farm Worker Outreach Program and for conducting agricultural pre-occupancy housing inspections for the H-2A program.



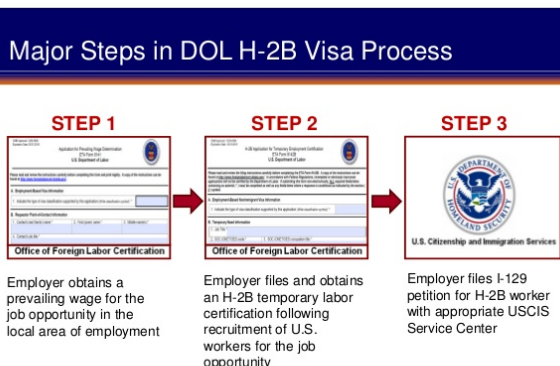
Last year, in response to 38 separate H-2A certifications, ALCC staff inspected 120 dwellings, with occupancy approved for 1,011 workers.

Migrant and seasonal farm workers were offered all services provided to other applicants and referred to other community agencies as needed. A bilingual staff member is available for each local office to help coordinate the process if the applicant is not proficient in English.

FOREIGN LABOR CERTIFICATION

The Foreign Labor Certification Unit of ADOL works directly with the employer or his agent or attorney to ensure that labor certification applications meet regulations and guidelines mandated by federal and state laws and U.S. Department of Labor and Employment Service guidelines.

The Foreign Labor Certification H-2B Unit serves a customer service role responding to employer inquiries and dissemination of comprehensive information concerning the program and guidance in the filing process. Effective April 29, 2015, revised federal regulations and procedures enable ADOL to more effectively monitor the recruitment practices of H-2B contractors. In Fiscal Year 2015, ADOL received 13 new intrastate job orders identified as H-2B, two state workforce staff assisted intrastate referrals and one interstate job order from another state.



VETERANS SERVICES

Alabama Career Centers Provide Veterans with Priority in Services and Training

The Alabama Career Center System continues to implement a re-focus initiative which directs career center specialists to provide veterans with core services, including initial assessments of job readiness, résumé assistance, and referrals to job openings and job training. This initiative is proposed by the U.S. Department of Labor and required by federal grant provisions.



Disabled veterans, veterans recently released from active military duty, homeless veterans, economically and educationally disadvantaged veterans, incarcerated veterans, and veterans with significant barriers to employment are referred to Disabled Veterans Outreach Program (DVOP) specialists for intensive services. DVOP specialists provide comprehensive assessments of job readiness, assist veterans in developing a plan to become employed, and help veterans connect to resources, services, and benefits.

The re-focus initiative provides that Local Veterans Employment Representatives (LVER) will advocate the Veterans Services Program to employers, conduct job search activities and workshops to assist veterans in finding employment, and promote the hiring of veterans.

The number of veterans in the Alabama labor force increased to 192,000 from 179,000 veterans last year. However, the unemployment rate of veterans in Alabama remains at 5.6 percent. (*Senate Joint Economic Report based on data from the Bureau of Labor Statistics*). The unemployment rate for Post-9/11 veterans in the U.S. decreased from 8.8 to 7.2%, while the unemployment rate for Post 9/11 veterans in Alabama increased from 6.7 to 7.9% , representing about 7,000 unemployed Post 9/11 veterans in Alabama.



At the close of the reporting year, nearly 17,466 veterans and Military Transitioning Service Members (TSMs), including military spouses, were registered in Alabama JobLink (AJL) for job search assistance, résumé assistance, and employment and training services. Veterans are provided priority in all services and training provided by the Alabama Career Center system. Alabama JobLink offers self-service features and the convenience of access by internet to provide job matching and many other services. Nevertheless, nearly half of registered veterans also took advantage of personal assistance offered by Career Specialists, LVERs, and partnership agencies located at local Career Centers.

Veterans' Employment Representatives and Career Center Specialists provide career coaching, local and national job search assistance, intensive services to locate and apply for supportive services and resources, and personal assistance in navigating today's complex and challenging job market.

Local Veterans Employment Representatives are well-acquainted with the needs of local employers and how to assess military skills to determine a service member's transferable skills related to occupations in civilian careers. The Local Veterans Employment Representatives are assigned to the Business Services Teams at Alabama Career Centers as veterans' employment advocates to locate potential employment opportunities and encourage employers to offer veterans priority consideration for their job openings.

Many veterans and military service members preparing for separation from active duty are provided career counseling and assistance to enroll into state and federally-funded workforce training or into vocational or four-year degree programs under the GI Bill.

At the close of the fourth quarterly reporting period, 76% of registered veterans who received staff-assisted services were employed into new jobs. U.S. Department of Labor reporting shows that of 485 newly-released from active duty veterans who received staff-assisted services, over 59% entered employment, and all Alabama Career Centers met or exceeded the state's performance measure for Veterans Entered Employment. Alabama Career Centers provided staff-assisted services to 6,992 veterans and were credited with assisting 4,159 veterans into jobs.



Vet staff following up with a Vet on a worksite.

Services to Military

Veterans' employment representatives participate in the Military Yellow Ribbon events and military family functions for deploying and deactivating units of the Alabama National Guard and the Military Reserve components to extend job search services to soldiers in transition from active duty and assist military spouses to find jobs during the service members active duty deployment.

Extensive Outreach to Disabled Veterans and Veterans Facing Special Challenges

To assist veterans and separating service members with service-connected disabilities to find civilian jobs, the State of Alabama operates a Disabled Veterans Outreach Program (DVOP), funded under a federal Job for Veterans State Grant, using specialists to provide intensive services and to guide Disabled Veterans into vocational training or to develop employment opportunities. The Disabled Veterans Outreach Program also provides statewide outreach programs and events to assist economically or educationally disadvantaged veterans to connect with resources and services to overcome barriers to employment.

Last year, Disabled Veterans Outreach Program specialists counseled approximately 8,611 veterans with significant barriers to employment due to military service-connected

disabilities to provide them employment services, career counseling, guidance on applying for veterans' benefits, referrals to supportive services, job training, and information about their employment and reemployment rights.

In partnership with the U.S. Department of Veterans Affairs, Vocational Rehabilitation and Employment (VR&E) Division, DVOP specialists in the Alabama Career Centers work with VR&E counselors to develop job opportunities for Disabled Veterans participating in vocational training for employment. The Alabama program was adopted by the U.S. Department of Labor and the U.S. Department of Veterans Affairs as a nationwide program.

Partnerships to Serve Veterans

Alabama Career Centers collaborate with colleges, universities, and trade schools to coordinate job fairs and career expositions, including events held at military installations and National Guard armories. These intensive efforts make an important difference for recently-separated military veterans. Other community partnerships developed by Alabama Career Centers and the Alabama Department of Labor include Homeless Veterans Stand- Down events in Mobile, Birmingham, Dothan, Huntsville, Opelika-Auburn, and several rural areas. Local Veterans Employment Representatives and Disabled Veterans Outreach Program specialists served 348 homeless veterans in Alabama last year, including 30 female homeless veterans, providing job search services and intensive services under a strategy of case management. Through innovative partnerships with local agencies and community organizations, 98 homeless veterans were assisted in finding employment.



Veterans Stand Down Event in Mobile, AL

Alabama is in partnership with the Direct Employers Association, through an initiative supported by the National Association of State Workforce Agencies (NASWA) that automates the posting of federal contractor job and career openings into Alabama's JobLink data system. Jobs are posted directly to the Career Center located at the site of the contract. Veterans have 24-hour priority access to employment openings posted by member companies holding federal contracts in Alabama.

The Alabama Veteran Incentive Awards

The Alabama Veteran Incentive Awards are presented annually to employees for going above and beyond in their service to veterans. This year the awards totaled \$25,000 and the

winner were: Lisa Owen, Joel Sterling, Nicholas Bowen, Brian Scannell, Renaldo Bryant, Michael West, Carlston Flemons, Phillip Warren, Frances Kidd, John Reed, L.C. Jackson, and Alicia Cohill. Their accolades range from working on the Veteran Affairs Committee of the local Chamber of Commerce to a recycling program to purchase bus tickets so homeless veterans could get to and from job interviews.

The Alabama Veterans Executive Network (AlaVetNet)

AlaVetNet continues to work organizing and promoting resources for Alabama’s veterans. AlaVetNet sponsored the “Governor’s Summit of Alabama Veteran Employers” for the first time this year. Representatives from 40 companies and six industry associations attended. There was a diverse representation of industry sectors and business sizes. The Summit was used to bridge the employment gaps between what skills companies were looking for in employees and the veterans’ military skill set. The AlaVetNet website is under construction and should be completed by the beginning of 2016. Many new projects are being discussed in support of Alabama’s veteran population.



Commissioner Fitzgerald Washington and Governor Bentley



Lt. Col. Christopher Forsythe speaking at the Summit



Employers attending the Governor’s Summit of Alabama Veteran Employers

UNEMPLOYMENT COMPENSATION



Thomas Daniel, Director

QUALITY ASSURANCE

Quality Assurance met federal requirements for number of cases selected for review and for case completion time lapse in all cases, both paid and denied. The federally mandated time lapse for paid cases is 70 percent in 60 days. Alabama completed 99.38 percent within 60 days. The mean completion time for paid claims was 29 days. The mandated case completion for denied cases is 60 percent in 60 days; Alabama completed 100 percent within 60 days. The mean completion time for denied claims was 24 days.

Alabama continues to have one of the lowest coding error rates in our region of eight states and among the 26 states included in the cross regional reviews. For the two cross regional reviews held this year, Alabama had no coding errors. We received congratulatory letters from Les Range, Regional Administrator, with the remark “reviewing states made notes referring to how well Alabama’s cases are organized.”

Two representatives attended cross regional reviews in Dallas in February 2015 and in Chicago in September 2015. In October 2014, one auditor attended BAM Investigator Training and our UC Senior Specialist attended Annual Reports Training in Washington, D.C. Quality Assurance UC Senior Specialist attended Data Validation Training in Washington, D.C. in March 2015.

BENEFIT OPERATIONS

Benefit Payment Control

Alabama participated in the Unemployment Compensation (UC) Treasury Offset Program in 2015 and intercepted \$6,343,744.04 in federal tax refunds that were used to offset fraudulent UC overpayments. The Treasury Offset Program from 2012 to date has intercepted \$24,612,758.28. The



State Offset Program during Fiscal Year 2015 has collected \$1,828,295.28.

The retired state employees closed 3,365 cases, setting up \$3,182,215.75.

There were 425 warrants filed and 126 prosecutions won.

Special Programs

During Fiscal Year 2015, there were three companies certified for Trade Adjustment Assistance.

At the end of 2015, there were 178 participants in the ATAA /RTAA programs and 485 participants in TAA-funded training.

Health Coverage Tax Credit (HCTC) was reinstated for TAA participants effective Sept. 28, 2015 through Dec. 31, 2019.

Benefit Services

Notices of Determination mailed for the employers in Unemployment Compensation Federal Employee (UCFE) new and additional claims (Ben-8 FE and Ben-8 FE-A) are now generated electronically for most claims with federal employers either in the base period or lag quarter.

Military State Data Exchange Billing (MSDEB) has been implemented. Alabama now directly bills the military for Unemployment Compensation Military (UCX) through the application developed and maintained by Xerox.

The Redetermination Unit implemented AFAST on May 1, 2015. This system was designed to expedite missing wage investigations and strive towards being paperless with these investigations.

The Combined Wage Unit submitted a Supplemental Budget Request (SBR) Application for their CWC-02-12 application. This SBR will ensure that Alabama is in compliance with the Trade Adjustment Assistance Extension Act of 2011 (TAAEA) and guidance contained in UIPL No. 02-12 and UIPL No. 02-12, Change 1. The request is also for additional funding for programming enhancements to communicate the required information to the CWC 02-12 application and Employer Non-Relief web application. Work on the project would begin immediately if the SBR is awarded. The work is projected by Information Systems to be completed no later than Sept. 30, 2017.

UC Technical Services

The UC Technical Services Section continues to coordinate implementation of additional electronic enhancements to prevent, detect and recover overpayments of UC benefits in an effort to improve UC integrity. For example, programming was implemented to block claims and

weekly certifications filed online from a foreign web address which prevents claimants from collecting unemployment benefits if they do not reside in an area with a valid labor market as well as foiling certain fraud schemes.

