



The New Department of Labor

Thomas J. Posey
tjp@franczek.com

Katie B. Schreiber
kbs@franczek.com

The New DOL



Hilda Solis



- Four-term member of House
- Advocate for low-wage workers
- Very strong ties to unions
- In charge of spending more than \$200B

The New DOL

Other DOL Appointments

- **Paul Igasaki** - Chair of Administrative Review Board (formerly with EEOC)



- **Patricia A. Shiu** – Director of OFCCP (Plaintiff's atty/VP of a legal aid society)



- **Patricia Smith** – Labor Solicitor (most recently commissioner of wage and hour issues in NY)



DOL Initiatives

- **Unprecedented Budget**
 - FY 2010: \$179 B for mandatory programs/\$14.2 B for discretionary programs
 - FY 2011: \$102.5 B for mandatory programs/\$14 B for discretionary programs



DOL Agencies & Offices



- Administrative Review Board (ARB)
- Benefits Review Board (BRB)
- Bureau of International Labor Affairs (ILAB)
- Bureau of Labor Statistics (BLS)
- Ctr. for Faith-Based & Community Initiatives (CFBCI)
- Employee Benefits Security Administration (EBSA)
- Employees' Compensation Appeals Board (ECAB)
- Employment & Training Administration (ETA)
- Mine Safety & Health Administration (MSHA)
- Occupational Safety & Health Administration (OSHA)
- Office of Administrative Law Judges (OALJ)
- Office of Congressional & Intergovernmental Affairs (OCIA)
- Office of Disability Employment Policy (ODEP)
- Office of Federal Contract Compliance Programs (OFCCP)
- Office of Inspector General (OIG)
- Office of Labor-Management Standards (OLMS)
- Office of Small Business Program (OSBP)
- Office of the Assistant Secretary for Administration & Management (OASAM)
- Office of the Assistant Secretary for Policy (OASP)
- Office of the Chief Financial Officer (OCFO)
- Office of the Chief Information Officer (OCIO)
- Office of the Secretary (OSEC)
- Office of the Solicitor (SOL)
- Office of Workers' Compensation Programs (OWCP)
- Ombudsman for the Energy Employees
- Occupational Illness Compensation Program (EOMBD)
- Pension Benefit Guaranty Corporation (PBGC)
- Veterans' Employment & Training Services (VETS)
- Wage & Hour Division (WHD)
- Women's Bureau (WB)

The New DOL



- Wage & Hour Division
- OFCCP
- OSHA

- Wage & Hour: Increased Manpower
 - According to Solis: 710 personnel added to W & H Division in 2009
 - 250 Investigators added in 2009
 - 90 additional positions added in 2011

- Wage & Hour: Target Areas
 - Targeting lower-wage industries (retail, food services, etc.)
 - Audits increased
 - Focus on “off-the-clock” work
 - Child Labor violations a priority for Solis
 - Heightened penalties for death or serious injury resulting from child labor violations

DOL Initiatives



- Wage & Hour Division
 - Worker misclassification big priority (will bolster Unemployment Insurance fund when payroll taxes are recouped)
 - \$25 M of massive budget allocated to worker misclassification
 - Expect new regulations re: recordkeeping laws – goal is transparency

DOL Initiatives



- OFCCP
 - Emerging as a Stronger Arm of DOL
 - Huge increase in funding/hiring
 - 200 compliance inspectors to be hired in 2011
 - (This restores OFCCP back to its staffing levels in 2001)
 - Now reports directly to Secretary of Labor (instead of ESA)

DOL Initiatives



- OFCCP: Target Areas

- More on-site compliance evaluations (both systemic and individual discrimination cases)
- Particular focus on employers receiving stimulus money
- Focus on construction industry

DOL Initiatives



- OSHA

- \$4M increase in FY 2011
- 192 additional OSHA personnel in FY 2010
- Additional 60-some inspectors to be hired in 2011

DOL Initiatives



- OSHA
 - Significant increase in federal inspections anticipated
 - Administration touting largest fine imposed in OSHA's history: \$87,430,000 to BP Industrial
 - Focus on projects funded by the Recovery Act

What can employers do?



- ✓ Be proactive - Get Your "House in Order"
 - ✓ Classification methods
 - ✓ Recordkeeping
 - ✓ Off-the-clock work
- ✓ Approach federal investigations with new vigor
- ✓ Spot-check your policies