



DOL News Brief

December 22, 2011

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Breaking News: Action on UI and Payroll Tax Cut

"For the past several weeks, I've stated consistently that it was critical that Congress not go home without preventing a tax increase on 160 million working Americans. Today, I congratulate members of Congress for ending the partisan stalemate by reaching an agreement that meets that test," President Obama said in a statement Thursday evening. He added: "Because of this agreement, every working American will keep his or her tax cut – about \$1,000 for the average family. Vital unemployment insurance will continue for millions of Americans who are looking for work. And when Congress returns, I urge them to keep working to reach an agreement that will extend this tax cut and unemployment insurance for all of 2012 without drama or delay. This is real money that will make a real difference in people's lives. And I want to thank every American who raised your voice to remind folks in this town what this debate was all about. It was about you. And today, your voices made all the difference." Labor Secretary Solis echoed the president's remarks, stating, "In very real terms, the payroll tax cut and the extension of unemployment benefits make a huge difference in keeping nutritious food on the table, buying a warm coat, paying a heating bill, and putting gas in the car."

- Read the President's Statement
• Read the Secretary's Statement

What's Hot

New Workforce Innovation Fund Grants Available

Approximately \$98.5 million is available for new grants through the Workforce Innovation Fund, Secretary Solis announced on Thursday. The fund will invest in programs that support, evaluate and enhance workforce investment strategies, particularly for vulnerable populations. The solicitation for grant applications will be published in the Dec. 23 edition of the Federal Register and the grants will be announced in the new year.

For information on applying for a grant visit http://www.doleta.gov/workforce_innovation/

- Read the News Release

DOL Working for You

EBSA Secures Coverage of \$42,000 in Medical Bills



A middle-aged woman with breast cancer recently had her health claims denied because of mistakes by her husband's former employer and its insurance company. But swift action by Michelle Khalife, a benefits advisor with the Employee Benefits Security Administration's New York Office, led to coverage being reinstated and the insurance company paying her \$42,000 in medical bills. Khalife discovered that the husband routinely had paid for extended health coverage under the Consolidated Omnibus Budget Reconciliation Act, better known as COBRA. But the employer's insurer had failed

to activate his coverage on time, causing his ill wife to fall under a pre-existing condition exclusion. As the bills mounted, the family approached Khalife for help. She gathered all of the parties in one meeting to hammer out the details and bring about a successful outcome. Khalife said that she was determined to work on the case until it was resolved in the family's favor because "it is not just my job but the right thing to do."

Meet the DOL Leadership Team



We're adding a new feature to the DOL weekly e-newsletter: Meet Our Leadership Team. In our first installment, we introduce you to Dr. Adriana Kugler, who is Chief Economist to Secretary Solis. The Chief Economist (also known as ChEco) plays a critical role in the development of department policy and

Air Force Vet Lands Teaching Job in Delaware

When money in her family became tight, Air Force veteran Lane Carter was going to put her education on hold to seek a job in Delaware. But a Veterans' Employment and Training Service representative in her area, Clifford Rumph, urged Carter to hang in there just a little longer and finish her schooling. Doing so, he said, would improve Carter's qualifications and help her find a job. She took Rumph's advice, earning a master's degree in education and a state teaching certificate. Shortly



programs, and is the secretary's primary advisor on national and international economic issues. Kugler brings a wealth of experience to the job, including expertise in the impact of public policies on employment and earnings, as well as immigration and its impacts on both receiving and sending countries. She is currently on leave from Georgetown University where she serves as Full Professor of Public Policy.

- [Read More](#)

Secretary Solis @ Work



To call attention to the importance of extending Unemployment Insurance and the payroll tax cuts, Secretary Solis paid a

visit to the Central San Gabriel Valley Worksource Center in Los Angeles County on Tuesday. She told the center's clients, staff, community leaders and media that, "When it comes to extending UI benefits, we know what works. Last year, we extended emergency benefits for 7 million Americans and saw an uptick in job creation. And we kept 3.2 million people from falling into poverty." Urging federal lawmakers to reject the false stereotype of UI claimants, Solis added: "I've met many unemployment insurance claimants. They are not freeloaders. They are hardworking people that spend all day, every day, filling out applications, sending out resumes and looking for work. Cutting their lifeline as the holidays approach to win a political game is the wrong approach."