The Single Line Adjudication Process (SLAP) is continuous as enhancements are implemented in an effort to improve our integrity in our decision-making process. It is an effort to promote a higher degree of consistency and standardization during this process resulting in higher levels of quality. To this end, an ongoing extensive redesign of fact-finding forms is being conducted as a joint effort of the Technical Services Section, Call Center Operations, and Information Systems Division. Also, an additional process has been implemented as a training tool and to further ensure higher quality decisions/determinations. This is being accomplished through a central quality review comprised of more experienced adjudicators before it is released for processing as a final decision. It provides the instant ability to electronically return any questionable determinations for needed corrections, adjustments, and/or for clarification which is essential in the development of adjudicators allowing for controlled on-the-job training.

The UC Technical Services Section has the responsibility of the Data Validation Program. Great strides have been made in meeting many of the mandates of the Employment and Training Administration (ETA) United States Department of Labor (USDOL). This program requires a review of all Unemployment Insurance (UI) programs to ensure our agency is in compliance. We have contracted with Mathematica for assistance. They are working directly with the programmers to assist with the more complicated programming.

Supplemental Budget Requests (SBR) funds have provided resources enabling us to offer improved services to the public, employers, and those filing for unemployment benefits. A phone feature has been created to allow Spanish-speaking claimants to leave a voicemail that is monitored by a Spanish-speaking representative.

Additionally, we continue to add participating employers to the State Information Data Exchange System (SIDES) due to the electronic response system for employers having been expanded by adding single sign-on capability for employers. Another enhancement has been made to notify employers electronically of the Notice of Claim and Request for Separation Information (Form BEN-241) that is pending with the Alabama Department of Labor (ADOL). This is an additional effort to increase the number of employers responding via SIDES which should assist in an improvement of meeting our timeliness goal for the non-monetary determinations in 21 days' requirement.



The Technical Services Section has served as a central liaison in the development and testing of new processes, modifications to existing processes and/or procedures, system updates, and enhancements including required programming changes mandated by legislation in 2015. Rather than the previous \$15 disregard of weekly reportable earnings, it is now 1/3 of the claimant's Weekly Benefit Amount (WBA). Additionally, the retirement benefits of claimants will no longer affect their unemployment compensation benefits if they contributed to the plan. The only exception is for those employees whose retirement funds were 100 percent funded by their employer.

CALL CENTER OPERATIONS

Call Center Operations is a section in the Unemployment Compensation Division of the Alabama Department of Labor (ADOL). This section consists of an administrative unit, two call centers, and an adjudication center. Through the call centers, unemployed individuals can file unemployment claims by calling a toll-free telephone number and receive assistance from a customer service representative (CSR), or by accessing a web application and completing their claims via the internet without human intervention. The adjudication center is staffed with unemployment claims adjudicators and factfinders. These staff members review claims, conduct fact-finding investigations, and issue initial determinations on whether to allow or deny unemployment compensation benefits based on a claimant's separation from their job and whether they are meeting other eligibility requirements under the Alabama Unemployment Compensation Law.

Approximately 273,192 claims and inquiry calls were handled through ADOL's Unemployment Compensation Call Center System in 2015, representing an 8% reduction from calls received in 2014.

Approximately 144,442 claims were processed through our Remote Initial Claims (RIC) system in 2015, representing a 3% increase over 2014.

70,374 claims were filed through the call centers by customer service representatives (CSRs).

65,183 claims were filed and completed via our web application.

8,885 claims were initiated on the web but were not completed and claimants had to be referred to the call centers for completion by CSRs.

54.9% of claims processed were completed by a CSR and 45.1% of claims processed were completed via the web. Web-initiated claims continue to be the preferred method to file claims as 51% of all claims filed were initiated via the web.

Approximately 109,106 issues were adjudicated by our adjudication staff in 2015. This amounts to a 19% workload reduction from 2014.

- 71,322 separation issues
- 37,784 non-separation issues

In an effort to streamline the claims adjudication process and ensure a higher quality of claims adjudication to claimants and employers, a decision was made to establish an adjudication center. The Birmingham Adjudication Center began operation effective April 1, 2015.

UNITED STATES DEPARTMENT OF LABOR
Employment & Training Administration

Quarterly Tracking Information
Quarterly Tracking Information on the Intrastate First Payments and New Status Timeliness Targets

Region: Atlanta

State	Intrastate First Payments 14/21 Day Timelapse		New Status Timeliness, 90 Days	
	Performance for Yr Ending 09/30/2015	Change From Yr Ending 06/30/2015	Performance for Yr Ending 09/30/2015	Change From Yr Ending 06/30/2015
Alabama	91.5%	-0.8%	87.1%	0.1%
Florida	88.4%	-0.9%	92.2%	0.4%
Georgia	85.6%	0.1%	89.6%	0.0%
Kentucky	66.0%	-0.2%	86.3%	-0.3%
Mississippi	77.6%	-3.4%	86.3%	-0.2%
North Carolina	67.5%	3.8%	89.7%	1.1%
South Carolina	90.2%	0.3%	89.0%	-0.7%
Tennessee	86.9%	6.3%	86.1%	1.0%
	77.9%	1%	90.0%	0.38%

* The result for this state is estimated based on partial data for the report period.

The Unemployment Compensation Division of the Alabama Department of Labor ranks near the top of our region, Region 3, every year in the category of prompt payment of unemployment compensation benefits to the unemployed citizens of Alabama. During the 2015 calendar year, we consistently maintained the number one ranking for our region in this category and we ranked in the top 20 nationally.

TAX OPERATIONS

In 2014, Tax Operations continued to thrive and set the standard for the nation in many categories. The section continues to operate in the black by collecting unemployment compensation tax in excess of \$314 million and has exceeded benefit payments for the fifth straight year. The Alabama Unemployment Compensation Trust Fund is holding steady at just under \$445 million.

Electronic filing and remittance percentages continue to make Alabama one of the most efficient states in payment processing. Electronic receipts of tax returns averaged 99% and electronic remittances averaged 96% during the year. We continue to enhance our computer systems to eliminate paper processes which are listed below:

- 6,296 online automated adjustments to employer accounts were processed. Bulk filers (ADP, Paychex) submitted 1,105 online adjustments, bringing the combined total online adjustments to 7,401.
- All reimbursable governmental employers are now able to retrieve their account statements and charge statements online at the Alabama Department of Labor website. The department will realize a significant amount of savings on postage expense as several hundred statements were mailed quarterly to reimbursable employers. Additionally, reimbursable employers will now make their quarterly payments online using either the electronic funds transfer method or ACH credit payment method. Reimbursable employers have responded well to this change.
- The quarterly reporting screens on the website for employers were redesigned and condensed to eliminate the timing out of rural employers with dial-up internet

before they have completed their returns. Several “Quick Links” were installed which allowed the employer to go directly to reporting options. The “Quick Links” have streamlined the accessibility to the e-filing screens which has reduced the occurrence of the problem.

- With reduced staffing has come the need for more automation and innovation. Our Information Systems Department has revised an existing program to allow accounts to be dropped on the actual close of business even though zero reports have been filed subsequent to the close date. This has eliminated a few steps that Status and Audits personnel were completing in order to close the account.
- New automation is now in place for all employers to download their benefit charge statements. Social Security numbers are masked so that only the last four of the Social Security number is available for viewing. Long range goals are in place to no longer mail these forms. However, the public must be educated on how to find their charge statements and download them prior to the discontinuing of the mail copy. This will save the Department in postal expense, paper, envelopes, printing cost, and labor.
- Tax Rate notices will once again be available for download from our website for calendar/tax year 2016. The majority of the taxpayers utilize the electronic version and there will only be 343 paper documents mailed. For the fiscal year ending September 30, 2015, calendar year 2016 tax rates produced will be 75,958 for on-line filers saving postage costs of \$37,219.42.
- Electronic registration for employer accounts continues to increase, rising 4.5% this year. Of all employer applications received this year, 78% were filed electronically, thus further reducing the amount of paper forms processed. More than 13,000 address changes were completed this year, 18% of which were done by employers online.

Other items of note are as follows:

- Ninety State Unemployment Tax Act (SUTA) Dumping investigations were completed in 2015. The Department continues to concentrate on work production growth in this area. With the addition of the latest updates for the SUTA Dumping Detection System, investigations continue to grow and more SUTA dumpers found.
- Tax Operations successfully passed all Tax Performance studies in 2015. Tax met or exceeded all minimum requirements mandated by the U.S. Department of Labor.
- No Tax hearings were held since May 2015 because no hearings have been scheduled. Cases are scheduled for December 2015. Appeals had 26 cases prior to fiscal year 2015. Appeals received 55 more during the fiscal year. Eleven cases were affirmed, four cases overruled, eight cases were withdrawn, and 14 cases either defaulted or were denied a hearing. 67% of the cases were handled without a hearing during the 2015 fiscal year. There are 44 cases awaiting a hearing.

Field Services has also experienced a major year in 2015. Some accomplishments are as follows:

- The Field Staff has collected \$9,564,701.95 of delinquent monies this year.
- Completed 1,429 Employer Wage Audits.
- Discovered 2,601 misclassified workers and \$20,227,349.00 in misclassified wage dollars.
- The Automated Field Assignment System Tax (AFAST) to issue, complete, and submit assignments was implemented and online May 1, 2015. This program allows electronic input as well as electronic return of all Tax assignments which has proven to offer substantial savings in postage, as all paper assignments were previously mailed from and back to Central Office. Most importantly, this automation has expedited the information return by as much as five days or more in some investigations. This project was an in-house team effort between Tax and the Information Systems personnel.
- Design and implementation of a new web-based audit system for the field has begun with plans to be at full capacity no later than December 2016. This will allow for real time updating of audits and higher work performance.

CHILD LABOR ENFORCEMENT

State law currently allows children ages 14 and 15 to work until 7 p.m. during the school year. Children who are 16, 17, or 18 and are still enrolled in high school may work until 10 p.m.

Minors under the age of 18 are prohibited from working in many hazardous occupations. **However, seven Alabama teenagers have died in prohibited work-related activities since 2000.** Fortunately, none of those have occurred in the last eight years, although several serious injuries have been reported.



Pathfinder Club of Muscle Shoals. These are career tech students who take their knowledge into a real life work setting.


What Does Child Labor Enforcement Do?

- Follows up on eight to 10 complaints per month. These complaints involve multiple issues including record keeping, hour violations, prohibited occupations, and alcohol.
- Randomly inspects businesses for compliance.
- Conducts trainings for new employers and those who have first offenses.
- Issues civil money penalties that are returned to the General Fund.
- Trains 175+ Career Technical Teachers, in four separate sessions each year (as required by the Department of Education).
- Participates in the Annual Fire Explorer Junior Cadet training at the Alabama Fire College.
- Writes, designs, and updates all posters, brochures, forms, and other publications which are provided to every school system in the State.
- Answers calls and emails from the public, businesses, and school officials.
- Conducts training for employers upon request.

Fiscal Year 2015

- 2,055 inspections of businesses were conducted.
- 782 violations were identified.
- \$96,350.00 in civil money penalties was collected.
- \$97,250.00 in fees were collected for Child Labor Certificates.

Note: There are three inspectors to cover the entire state.