DOL in Atlanta Dares to Share



Department of Labor employees in the Atlanta Region contributed hundreds of toys, clothes, toiletries and dollars to an annual holiday

giving campaign, Dare to Share, that benefits three local charities — Toys for Tots, Migrant Head Start children and the Atlanta Union Mission. The drive culminated in a holiday celebration with representatives of the charities. This year's campaign was chaired by Paulette Norvel Lewis, regional administrator of the Women's Bureau.

- [View the Slideshow](#)

AZ Workers Tell Their Stories

During a roundtable meeting at Arizona State

thereafter, Rumph contacted another Air Force veteran who is the principal at a local school. Impressed with her credentials, he hired Carter as an English teacher. The assistance from Rumph "opened the doors for me" and helped me get ahead, Carter said.

DOL in Action

MSHA Scrutiny Continues at Troubled Mines

The Mine Safety and Health Administration concluded its 20th month of impact inspections in November by issuing 315 citations, orders and safeguards to 10 coal mines and six metal/nonmetal mines. These inspections, which began in April 2010 following the explosion at the Upper Big Branch Mine, involve mines that merit increased agency attention and enforcement due to their poor compliance history or specific compliance concerns. "I am particularly concerned about what goes on at mines with these kinds of inspection results when MSHA is not there," said Joseph A. Main, assistant secretary of labor for mine safety and health. "MSHA will continue to use all available tools at its disposal, including closure orders, to keep miners safe."

- [Read the News Release](#)

PPG Industries Fined \$90,000 for Safety Violations

PPG Industries Inc. has been cited by the Occupational Safety and Health Administration for four safety violations, including a willful one for operating an unguarded winder machine at the company's Cleveland, Ohio, resin production facility. Proposed fines total \$90,000.

- [Read the News Release](#)

5 Contractors Cited for Lead, Fall Hazards at Casino Construction Site

Five contractors have been cited by the Occupational Safety and Health Administration for a total of 19 alleged serious violations of workplace health and safety standards at the former Aqueduct Racetrack in Queens, N.Y., which is being converted into a casino. Four contractors were cited for inadequate safeguards to protect workers exposed to airborne concentrations of lead while performing torch cutting operations. A fifth contractor was cited for failing to provide fall protection and related training. The contractors face combined proposed penalties of \$127,400.

- [Read the News Release](#)

NC Seed Company Sued for Pension Violations

The department is suing Jeffreys Seed Co. and its officers to restore \$20,324 in employee contributions to the defunct Goldsboro, N.C., company's employee pension and health plans. An investigation by the Employee Benefits Security Administration found that the company president, Edward Taylor Jeffreys, and the corporate secretary, James T. Jeffreys III, withheld employee contributions to the Jeffreys Seed Co. Profit Sharing Plan and Trust, and failed to forward them to the retirement plan in a timely fashion. Additionally, they failed to segregate and forward contributions from company assets to the plan.

- [Read the News Release](#)

New Jersey Contractor Hit with \$110,000+ in Fines for Fall Hazards

The Occupational Safety and Health Administration has proposed \$110,220 in fines against A&B Ironworks LLC, a New Jersey contractor, for alleged willful and serious violations at a Manhattan work site. OSHA opened its inspection in July when an agency inspector observed that A&B employees were exposed to falls of up to 45 feet while working without protection on a scaffold that was not fully planked.

[Read the News Release](#)

University's Cronkite School of Journalism in Phoenix last Friday, local workers -- ranging from those receiving unemployment insurance benefits to recently hired individuals -- told Secretary Solis their stories about how Labor Department-funded programs helped them. The workers discussed their experiences finding jobs as well as the importance of Congress extending unemployment benefits and the payroll tax cuts. Local officials and representatives from employment and training organizations in Phoenix also joined the conversation. Later that day, Solis visited The American Legion Post 41 where she had similar conversations with veterans who have entered or are hoping to enter the labor force.

News You Can Use

Puerto Rico Safety Alliance Formed

The International Longshoreman's Association Union de Trabajadores de Muelles—ILA UTM Local 1740 has formed an alliance with the Puerto Rico office of the Occupational Safety and Health Administration. The purpose is to enhance safe and healthful conditions for workers in Puerto Rico's maritime and longshoring industries. OSHA and Local 1740 will work together to develop, share and distribute safety and health information; provide training courses on agency maritime and longshoring safety standards; and conduct outreach activities for workers and employers.