 ALABAMA CHILD LABOR LAWS		
Each employer shall obtain and display the proper Child Labor Certificate(s) for each location where minors under the age of 18 are employed. To apply for a certificate(s) go to www.labor.alabama.gov		
Persons under 14 years of age SHALL NOT BE EMPLOYED		
	Minors Age 14/15	Minors Age 16/17
Employment Certificate (Renewed Annually)	Class I Certificate To employ minors age 14/15	Class II Certificate To employ minors age 16/17
Work Time Restrictions (Minors Under age 19)	During the Months when Public Schools are in Session No more than 3 hours on any school day No more than 8 hours on a non-school day No more than 6 days per week No more than 18 hours per week Not before 7am or after 7pm on Any Day of the Week Not during school hours (8am-3pm)	During the Months when Public Schools are in Session Minors 16-17 years old who are enrolled in public or private school, may NOT work after 10pm or before 5am on an night preceding a school day.
Breaks	During Months when Public Schools are NOT in Session No more than 8 hours per day No more than 6 days per week No more than 40 hours per week Not before 7am or after 6pm each day A documented 30 minute break is required for any 14 or 15 year old who is employed for more than 5 hours continuously.	During Months when Public Schools are NOT in Session Minors 16 and older do not have an hour restriction during this time.
Occupations	See AL §25-8-23 to 35 for a detailed list of prohibited occupations	See AL §25-8-43 for a detailed list of prohibited occupations
Record Keeping	Each employer must keep on premises an Employee Information Form (available at www.labor.alabama.gov), Proof of Age , and Time Records showing the number of hours worked each day, starting and ending times, and break times for each employee 15 years of age and younger.	
*Children of parents who own their own business are NOT exempt from Alabama Child Labor Law		
Alcoholic Beverages Employees must be: 21 to serve alcoholic beverages for consumption on premises (19 if licensee is RVP certified). 16 and older may be employed in such establishments as busboys, janitors, dishwashers, cooks, hostesses, or waiters. 14 and 15 year old minors SHALL NOT work in any establishment that serves alcohol for consumption on premises. (Note: Members of the immediate family of the owner or operator who are 14 or 15 years of age may be employed in such establishments provided they do not serve, sell, dispense, or handle alcohol.)		
Inspections by the Department of Labor The Department of Labor has the right to enter, without warrant or notice, any business establishment for the purpose of routine inspections. These visits shall be conducted as frequently as needed to ensure that minors are employed in compliance with this act. The department shall enforce this act and may administer fines and/or prosecution for any violation of this act.		
This notice is to be posted in a conspicuous place. This notice is for reference only. For full text consult §25-8-32 to 63. Any difference in state or federal law regarding child labor, the law providing the most protection to the minor takes precedence.		
FOR MORE INFORMATION CONTACT: The Alabama Department of Labor Child Labor Enforcement 609 Monroe Street Montgomery, AL 36131 (334)353-1761 www.labor.alabama.gov		
		Published 2012

INTERNAL SECURITY

The ADOL Internal Security Section (comprised of the Internal Security Unit, the UI Disclosure Unit, and the Physical Security Unit) is vital to maintaining the integrity of the UI program and safeguarding program assets. Authority for Internal Security resides in provisions set forth in the Social Security Act Section 303(a)(5) and Internal Revenue Code Section 3304(a)(4). Per Employment and Training (ET) Handbook 376, Guidelines for Internal Security in UI Operations, all states are required to administer an Internal Security Program.

Internal security activities include conducting risk analyses, reviewing newly automated and manual procedures, conducting investigations of alleged internal violations by agency staff and other perpetrators, and conducting audits and reviews of UI operations.

In 2015, the Internal Security Unit conducted three internal investigations, five internal audits, and provided a response to more than 10,000 requests from law enforcement agencies.

The Physical Security staff ordered and oversaw the installation of new security doors for the main lobby.



The Disclosure Unit oversees the release of ADOL confidential information and prepares all Informational Disclosure Agreement contracts for release of confidential information. Requests are received from various clients (claimants, attorneys, employers, payroll companies, etc.). The Disclosure Unit invoices each request and in 2015 processed more than 15,000 records totaling more than \$150,000 in receivables.

UNEMPLOYMENT COMPENSATION				
	Fiscal Year		Net Change	Percent Change
	2015	2014		
State Unemployment Compensation				
Initial Claims				
New	137,803	160,895	(23,092)	-14.4
Additional	50,838	56,909	(6,071)	-10.7
Weeks Claimed *	1,263,579	1,439,419	(175,840)	-12.2
Weeks Compensated	973,987	1,243,682	(269,695)	-21.7
Gross Benefits Paid	206,634,935	\$257,952,443	(\$51,317,508)	-19.9
Federal Employees				
Initial Claims				
New	705	2,363	(1,658)	-70.2
Additional	120	239	(119)	-49.8
Weeks Claimed *	5,137	7,649	(2,512)	-32.8
Weeks Compensated	4,713	6,818	(2,105)	-30.9
Gross Benefits Paid	1,118,914	\$1,555,043	(\$436,129)	-28.0
Ex Servicemen				
Initial Claims				
New	1,063	1,452	(389)	-26.8
Additional	112	147	(35)	-23.8
Weeks Claimed *	11,020	14,322	(3,302)	-23.1
Weeks Compensated	9,828	13,105	(3,277)	-25.0
Gross Benefits Paid	2,579,040	\$3,425,683	(\$846,643)	-24.7
High Extended Benefit Unemployment				
Initial Claims	0	4	(4)	-100.0
Weeks Claimed *	3	49	(46)	-93.9
Weeks Compensated	3	49	(46)	-93.9
Gross Benefits Paid	0	2,723	(2,723)	-100.0
Trade Readjustment Allowance **				
Initial Claims	385	835	(450)	-53.9
Weeks Claimed	6,683	4,670	2,013	43.1
Weeks Compensated	6,650	4,705	1,945	41.3
Gross Benefits Paid	1,727,150	\$1,202,573	\$524,577	43.6

UNEMPLOYMENT COMPENSATION (Continued)				
	Fiscal Year		Net Change	Percent Change
	2015	2014		
Emergency Unemployment Compensation				
Initial Claims	1	9,467	(9,466)	-100.0
Weeks Claimed	83	159,121	(159,038)	-99.9
Weeks Compensated (ALL TIERS)	83	161,830	(161,747)	-99.9
Gross Benefits Paid (ALL TIERS)	13,380	30,441,781	(\$30,428,401)	-100.0
Disaster Unemployment Assistance FEMA No. 4176				
Initial Claims	0	63	(63)	**
Weeks Claimed	12	78	(66)	**
Weeks Compensated	12	25	(13)	**
Gross Benefits Paid	3,180	\$12,919	(\$9,739)	**
Alternative Trade Adjustment Assistance Program				
Initial Claims	67	113	(46)	-40.7
Weeks Claimed	3,137	3,913	(776)	-19.8
Weeks Compensated	3,137	3,913	(776)	-19.8
Gross Benefits Paid	600,925	\$712,492	(\$111,567)	-15.7

WORKERS' COMPENSATION



Charles Delamar, Director

The Workers' Compensation Division's main function is to insure that necessary medical attention and compensation benefits are provided to employees injured on the job, or, in case of death, benefits are provided to their dependents. The division also provides information and services to claimants, employers, insurance companies, attorneys, judges, legislators, labor and management groups, government agencies, and other parties. Other functions include gathering statistics on accidents, enforcing reporting requirements, monitoring claim payments, auditing all claim settlements, and taking corrective action on incorrect settlements or improper reporting procedures. The division is also responsible for gathering information on fraudulent claims of employees.

Ombudsmen mediate disputes through the benefit review conference process. The most frequent issue involves requests for information/assistance concerning the law or specific medical topics. The ombudsmen also provide assistance to employees, employers, attorneys, insurance carriers, and third party administrators, via telephone, seminars, and speaking engagements.

The division conducts employer inspections to ensure compliance with the Workers' Compensation Law. The division offers both a formal and informal medical dispute resolution process for any party that may dispute a medical service that has been conducted or that is requested.

Effective May 22, 2015, the State of Alabama's average weekly wage was determined to be \$812.96 for the calendar year 2014. This resulted in the following changes, effective July 1, 2015:

- The minimum weekly compensation payable increased from \$218 to \$224.
- The maximum benefits payable on fatalities increased from \$397,000 to \$406,500.

During fiscal year 2014 there were:

Group Fund Certificates Issued	4,325
Group Fund Certificates canceled	3,822
Self-Insurance certificates issued	10
Self-Insurance certificates canceled	18
Self-Insurers audited	314
Compliance inspections	21,080
Employers in Non-compliance	5,786
Continuing Education Seminars	5
Seminar Attendees	1,316
Continuing Education Certificates	1,313
Voluntary Mediations	1,949
Voluntary Mediations Resolved	1,759
Court Ordered Mediations	70
Court Ordered Mediations Resolved	47
Utilization Management/Bill Screening Certificates issued	74
Drug-Free Workplace Certificates issued	367
Medical Disputes	300
Third Party Administrators Certified	14
Professional Employer Organizations Certificates issued	27

Self-Insurance Section

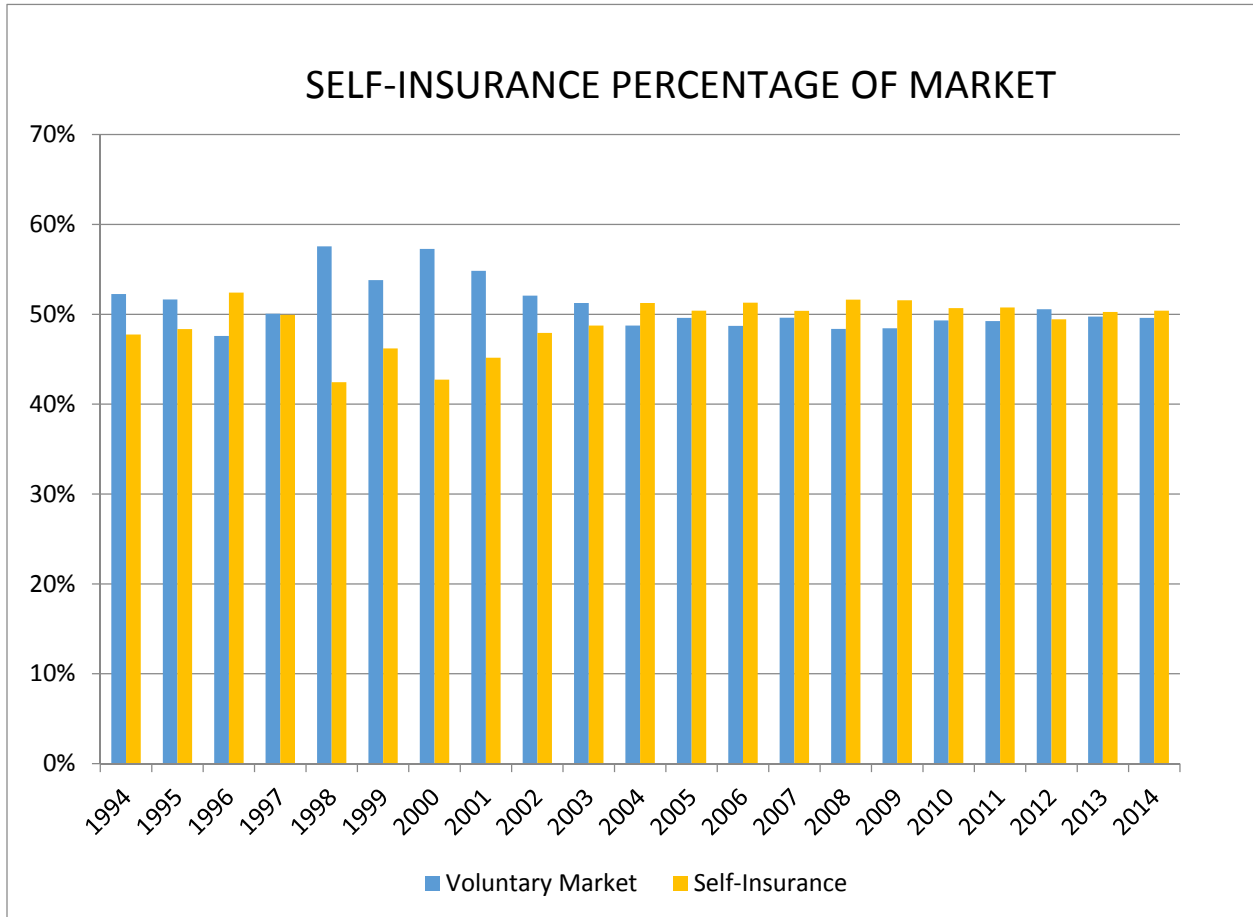
The Workers' Compensation Division also administers the rules and regulations for both the Individual Self-Insurers and Group Self-Insurers. During FY2014, the following activity took place within the Self-Insurance Section:

INDIVIDUAL SELF-INSURANCE			
	FY2015	FY2014	Percent Change
Certificates Issued	10	15	-33.33%
Certificates Canceled	18	9	100.00%
Total Individual Self-Insurers	276	282	-2.13%

GROUP SELF-INSURANCE			
	FY2015	FY2014	Percent Change
Certificates Issued	4,325	3,927	10.13%
Certificates Canceled	3,822	3,577	6.85%
Total Employers	26,871	26,155	2.74%
Total Number of Group Funds	17	17	0.00%

WC Market Trends

The graph below represents the total dollar amount actually paid for Workers' Compensation claims for Calendar Years 1994 through 2014, according to the Workers' Compensation Annual Assessment Report for Insurance Companies & Self-Insured Employers. As demonstrated by the graph, the trend for the voluntary market (private insurance) shows a steady decrease in market size of 60% in 1993, to 50% in 1997; but this market has remained steady since 1997. The Self-Insurance sector increased its market share from 40% to 50% over the past 20-year period.



FIRST REPORTS OF INJURY BY COUNTY AND TOTAL NUMBER OF INJURIES

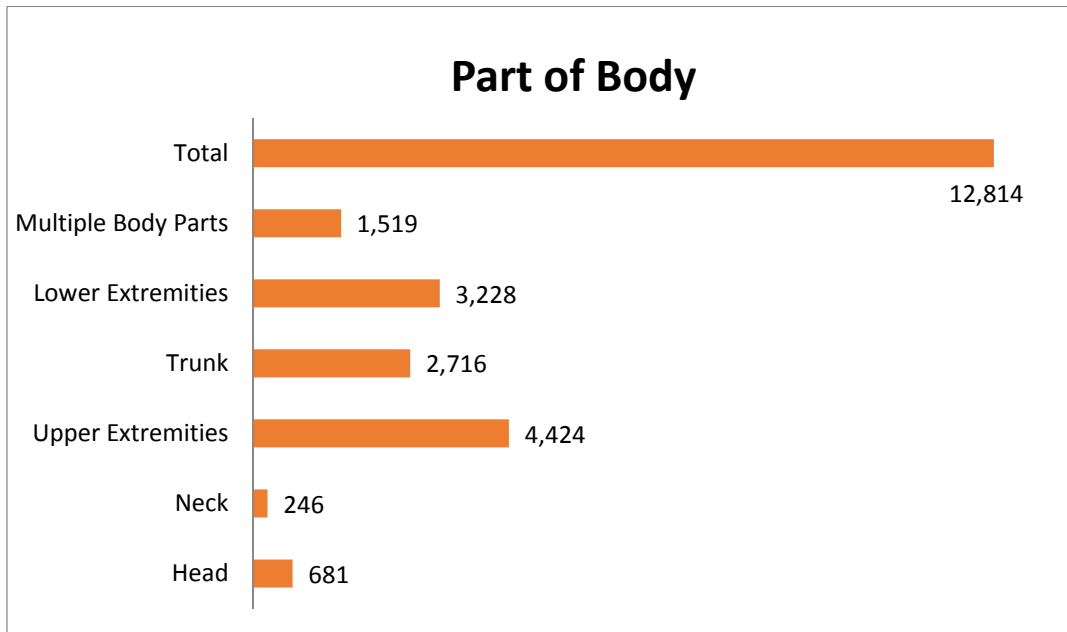
	<u>FY2015</u>	<u>FY 2014</u>	<u>% Change</u>		<u>FY2014</u>	<u>FY 2013</u>	<u>% Change</u>
Autauga	91	119	-24%	Jefferson	2,043	2,066	-1%
Baldwin	479	502	-5%	Unclassified	1,190	1,206	-1%
Barbour	68	52	31%	Mobile	1,054	1,180	-11%
Bibb	46	42	10%	Montgomery	801	966	-17%
Blount	63	53	19%	Madison	727	790	-8%
Bullock	15	17	-12%	Tuscaloosa	658	704	-7%
Butler	87	97	-10%	Baldwin	479	502	-5%
Calhoun	200	215	-7%	Talladega	387	404	-4%
Chambers	41	41	0%	Etowah	334	348	-4%
Cherokee	37	44	-16%	Shelby	331	336	-1%
Chilton	79	77	3%	Houston	314	279	13%
Choctaw	41	30	37%	Lee	276	226	22%
Clarke	83	70	19%	Morgan	258	275	-6%
Clay	29	36	-19%	Marshall	248	278	-11%
Cleburne	11	19	-42%	Calhoun	200	215	-7%
Coffee	133	108	23%	Lauderdale	172	175	-2%
Colbert	150	226	-34%	Walker	154	117	32%
Conecuh	28	27	4%	Elmore	152	138	10%
Coosa	18	14	29%	Colbert	150	226	-34%
Covington	83	67	24%	Cullman	150	161	-7%
Crenshaw	42	44	-5%	Coffee	133	108	23%
Cullman	150	161	-7%	Pike	130	117	11%
Dale	93	110	-15%	St. Clair	126	87	45%
Dallas	91	87	5%	Limestone	123	155	-21%
Dekalb	93	101	-8%	Franklin	112	97	15%
Elmore	152	138	10%	Jackson	101	99	2%
Escambia	64	67	-4%	Dale	93	110	-15%
Etowah	334	348	-4%	Dekalb	93	101	-8%
Fayette	34	28	21%	Autauga	91	119	-24%
Franklin	112	97	15%	Dallas	91	87	5%
Geneva	36	60	-40%	Butler	87	97	-10%
Greene	18	9	100%	Clarke	83	70	19%
Hale	21	14	50%	Covington	83	67	24%
Henry	41	33	24%	Marion	81	75	8%

Houston	314	279	13%	Russell	80	84	-5%
Jackson	101	99	2%	Chilton	79	77	3%
Jefferson	2,043	2,066	-1%	Tallapoosa	76	80	-5%
Lamar	20	30	-33%	Winston	72	67	7%
Lauderdale	172	175	-2%	Barbour	68	52	31%
Lawrence	26	24	8%	Escambia	64	67	-4%
Lee	276	226	22%	Blount	63	53	19%
Limestone	123	155	-21%	Marengo	50	73	-32%
Lowndes	18	22	-18%	Washington	49	64	-23%
Macon	37	21	76%	Bibb	46	42	10%
Madison	727	790	-8%	Crenshaw	42	44	-5%
Marengo	50	73	-32%	Chambers	41	41	0%
Marion	81	75	8%	Choctaw	41	30	37%
Marshall	248	278	-11%	Henry	41	33	24%
Mobile	1,054	1,180	-11%	Cherokee	37	44	-16%
Monroe	34	41	-17%	Macon	37	21	76%
Montgomery	801	966	-17%	Pickens	37	28	32%
Morgan	258	275	-6%	Geneva	36	60	-40%
Perry	27	11	145%	Fayette	34	28	21%
Pickens	37	28	32%	Monroe	34	41	-17%
Pike	130	117	11%	Clay	29	36	-19%
Randolph	13	30	-57%	Conecuh	28	27	4%
Russell	80	84	-5%	Perry	27	11	145%
Shelby	331	336	-1%	Lawrence	26	24	8%
St. Clair	126	87	45%	Wilcox	22	14	57%
Sumter	16	13	23%	Hale	21	14	50%
Talladega	387	404	-4%	Lamar	20	30	-33%
Tallapoosa	76	80	-5%	Coosa	18	14	29%
Tuscaloosa	658	704	-7%	Greene	18	9	100%
Unclassified	1,190	1,206	-1%	Lowndes	18	22	-18%
Walker	154	117	32%	Sumter	16	13	23%
Washington	49	64	-23%	Bullock	15	17	-12%
Wilcox	22	14	57%	Randolph	13	30	-57%
Hale	21	14	50%	Cleburne	11	19	-42%
TOTAL	12,814	13,290	-4%	TOTAL	12,814	13,290	-4%

First Reports of Injury (continued)

- During FY 2015, there were 31 fatalities reported.
- Of the 31 fatalities, 90% were males with an average weekly wage of \$669.00.
- The average age was 50 with the average time employed being 12 years.
- Of the 31 deaths, approximately 16% were employed six months or less.
- Eight fatalities were 60 years of age or older with the oldest being 86. Eight were 40 years of age or younger, with vehicular crashes making up 48% of the cause of death.

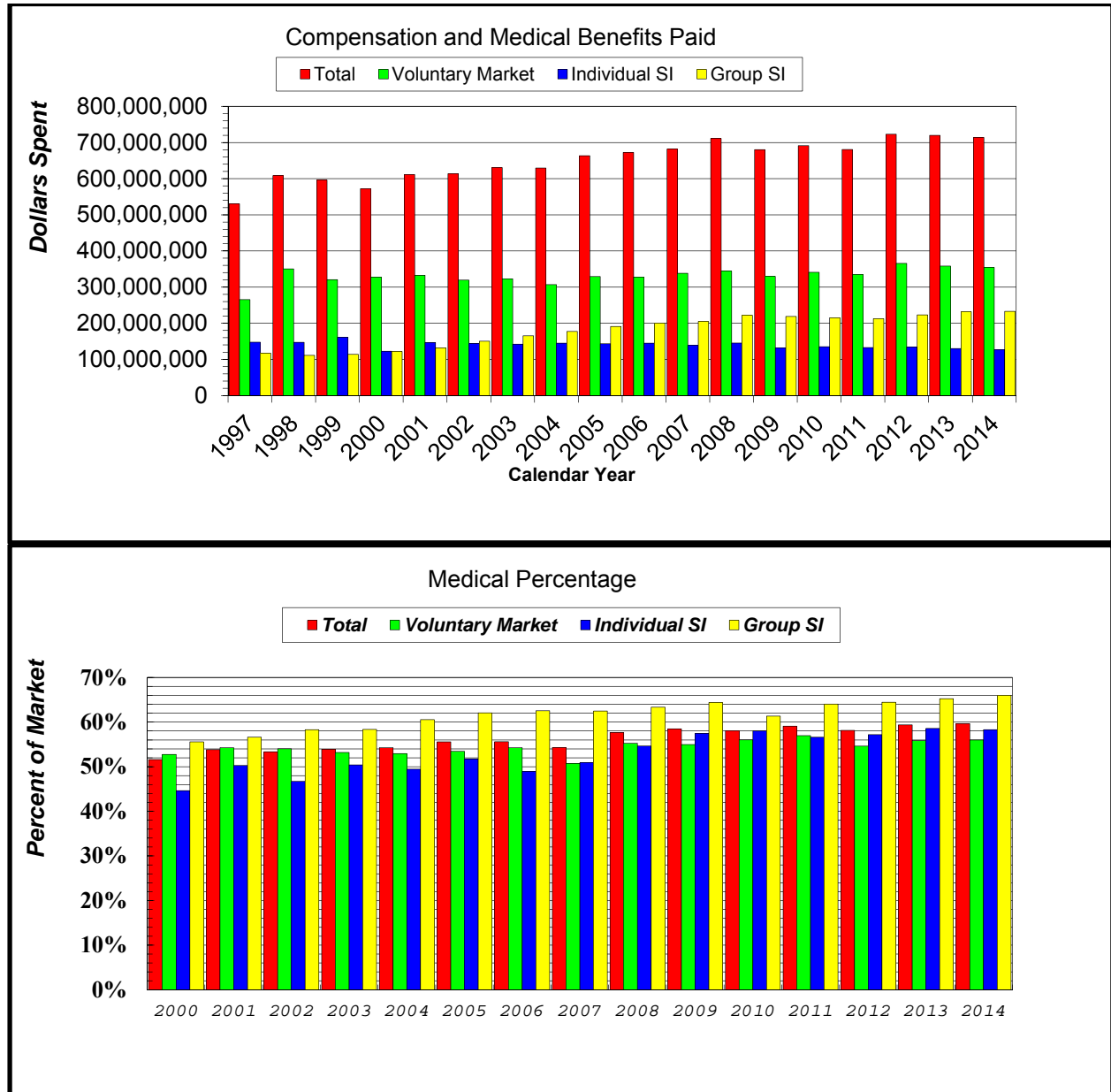
Type of Injuries		
Body Part Injured	Number	Percent
Head	681	5%
Neck	246	2%
Upper Extremities	4,424	35%
Trunk	2,716	21%
Lower Extremities	3,228	25%
Multiple Body Parts	1,519	12%
Total	12,814	100%



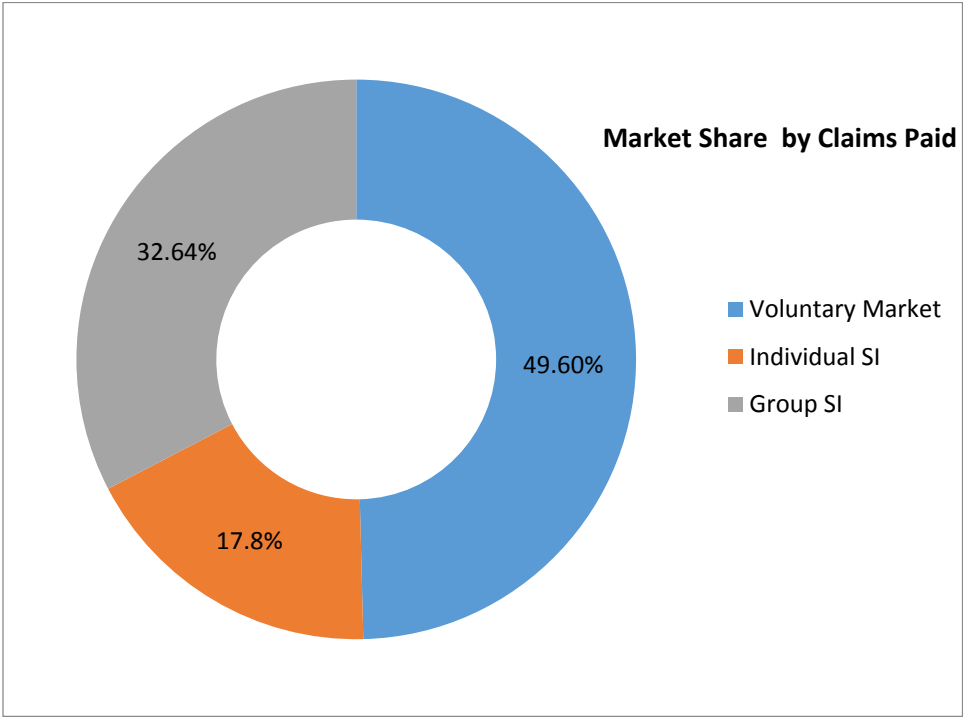
Compensation and Medical Benefits Paid

The first graph represents the total dollar amounts actually paid for Workers' Compensation claims for Calendar Years 1997 through 2014, according to the Workers' Compensation Annual Assessment Report for Insurance Companies & Self-Insured Employers. These amounts were paid in the calendar year as specified below, regardless of date of original injury, and the totals represent both compensation and medical benefit paid.

The second graph represents the medical percentage trend from 2000 - 2014.

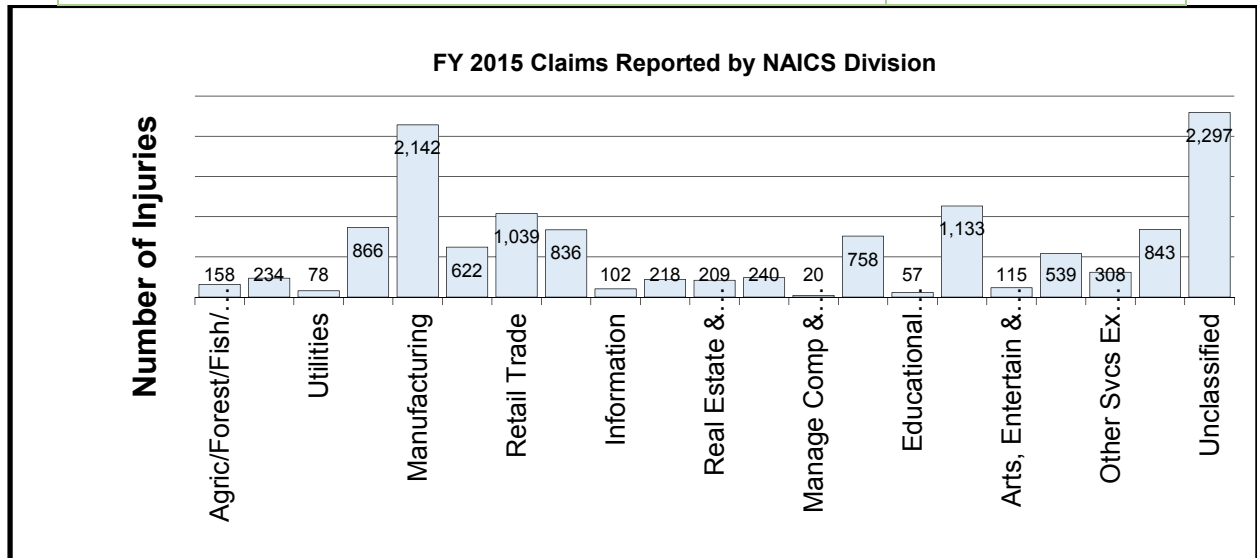


Total Compensation by Market For 2014		
	Compensation	% Medical
Voluntary Market	\$354,072,206	49.6%
Individual Self-Insured	\$126,784,283	17.8%
Group Self-Insured	\$233,023,171	32.6%
Total	\$713,879,660	100%



First Reports of Injuries Categorized by Industry

Industry	Number of Injuries
Agric/Forest/Fish/Hunt	158
Mining	234
Utilities	78
Construction	866
Manufacturing	2,142
Wholesale Trade	622
Retail Trade	1,039
Transport & Warehouse	836
Information	102
Finance & Insurance	218
Real Estate & Rent & Lease	209
Profess, Scien, & Tech Svcs	240
Manage Comp & Enterprise	20
ASWMRS	758
Educational Services	57
Health Care & Social Assist	1,133
Arts, Entertain & Recreat	115
Accommodation & Food	539
Other Svcs Ex Public Admin	308
Public Administration	843
Unclassified	2,297
Total	13,290

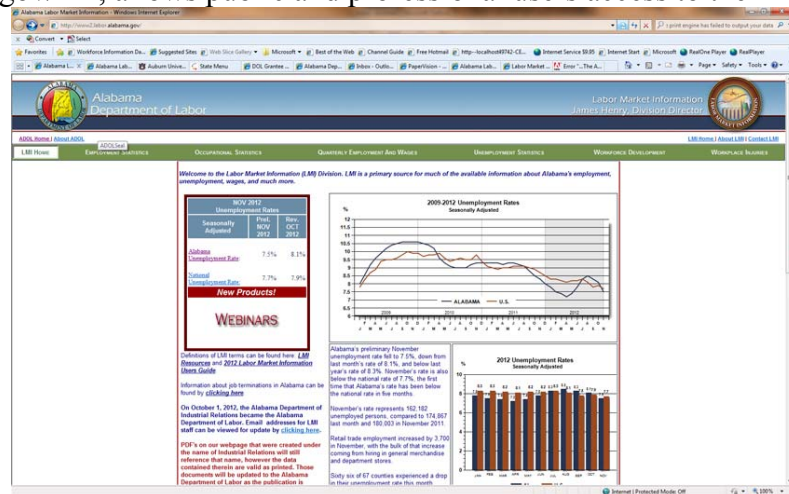


LABOR MARKET INFORMATION



Jim Henry, Director

The Labor Market Information (LMI) Division is responsible for collecting, analyzing, and disseminating data essential for evaluating the condition of the Alabama economy. What is the latest unemployment rate? What wages can be expected from a certain occupation? Which industries employ the most people? What occupations are in high demand? These are just a few examples of questions answered with labor market information. The LMI website, <http://labor.alabama.gov/lmi>, allows public and professional users access to the LMI data.



The LMI division operates four federal-state cooperative programs in agreement with the Bureau of Labor Statistics (BLS), a statistical branch of the United States Department of Labor. These core programs include:

- Current Employment Statistics (CES)
- Local Area Unemployment Statistics (LAUS)
- Occupational Employment Statistics(OES)
- Quarterly Census of Employment and Wages(QCEW)



The CES program is a monthly count of jobs, earnings, and work hours among the state's nonfarm businesses using survey data from over 19,000 businesses. CES publishes data on over 70 detailed industries at the state level as well as industry detail for 11 metropolitan areas each month. These sample-based estimates are revised annually to re-anchor them back to the near universe counts of employment (QCEW).

The LAUS program calculates and publishes civilian labor force, employment, unemployment, and an unemployment rate for the state, metropolitan areas, and counties each month. The LAUS unit is responsible not only for publishing the rates, but providing insight to the rates from an historical standpoint.

The OES program surveys nonfarm establishments collecting occupational employment data on workers by industry. Data collected produces estimated total employment by occupation for the state and selected areas as well as estimated wages. The data produced is used by a variety of customers from economic developers, job seekers, school counselors, and secondary education. In addition, the information helps our projections units to produce projected employment. The final survey panel for 2014 was conducted May 2014 – December 2014 (77.31% response). Two survey panels were conducted in 2015; November 2014 – June 2015 (74.38% response) and May 2015 – December 2015 (75.19% response).

The QCEW program collects quarterly employment and wage data for workers covered by state unemployment insurance (UI) laws. This program is responsible for assigning North American Industry Classification System (NAICS) and county codes to new employers and surveying established employers to ensure accuracy. The QCEW provides the number of establishments, monthly employment, and quarterly wages, by NAICS industry groups, for the state and counties. In 2015, numerous requests involving both current and historical data were fulfilled using system reports and staff-created progress queries.

In addition to the four cooperative BLS programs, the LMI Division also maintains the responsibility as the official statistical data collection and analysis manager for the Workforce Information System. This responsibility includes analyzing workforce trends, providing data updates to the Workforce Information Database, and publishing reports to deliver quality workforce information to our customers. In 2015, LMI:

- Published 2012 and 2013 Statewide and County *Commuting Pattern Reports*
- Developed and published 2015 *County Profile Reports*
- Created and published the new *Alabama Education & Training Outcomes – Occupational Projections 2012-2022 Report* for the state and each of the 10 workforce development regions
- Developed an online (via Intranet) *LMI Product Ordering System for the Alabama Career Center System*
- Visited all Alabama Comprehensive and Satellite Career Centers introducing new LMI products, training staff on LMI data and potential customer uses, and how to use the new LMI Product Ordering System
- Produced *Help Wanted Online Reports* for State, Metropolitan Areas, and Workforce Development Regions. Also began creating specialized *Help Wanted Online Reports* at the county level, as well as industry and occupational specific, per customer requests

- Began the development of new LMI occupational reports. The first two created were: 1) *Employment Analysis of Time Spent Sitting* and 2) *Employment Analysis of Vision Importance*
- Continued to provide quarterly updates to *Alabama Business Employment Dynamics (BED)* data reports
- Continued to publish *Alabama Underemployment* reports
- Updated and published *High-Tech in Alabama – Changing the Way Alabama Does Business*.
- Revisions were made to *The Career Exploration Guide*
- Continued to update data on the Comprehensive Interactive LMI System (ACLMIS)
- Began generating *High Demand Occupations Requiring Associate Degree & Under* reports by workforce development region in both English and Spanish
- Produced and published (website) quarterly Alabama JobLink résumés reports
- Participated in approximately eight career fairs and 11 job fairs throughout the state
- Participated in multiple Ready-to-Work events: Worlds of Opportunities, Central Alabama Gateways to Opportunities (2), 2015 Made-In-DeKalb, and AL APSE and ACDD 2015 Conference, reaching well over 5,900 students and job seekers
- Presented to four training conferences for new career coaches
- Presented to over 1,500 high school students on career resources
- Began developing relationships with economic and workforce development associations across the state, presenting LMI information, materials, and statistical data
- LMI continues to build partnerships with various groups across the state as well as collaborations with Alabama Career Technical Education and with the Alabama Commission on Higher Education
- Continues to serve on the Department of Youth Services District 210 Committee and Career Technical Advisory Council
- Continues to serve on the Selma & Dallas County Economic Development Authority’s Planning Council
- Continues to serve on the Occupational Employment Statistics (OES) National Policy Council, representing the southeast region of the country
- Served on the High Tech Consortium.

Presented Labor Market Information to the following groups:

- Local SHRM Chapters
- Alabama Business Educators Association (ABEA)
- State Workforce Investment Board
- Multiple Local Area Workforce Investment Boards
- Workforce Development Regional Board Meetings (seven regions; several have become regular attendance status)
- Employee Training for Telamon Corporation
- CTE Summer Conference, BJCC
- Decatur/Morgan County Leadership Group
- Alabama Association of Regional Councils (AARC)
- Jefferson County Local AWIA Board Meeting
- Alabama Association for Persons Supporting Employment First
- Northeast Alabama Human Resources & Manufacturing Conference

As part of the Department of Labor (DOL) mission to foster and promote the welfare of job seekers and provide insured benefits to those who have lost jobs due to no fault of their own, the Reports Unit of LMI compiles ongoing data on unemployment activity levels across the State. In FY 2015, unemployment activities continued to recover from the recession of the previous years. New Initial claims dropped 14 percent over the previous fiscal year.

The Reports Unit continues to track and submit data on claims and payment levels for the various unemployment compensation programs, along with providing special requests to government and private agencies. The unit also compiles narratives and publishes the monthly Statistical Bulletin on the internet which reveals claimant totals and trends of the State UI and federal/ex-military unemployment programs.

The following programs were supported in FY2014:

- State Unemployment Insurance
- Unemployment Compensation for Federal Employees
- Unemployment Compensation for Ex-servicemembers
- Emergency Unemployment Compensation 08 -Tier 1 and 2
- HEB Compensation
- Trade Act of 1974
- Disaster Unemployment Assistance (DUA)
- Alternative Trade Adjustment Assistance

In addition, the Trade Act Participant Report (TAPR) was submitted and data obtained in conjunction with other federal and state agencies. This federally-mandated quarterly report tracks participant characteristics and outcomes from training and reemployment to measure the success of the Trade Act Program.

This section also conducted economic research to provide estimates for Unemployment Compensation legislation, including the analysis of the benefit costs, tax revenues, and trust fund adequacy.

HEARINGS AND APPEALS



Venessa Watkins, Director

The Hearings and Appeals Division processes appeals, and schedules and conducts quasi-judicial hearings for the Alabama Department of Labor. Our mission is to preserve the integrity of the State of Alabama and the Department of Labor by delivering quality service to the public. The division is staffed with 37 employees. While the majority of the appeal cases involve contested determinations on unemployment compensation claims, the division also decides cases related to departmental personnel matters and other due-process hearings relative to the operations of the Department. Hearings on contested unemployment compensation claims are conducted via teleconference unless special accommodations are required. Hearings are conducted five days a week. Appeals on unemployment compensation claims are administered and processed in accordance with prescribed federal and state laws, statutes, guidelines, and formal administrative hearing procedures to meet the acceptable performance levels established by the U.S. Department of Labor.

The U.S. Department of Labor measures the performance of the division by examining the timeliness of finalizing a case and the quality of lower authority appeal hearings and decisions. The minimum accepted standard for timeliness is 60 percent of cases finalized within 30 days of the appeal file date. For the report period Jan. 1, 2015 through Nov. 30, 2015, the

STATE	Minimum Sample Size	Cases Not Scored	Cases Scored	Number of Scored Cases >= 85	Percent of Scored Cases >= 85
Alabama					
Reporting Period: 01/01/2015 to 11/30/2015					
01/01/2015	20	0	20	18	90
04/01/2015	20	3	17	17	100
03/31/2015	20	0	20	20	100
Total	60	3	57	55	96

division finalized 12,274 appeal cases on contested unemployment compensation claims with an average of 95.5 percent of the cases being finalized within 30 days. To meet the minimum acceptable performance measures for quality, at least 80 percent of the cases evaluated must rate 85 percent of the potential points for quality. Of the 60 cases appraised for the report period Jan. 1, 2015 through Nov. 30, 2015, there were 55 cases

with a rating exceeding the minimum acceptable levels for quality standards. Thereby, the division netted a passing rate of 96 percent for cases scoring at least 85 percent of the quality points in meeting the criteria established for measuring the quality of lower authority appeals.

HUMAN RESOURCES



Vivian Handy, Director

The Human Resources Division provides administrative support to all divisions, sections, units, and individual employees of the Alabama Department of Labor. Administrative duties include the processing and monitoring of all personnel transactions (e.g., newly-hired employees, transfers, promotions, demotions, separations, etc.), disciplinary procedures, Family and Medical Leave Act enforcement, leave donations, military leave actions, annual and sick leave management, annual and probationary performance appraisals, policy development, counseling, providing recommendations, and other HR-related matters. HR works closely with the department's Finance Division in ensuring that all transactions are maintained with the assigned budget for service areas. This year, HR has been working on preparing for the implementation of the new accounting and HR software that was purchased by the State of Alabama. The software upgraded the old mainframe accounting and HR systems to a web-based format. A training team from HR has also been heavily involved in providing training to Labor employees for the E-Start time and attendance system. HR serves as the liaison with the Retirement Systems of Alabama and the State Comptroller's Office on certain matters, and with the State Personnel Department for information, updates, and other changes that are to be disseminated throughout the Department of Labor. HR is responsible for assuring that all federal and state laws are followed as they relate to the above actions. The Human Resources Director is responsible for supervising employee training and the Equal Employment and Grievance Procedures.



The Training Section is responsible for coordinating training needs and assignments throughout the entire Department of Labor. This section is also responsible for assisting with the development of training material that is provided to employees on various topics of importance. Training records are maintained on each ADOL employee for all classes taken when properly approved.

Last year, the Labor Commissioner authorized the creation of the *Performance Improvement Training* (PIT) Team. The PIT Team's mission is to ensure continued excellence in customer service, equal job and career development opportunities for all levels of employees, and enhanced succession planning through formal, systematic training. The PIT Team will focus on the training needs that will bring all employees to an agreed standard of proficiency for their jobs. HR provides training to Labor employees on various subject matters. HR is responsible for overseeing and managing the use of the main training room and training equipment in the Central Office building. The coordination and approval for all training activity is handled through HR.

In addition, another goal of HR is to assist employees, the public, applicants, and callers by providing needed information while fostering a professional image.

The Office of Equal Employment Opportunity and Compliance

The Office of Equal Employment and Opportunity was placed under the supervision of the Human Resources Director in 2008.



The Equal Employment Opportunity and Grievance Unit is responsible for ensuring that the Alabama Department of Labor complies with federal equal opportunity and nondiscrimination laws and regulations. The unit conducts compliance reviews of departmental programs, activities, and services and provides technical assistance as needed. Staff members receive, investigate, and/or mediate complaints and grievances filed by departmental employees or customers served by the department, and make recommendations for corrective action when appropriate. During the 2015 calendar year, numerous grievances or complaints were made by ADOL employees. Most complaints were mediated or settled by the EEO Section which resulted in one grievance actually being filed through the Federal EEOC in Birmingham. This grievance has been resolved. Employees in the EEO section listen to and counsel employees on various confidential subjects such as: problems being encountered in the workplace with supervisors and co-workers; discrimination based on race or sex; harassment complaints; and, fairness in promotions, among others.

It is the intent of the Alabama Department of Labor to assure compliance with Title VII of the Civil Rights Act of 1964, as amended and related codes, statutes, and regulations. It is also the intent that applicants and employees are treated equally during employment without regard to their race, religion, sex, color, national origin, age, or disability in accordance with all federal and state laws. Action covered by this statement shall include employment, promotions, demotions, transfers, recruitment, training, setting rates of pay, and other terms of employment.

Other duties performed by EEO include:

Conduct local office compliance reviews of departmental programs, services, and activities throughout the state and provide technical assistance as needed.

Review and provide assistance as needed to proposed job interview questions.

Revise and update appropriate ADOL memoranda, and provide distribution to all local offices.

Provide mandatory poster updates on the subject of FMLA, ADA, ADOL posters as required by the federal government and other EEOC information.

FINANCE



Yvonne Lee, Director

The Finance Division works with the entire Department to ensure that all funds are used in accordance with applicable laws and regulations, and to maximize the efficient use of resources in providing needed services to the public.

The division's objective has been to seek ways to enhance the department's accounting process while maintaining the appropriate accounting controls to ensure that expenditures are in compliance with all applicable regulations and are fiscally responsible. In fiscal year 2014, ADOL began its involvement in the new statewide accounting system conversion that will enhance the Department's accounting process. This conversion is from the current mainframe Advantage 2.0 system to a web-based Advantage 3.10 system. The new system is called STAARS, or State of Alabama Accounting and Resource System.

ADOL completed implementation of STAARS and "went live" on Oct. 1, 2015 (FY16).



GOVERNMENTAL AFFAIRS

The Governmental Affairs Division is responsible for serving as the governmental and legislative liaison for the Department with other entities of local, state, and federal government along with business and labor groups. The division is also responsible for drafting departmental legislation. The Governmental Affairs Division works closely with the legislature to pass legislation beneficial to the Department and the people of Alabama.

During 2015, the Governmental Affairs Division prepared and passed Senate, Bill 24 which transferred 65 Career Center employees who worked under the Post-Secondary Education Department over to the Department of Labor. This bill will streamline operations of the centers, allow for more precise management of all employees, and give the transferred employees the same upward mobility with added merit system protection. This is the culmination of a six-year effort to streamline our Career Centers throughout the state and went into effect on July 1, 2015.

The Governmental Affairs Division prepared and passed House Bill 19, resulting in a change in Unemployment Compensation law to allow an increase in casual pay allowances for unemployed claimants. This law allows claimants to earn up to one-third their weekly benefit amount while performing part-time or temporary work. The existing law deducted all weekly earnings over \$15, thus discouraging workers from seeking temporary and part-time work. This change should encourage workers to re-enter the workforce as quickly as possible and also relieve employers from finding temporary and part-time employees. This bill went into effect on August 1, 2015.



The Governmental Affairs Division also prepared and passed House Bill 506 resulting in a change in the Unemployment Compensation law to remove any restrictions on unemployed claimants from drawing retirement benefits through defined contribution plans. Many unemployed workers aged 59.5 years or older were being penalized for drawing retirement benefits after suffering a period of unemployment. This law will allow unemployed claimants to draw retirement benefits without penalty during a period of unemployment and went into effect on Sept. 1, 2015.

The Governmental Affairs Division also acts as a liaison for the Board of Appeals. The Board of Appeals is a statutorily created board that reviews and hears Unemployment Compensation cases at the highest administrative level. The Board holds hearings at seven cities around the state on a rotating basis. Hearings are held in: Birmingham, Decatur, Dothan, Mobile, Montgomery, Oxford, and Tuscaloosa. In 2015, the Board reviewed 2,905 appeals and held 1,110 in-person hearings.



Board of Appeals members Ray Vanschoubroek, Doug Moore, & Frank Marsh (L-R)

LEGAL



Joseph Ammons, Director

The Legal Division serves as legal counsel for the Department. In that regard, the division renders legal opinions and interpretations of the Department's various laws and represents the Department in all court matters.

The General Counsel and Assistant General Counsels have represented the Department before all Circuit Courts throughout the state, the Alabama Court of Civil Appeals, the Alabama Supreme Court, the United States Bankruptcy Courts, the United States District Courts, and the United States Supreme Court. These cases involve the following:

- Unemployment compensation benefit appeals
- Unemployment compensation overpayment cases
- Unemployment tax cases
- Workers' compensation compliance cases
- Objections to subpoenas for confidential records
- Child Labor Enforcement cases
- Child support withholding cases
- Surface Mining violation cases
- Board of Adjustment matters
- Bankruptcy matters

In addition, our division represents the Department in all employment-related litigation, including, but not limited to, pre-termination/pre-suspension hearings and State Personnel Board matters.

During 2015, the department had one case in Federal District Court. Counsel for the department has made over 325 court appearances during the past year, and has collected a total, through November, of \$414,245.17 from overpaid claimants. It is estimated that during December 2015, an additional \$20,000+ will be added to the overpayment collection figure.

INSPECTIONS DIVISION
Mining and Reclamation



Brian Wittwer, Director, Mining and Reclamation

The Mining and Reclamation Division is responsible for administering programs in:

- Abandoned Mine Land Reclamation
- Mine Safety and Inspection, and
- Surface Mining of Non-Fuel Minerals.

Abandoned Mine Land Reclamation

The mission of the Abandoned Mine Land (AML) Reclamation Program is to restore land and water resources which have been adversely impacted by past coal mining and for which there is no continuing responsibility under state or federal law. The work is funded by annual grants from the U.S. Department of the Interior, Office of Surface Mining Reclamation and Enforcement (OSM), which collects production fees from active coal operators at a rate of 28¢ per ton for surface-mined coal and 12¢ per ton for underground-mined coal, of which approximately 50% is granted back to Alabama. High priority projects are those that remove past mining related extreme dangers and safety hazards to the public, but also correct a multitude of significant adverse environmental impacts throughout the 21 coal producing counties in northern Alabama. The program also impacts positively on local economies as reclamation dollars are expended on earthmoving, construction materials, revegetation supplies, and fund contractors utilizing local manpower to carry out the work. During FY 2015:

- Two AML reclamation projects were completed with three others under contract and/or under construction.
- Three different significant public hazards were eliminated.
- Five hundred and fifty feet of clogged stream was restored and flooding of adjacent property was ameliorated.
- Seven acres of subsidence prone property was stabilized.
- Engineering design was completed on four upcoming AML reclamation projects, and five projects are still under design. One of the designs completed includes the upcoming

proposed Radiant City Road Reclamation project where a death occurred in the summer of 2015 due to a fall from a dangerous highwall located on the property. One project is currently being designed by an outside engineering consulting firm, along with three others. An Aerial Photography and Topographic Mapping Contract was prepared for eight potential reclamation projects.

- Maintenance was performed on 19 previously reclaimed AML project sites.
- Forty-eight acres on three previously reclaimed sites were planted in trees under Alabama's AML reforestation program. In the past 38 years, ADOL has reestablished approximately eight million trees on its reclaimed sites.

Also during FY 2015, the Alabama AML Program completed its 194th Emergency Reclamation Project. This project, which was completed in Walker County, consisted of a sudden occurrence subsidence in the yard of a residential home. The Emergency provision in Alabama's AML Program allows ADOL to respond to sudden, life threatening abandoned mine related problems within 24 hours.

In 2014, the ADOL's AML Program, working in cooperation with the USFWS, completed the Piper II AML Reclamation Project in Bibb County. This project reclaimed approximately 3,750 linear feet of Dangerous Highwall and an associated 45 acres of Mine Spoil within the Cahaba River National Wildlife Refuge (CRNWR). In 2002, the CRNWR was established for the purpose of protecting and managing a unique section of the Cahaba River and adjacent land. The refuge contains suitable habitat for eight federally endangered and five federally threatened species, as well as two federal species of concern. The Cahaba River itself stretches for almost 200 miles and is Alabama's longest free flowing stream. The river currently supports 64 rare and imperiled plant and animal species, 13 of which are found nowhere else in the world. The river has more fish species at 131 than any other river its size in North America.

In FY 2015, the AML Program continued planning, design, and an extensive consultation process for the Piper III AML Reclamation Project which will reclaim two more dangerous highwalls adjacent to the Piper II Project. The Piper III AML Project will encompass a total of an additional 4,500 linear feet, ranging in height from 45 to 50 feet, also located within the CRNWR. Completion of this project will result in the removal of a total of 8,250 linear feet of dangerous highwall and their associated features from the CRNWR.

Due to the recent designation of the northern half of Alabama (which includes all 21 of Alabama's AML impacted counties) as potential summer roosting habitat for both the Indiana and Northern Long-Eared Bats by the U.S. Fish and Wildlife Service, the ADOL's AML Program retained the services of an outside environmental consultant to perform 12 bat surveys on proposed reclamation project sites situated in Jefferson, Walker, Blount, Tuscaloosa, and DeKalb counties. Results of the surveys identified the presence of Northern Long-Eared Bats on one of the proposed project sites situated in Tuscaloosa County. No other federally listed threatened or endangered species of bats were identified on the sites surveyed.

In FY 2015, the State of Alabama AML Program completed the process of digitizing and geo-referencing its Underground Mine Map Repository. Additionally, based on its work on digitizing the underground mine maps in 2015 and its work in FY 2014 on creating a

Geographical Information System database for Alabama AML Problem Areas in the AML inventory database (AMLIS), the symbology created by the AML Program's GIS Specialist was nominated by OSM to be selected as an industry standard across all 31 AML reclamation programs nationally.

On Nov. 19-20, 2015, the Alabama AML Program attended a regional AML Program Coordination meeting hosted by OSM in St. Louis, Missouri. This meeting included all 10 states located in OSM's Mid-Continent Region. The Alabama AML Program also hosted the National Association of Abandoned Mine Land Program's (NAAML) Annual Winter Business Meeting in Orange Beach, Alabama on March 4-5, 2015, attended a Special NAAML SMCRA Reauthorization Meeting on June 9-10, 2015 in St. Louis, Missouri and the NAAML Annual Conference in Santa Fe, New Mexico on Sept. 27-30, 2015. At this conference, Alabama's State Mine Land Reclamation Supervisor was elected President for the National Association.

August 3, 2015 marked the 41st anniversary of the enactment of the *Surface Mining Control and Reclamation Act*. When Congress passed SMCRA, it presented a unique challenge – strike a balance between our country's need for the energy produced by coal and the protection of our environment. Through vital partnerships between the Office of Surface Mining, state governments, tribal governments, the coal mining industry, and environmental communities, the daunting goal of SMCRA is being successfully achieved. Alabama has had primacy for its coal regulatory and abandoned mine land programs since 1982.

Mine Safety and Inspection

The Mine Safety and Inspection Program inspects all mines (+600 mines statewide) to ensure compliance with state laws which protect the safety of persons working in the mining industry. This section also coordinates rescue efforts in the event of a mine disaster and investigates mine accidents.

During FY 2015, 2,948 miners were employed in the coal industry, producing 14.8 million tons of coal. An additional 2,000 miners were employed in open pits and quarries producing approximately 40 million tons of non-fuel minerals. A total of 373 underground and surface inspections were completed at coal mines statewide. During this fiscal year, there was one mining fatality.

A continuing program provided education and training for mine foreman and underground blasting certification. Two underground certification examinations were administered, resulting in the issuance of 80 underground mine foreman certificates, 30 fireboss certificates, and 23 upgrades from fireboss to mine foreman. Also, 16 surface foreman certifications and 78 hoist certificates were issued. Mine rescue training continued to be provided by Beville State Community College under contract with the Department.

The two state mine rescue teams continued to train and prepare for performing mine rescue and recovery in extreme and potentially lethal environments. Their efforts along with those of all Mine Safety staff help to provide safe working conditions for all miners within the State of Alabama.

The division was negatively impacted during the year due to General Fund proration and FY 2013 and 2014 funding cuts that reduced Safety staffing to six employees.

Surface Mining of Non-Fuel Minerals

Non-fuel minerals are mined in all 67 Alabama counties and contribute greatly to the state's economy. Examples of non-fuel minerals mined in Alabama are: sand, gravel, granite, clay, bauxite, and shale. This section makes certain that lands mined for those minerals are reclaimed in accordance with the *Alabama Surface Mining Act of 1969*. In addition, this section issues mining permits, ensures that mine sites are properly bonded for reclamation purposes, makes periodic inspections, and releases bonds once sites have been satisfactorily reclaimed.

In FY 2015, 340 permits (28 new permits, 312 renewals) were issued to operators for the surface mining of non-fuel minerals, a 15% increase in permit renewals from last year. Meanwhile, efforts continued to bring all unpermitted surface mining operations into compliance.

One half inspector stationed in the Montgomery Central Office and one inspector stationed in the Foley Career Center office made 240 site inspections. Of that total, 28 inspections were made to verify locations of new permit areas, 60 inspections were made of active operations, 110 inspections were made of unpermitted sites, 30 inspections were made to investigate citizen complaints, and 12 inspections were made of operations with expired permits. During FY 2015, 29 bonds were released for satisfactory reclamation, and seven bonds were forfeited for failure to reclaim. A total of 345 acres were reclaimed, representing a 25% reduction from last year.

Other activities included telephone contacts with operators, surety companies, citizens, other agencies, and landowners. Letters were written to mining operators regarding results of site inspections and action needed to remain in compliance with the *Alabama Surface Mining Act of 1969*. Citizen complaints involving blasting at quarries, highwalls situated too close to property lines, sediment discharge from uncontrolled runoff, and lack of reclamation were promptly investigated. An estimated 78 sites were abandoned and left unreclaimed at year's end, with insufficient funds to complete any meaningful reclamation. Mining continues at approximately 200 permitted sites, with 240 sites being idle, abandoned, or in the process of being reclaimed.

A large decrease in mining of aggregates (limestone, marble, sand, gravel, and crushed stone) was experienced in FY 2015. Road contractors have reacted to new hardness specifications for paving materials by opening new granite and sandstone quarries. As residential areas encroach on the sources of those minerals, increased citizen complaints will need to be addressed.

Number of Inspections Conducted in 2015:
198 Site Inspections
373 Coal Safety Inspections
215 Non-Coal Safety Inspections
588 Total Safety Inspections



1. Pharris Lane II AML Project in Kimberly, Alabama. This project is adjacent to the Mortimer Jordan High School Athletic Complex.



2. A portion of the 4,350 foot Dangerous Highwall after it had been partially backfilled. The average height of this Dangerous Highwall was 50 feet with some areas between 75 and 80 feet.



3. This portion of the Dangerous Highwall was adjacent to a subdivision and at one point was within 75 feet of a couple of houses.



4. This is the same view as the above pictures with the Dangerous Highwall completely backfilled and revegetated.

INSPECTIONS DIVISION Boilers and Elevators



Ralph Pate, Director, Boilers and Elevators

When the Alabama Legislature charged the State Labor Department with administering new state elevator and boiler safety inspection codes, it also created two professional advisory boards to enact rules and regulations and provide program oversight. Members are appointed for staggered terms.

BOARD OF BOILERS AND PRESSURE VESSELS

- Dr. David F. Dyer, Chairman (Auburn University, former Mechanical Engineering Department Chairman) (*public/engineering schools*)
- Fitzgerald Washington (Commissioner, Alabama Dept. of Labor) (*government*)
- Jerry Rhodes, Vice Chairman, Southside (Westinghouse/Anniston) (*owners and users of pressure vessels*)
- Joe Pledger, Satsuma (IBEW international representative) (*owners and users, power boilers*)
- Gene Canaan, Prattville (International Paper) (*owners and users of heating boilers*)
- R. Barry Latham, Tuscaloosa (McAbee Construction) (*boilers and pressure vessels manufacturers*)
- Steve Speed, Jasper (Boilermakers, international representative) (*labor*)
- Jeffery Lambert, Montgomery, appointed June 24, 2010 to fill the vacant seat of Ed Sullivan (Mechanical Contractors) (*heating contractors*)
- Edward F. Wiggins, Liberty Mutual Insurance Co.) (*insurance companies*)

ELEVATOR SAFETY REVIEW BOARD

- Arthur Steber, Chairman (Elevator Maintenance & Repair Co.), Prattville (*elevator manufacturers*)
- Fitzgerald Washington (Commissioner, Alabama Dept. of Labor) (*government*)

- Jeff McNorton, Birmingham
- Jay Jenkins, Jenkins, Jenkins, and Monroe, Anniston (*architects*)
- Betty Swan (Building Owners & Managers Assn.), Birmingham (*public*)
- James H. Wyatt, Planning and Engineering, City of Birmingham (*municipalities*)
- Linda Burkette (*public*)
- Philip R. Meadows (*physically disabled community*)
- D. Stanley Borden, Montgomery (*professional licensed engineers*)
- David Hallmark, Business Agent, IUEC Local 24, Birmingham (*labor*)

Program History

Boilers and Pressure Vessels

When the boiler and pressure vessel safety inspection program was established by the State Legislature in 2000, Alabama became the 49th state in the nation to begin conducting boiler and pressure vessel safety inspections. The Alabama Department of Labor estimates Alabama has about 15,900 boilers and pressure vessels. During FY 14-15, a total of 10,115 inspections were performed by state and insurance inspectors. Over 2,300 violations (2,339) were found, and 2,117 were corrected. There were 1,024 new boiler permits received during the reporting period.



From the 1840s through the 1920s, about 50,000 people a year were killed in boiler explosions and thousands more were injured, giving rise to boiler safety inspection programs. Modern day pre-emptive safety checks by state governments and insurance companies have reduced boiler explosions fatalities nationwide.

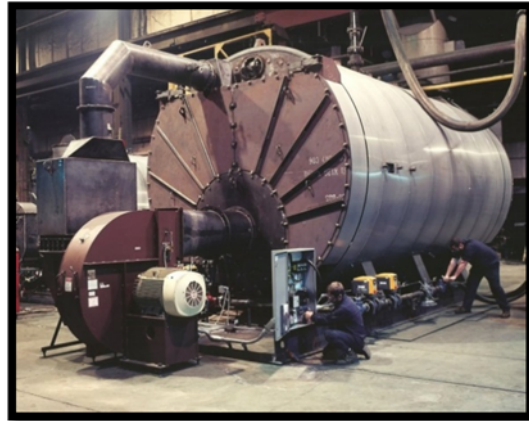
Most common Alabama boiler violations:

- Safety valve removed or not working.
- Low water safety device missing or not working.
- Stack missing or damaged (carbon monoxide danger).
- Unqualified welded repairs.

Boilers and pressure vessels with serious violations, such as safety circuits overridden or not working are shut down immediately. Minor violations require a 30-day completion schedule.

Program History Elevators and Escalators

When the Legislature adopted an elevator safety inspection code in 2003, Alabama became the 44th state to institute a safety inspection program for passenger lift devices. The program became fully functional in June 2004. Before passage of a statewide bill, only Birmingham inspected elevators.



Elevator accidents are much more frequent than boiler malfunctions. Across the country, about 30 people lose their lives each year in elevator accidents and another 17,000 are injured. The incident rate is probably not that surprising given the fact that more people use elevators each day than all other forms of transportation put together including planes, trains, and automobiles.

Escalators also cause injuries, especially for children. According to the U.S. Consumer Product Safety Commission, escalator accidents result in more than 10,000 reported injuries a year.

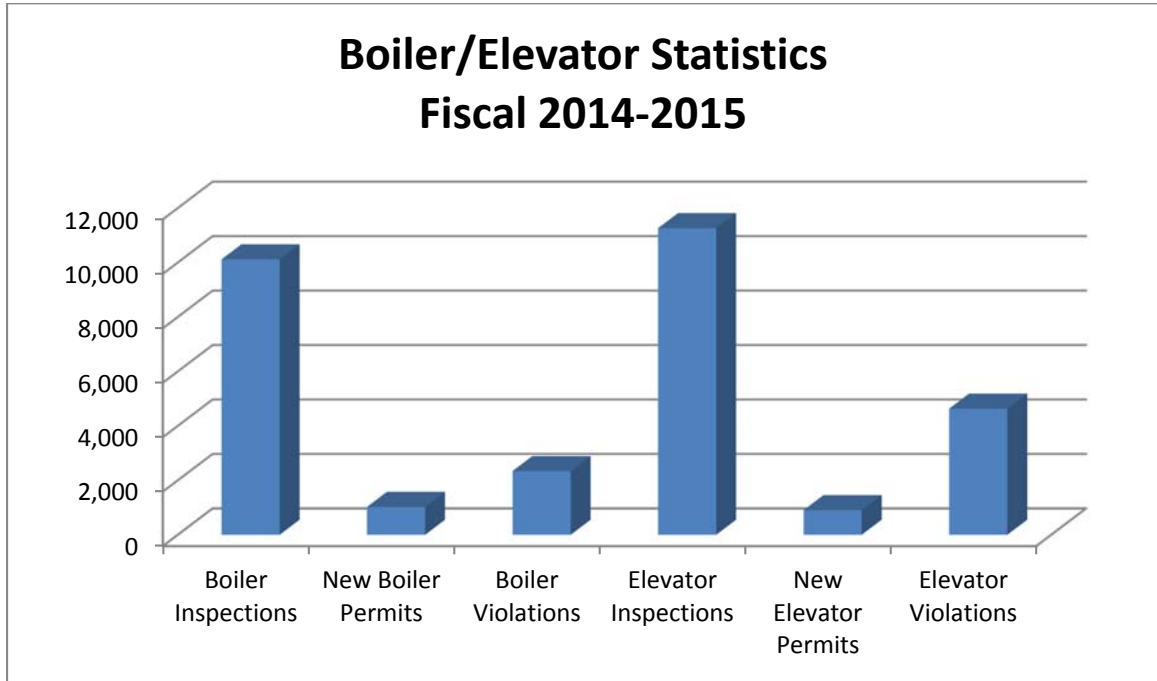
The Alabama Department of Labor estimates Alabama has about 11,000 elevators and related conveyances. During FY 14-15, state and private inspectors conducted 11,260 safety checks on elevators and escalators in Alabama. In the process, 4,630 violations were uncovered and 5,001 were corrected. New code violations are found each day. There were 904 new elevator permits received during the reporting period.



Most common Alabama elevator violations:

- Annual and five-year safety checks past due, some by more than several years.
- Missing or inoperative/disabled door restrictors.
- No communication device in elevator.
- Alarm bell not working.
- Door safety circuits jumped out (runs with doors open).

A combination of these and other violations could require an immediate shutdown. Owners are required to fix most violations within 30 days.



INFORMATION SYSTEMS



Jeannine Pendergast, Director

Alabama Department of Labor’s Information Systems Division has concluded a notable year filled with goals achieved and obstacles surmounted. At the beginning of 2015, ADOL Commissioner Fitzgerald Washington asked all divisions to set goals to be achieved. IT goals included staff development and training, modernizing and upgrading software and hardware, and implementing new technologies when appropriate. Significant strides were made in achieving each goal.

Working with ADOL’s Human Resources Division, the division implemented the SANS “Securing the Human” training for all employees. This training focuses on all aspects of IT and data security. IT staff also received training on our upgraded VoIP system, virtual environment software, and the state’s new financial system, STAARS. This training is invaluable in ensuring that these technologies are implemented and maintained effectively and efficiently.

Modernizing and upgrading IT software and hardware is a priority for the division. This ranges from deploying only vendor-supported Operating Systems on all desktop computers to upgrading our document imaging software. The backup and archiving systems were upgraded as well as the virtual environment software. A Microsoft Deployment Tools platform was created that allows many changes without having a staff member having to physically touch each machine.

The changes to law regarding “casual pay” were implemented into the UC Benefit Payment System which allows claimants to earn more money without affecting their weekly benefit.

Beginning in October, ADOL was among many agencies that converted to STAARS. Employers can now file their First Report of Injury reports and make any reimbursing payments online. All these upgrades ensure that the Department takes advantage of the latest functionality as well as the latest security the vendor has to offer. Many resulted in a substantial cost savings to the Department by reducing equipment requirements and lowering travel costs. Others resulted in either a time savings or financial savings to many employers and claimants.

The division's third goal for 2015 was to implement new technologies that would result in enhanced security or significant savings for the Department. The conversion to Microsoft Office365 met both requirements. The SIP Communications project from 2014 was expanded so that all current PRI's supporting ADOL's Montgomery telephone traffic will be eliminated; again, resulting in a significant savings.

As a result of these changes, many Alabama employers and citizens enjoy a greater flexibility when interacting with the Alabama Department of Labor - whether that interaction is online, by telephone, or in person through a Career Center. ADOL's IS Division will continue to strive to achieve these goals so that the Department's mission statement is realized.

ALABAMA CAREER CENTER SYSTEM

Alabaster Career Center
109 Plaza Circle
Alabaster, Alabama 35007
Phone: (205) 663-2542

Albertville Career Center
5920 U.S. Hwy. 431 North
Albertville, Alabama 35950
Phone: (256) 878-3031

Alexander City Career Center
Central AL Community College
1375 Jr. College Drive
Alexander City, Alabama 35010
Phone: (256) 215-4494

Andalusia Career Center
L B Wallace Community College
1000 Dannelly Boulevard
Andalusia, Alabama 36420
Phone: (334) 881-2304

Anniston Career Center
Gadsden State
Community College
1731 Coleman Road
Anniston, Alabama 36207
Phone: (256) 832-0147

Athens Career Center
406 South Jefferson Street
Athens, AL 35611
Phone: (256) 230-0880

Bay Minette Career Center
201 Faulkner Drive
Bay Minette, Alabama 36507
Phone: (251) 937-4161

Birmingham Career Center
3440 3rd Avenue South
Birmingham, Alabama 35222
Phone: (205) 254-1300

**Birmingham/Jeff State
Community
College Career Center**
2601 Carson Road
Birmingham, Alabama 35215
Phone: (205) 856-8024

Blountsville Career Center
68644 Main Street, Suite 5
Blountsville, Alabama 35031
Phone: (205) 429-4311

Brewton Career Center
1023 Douglas Avenue, Suite 314
Brewton, Alabama 36426
Phone: (251) 867-4376

Camden Career Center
Camden City Hall
223-A Claiborne Street
Camden, Alabama 36726
Phone: (334) 682-9428

Cullman Career Center
1201 Katherine Street Northwest
Cullman, AL 35055
Phone: (256) 734-5580

Decatur Career Center
1819 Bassett Avenue, SE
Decatur, Alabama 35601
Phone: (256) 355-0142

Demopolis Career Center
1074 Bailey Drive
Demopolis, Alabama 36732
Phone: (334) 289-0202

Dothan Career Center
787 Ross Clark Circle
Dothan, Alabama 36303
Phone: (334) 792-2121

Enterprise Career Center
2021 Boll Weevil Circle
Enterprise, Alabama 36330
Phone: (334) 347-0044

Eufaula Career Center
511 State Docks Road
Eufaula, Alabama 36027
Phone: (334) 687-3551

Fayette Career Center
Bevill State Community College
2631 Temple Avenue North
Tom Bevill Center Room B-37
Fayette, Alabama 35555
Phone: (205) 932-3221

Foley Career Center
200 West Michigan Avenue
Foley, Alabama 36535
Phone: (251) 943-1575

Fort Deposit Career Center
Public Library
24 South Pollard Street
Fort Deposit, AL 36032
Phone: (334) 404-4400

Fort Payne Career Center
2100 Jordan Road, SW
Fort Payne, Alabama 35968
Phone: (256) 845-2900

Gadsden Career Center
216 N 5th Street
Gadsden, Alabama 35901
Phone: (256) 546-4667

Greenville Career Center
117 W. Commerce Street
Greenville, Alabama 35901
Phone: (334) 382-3128

Haleyville Career Center
2010 9th Avenue North
Haleyville, Alabama 35565
Phone: (205) 486-4154

Hamilton Career Center
Bevill State Community College
1481 Military Street South
Hamilton, Alabama 35570
Phone: (205) 921-5672

Hayneville Career Center
Family Guidance Center
22 Washington Street N
Hayneville, AL 36040
Phone: (334) 548-6307

Huntsville Career Center
2535 Sparkman Drive NW
Huntsville, Alabama 35810
Phone: (256) 851-0537

Jackson Career Center
3090 Highway 43
Jackson, Alabama 36545
Phone: (251) 246-2453

Jasper Career Center
2604 Viking Drive
Jasper, Alabama 35501
Phone: (205) 221-2576

Luverne Career Center
886 Glenwood Road
Luverne, Alabama 36049
Phone: (334) 335-2300

Mobile Career Center
515 Springhill Plaza Court
Mobile, Alabama 36608
Phone: (251) 461-4146

Monroeville Career Center
33 Outlet Drive
Monroeville, Alabama 36460
Phone: (251) 575-3894
Montgomery Career Center
1060 East South Blvd.
Montgomery, Alabama 36116
Phone: (334) 286-1746

Opelika Career Center
2300 Frederick Road
Opelika, Alabama 36801
Phone: (334) 749-5065

Ozark Career Center
3269 South Highway 231
Ozark, AL 36360
Phone: (334) 443-2000

Pell City Career Center
311 Miles Parkway
Pell City, Alabama 35125
Phone: (205) 338-5440

Phenix City Career Center
Chattahoochee Valley
Community College
Brassell Hall, C Building,
Room 132
2602 College Drive
Phenix City, Alabama 36869
Phone: (334) 214-4828

Phil Campbell Career Center
Northwest Shoals Community
College
2080 College Rd
Phil Campbell, Alabama 35581
Phone: (256) 331-6285

Roanoke Career Center
3928 Hwy. 431
Roanoke, Alabama 36274
Phone: (334) 863-8114

Scottsboro Career Center
23123 John T. Reid Parkway
Scottsboro, Alabama 35769
Phone: (256) 574-1720

Selma Career Center
1112 Water Avenue
Selma, Alabama 36703
Phone: (334) 872-0471

Sheffield Career Center
500 S. Montgomery Avenue,
Suite 102
Sheffield, Alabama 35660
Phone: (256) 383-5610

Talladega Career Center
Central Alabama
Community College
1005 South Street East
Talladega, Alabama 35160
Phone: (256) 480-2109

Troy Career Center
1023 South Brundidge Street
Troy, Alabama 36081
Phone: (334) 566-3920

Tuscaloosa Career Center
202 Skyland Drive
Tuscaloosa, Alabama 35405
Phone: (205) 758-7591

Valley Career Center
Southern Union
Community College
321 Fob James Drive
Valley, Alabama 36854
Phone: (334) 756-0024

Vernon Career Center
44425 Alabama Highway 17
Vernon, AL 35592
Phone: (205) 932-3221