- [Read the News Release](#)
- [Read the News Release](#) Español

New Wage Rates for H-2A Workers

The Office of Foreign Labor Certification published the minimum hourly wage rates that employers must pay H-2A workers in order to ensure that the wages of similarly employed U.S. workers are not adversely affected. These wage rates are calculated for each occupation and location using the U.S. Department of Agriculture's annual wage rates from its regional Farm Labor Survey of nonfamily field and livestock workers. The announcement was ahead of schedule this year as part of a continued effort to keep growers informed and to reduce processing delays.

- [Read the News Release](#)
- [View the Complete List of Adverse Effect Wage Rates](#)
- [View the Wage Trends since 2007](#)
- [View the Employer Handbook](#)

International Scene

Combating Child Labor in Peru

Dislocated Massachusetts Workers Receive Emergency Grant

The Labor Department provided a \$990,000 National Emergency Grant to the Massachusetts Department of Workforce Development to assist about 180 workers affected by the closure of Solo Cup in North Andover. The grant will provide assistance to dislocated workers in conjunction with services that some recipients will receive under the Trade Adjustment Assistance program.

- [Read the News Release](#)

Ohio Steelmaker Cited for 10 Safety Violations

Warren Fabricating and Machining Corp. has been cited by the Occupational Safety and Health Administration for 10 serious safety violations, including a lack of machine guarding and training at its steel manufacturing plant in Hubbard, Ohio, following a November inspection. Proposed fines total \$47,000.

- [Read the News Release](#)

Auto Parts Manufacturer Cited for Endangering Workers

Following an inspection that began in October, the Occupational Safety and Health Administration has cited Colfor Manufacturing Inc. for four safety violations, including a repeat violation for failing to protect workers by locking out the energy sources of presses at its Malvern, Ohio, facility. The company manufactures automotive parts using hot and cold forging methods. Proposed fines total \$51,000.

- [Read the News Release](#)

Re-employment Services for Laid-Off Louisiana Workers

A \$1,424,500 National Emergency Grant increment has been provided for re-employment services to approximately 1,100 workers affected by layoffs that occurred in multiple industries throughout Louisiana. The grant will continue assistance for the original workers served by the first two increments awarded under this grant. An additional 150 Lockheed Martin workers affected by the retirement of the National Aeronautics and Space Administration's shuttle program also will receive services.

- [Read the News Release](#)

Union Pacific to Reinstate, Compensate Whistleblower

The Occupational Safety and Health Administration ordered Omaha, Neb.-based Union Pacific Railroad Co. to immediately reinstate an employee in Pocatello, Idaho, who was terminated after reporting a work-related injury. OSHA also has ordered the company to pay the employee more than \$300,000 in back wages, compensatory and punitive damages, and attorney's fees. In addition, OSHA ordered the railroad to refrain from retaliating against the employee for exercising rights guaranteed under the Federal Railroad Safety Act's whistleblower protection provisions.

- [Read the News Release](#)

Texas Contractors Cited After Balcony Collapse

Martin's Concrete Construction, Stir Construction Inc. and JM Construction have been cited by the Occupational Safety and Health Administration following a balcony collapse at an Austin, Texas, construction site. Three employees of Martin's Concrete Construction fell 16 feet to the ground and were hospitalized for resulting injuries. Combined penalties total \$143,880.

- [Read the News Release](#)

29 City Workers in Okla. to Receive Nearly \$61,000 in Back Pay

The city of Frederick, Okla., has agreed to pay 29 police officers, water,

The Labor Department provided a \$13 million grant to Desarrollo y Autogestión, a South America-based non-governmental organization, to combat exploitative child labor in Peru. "Ending exploitative child labor would have global benefits," said Secretary Solis. "The grant provides critical funding to bring us closer to that goal by providing targeted assistance to families and governments." Desarrollo y Autogestión, which promotes policies and actions for social and economic development of marginalized and impoverished people, will partner with World Learning, a U.S.-based nonprofit organization, and DESCO, a development organization, to implement the program, which is designed to increase access to quality education, promote sustainable livelihoods and link beneficiaries to national social protection programs so families do not need to rely on child labor to meet basic needs.

- [Read the News Release](#)
- [Read the News Release](#) Español

Around DOL

Solis Appoints Members, Leaders of ERISA Advisory Council

Five new members to the 2012 Advisory Council on Employee Welfare and Pension Benefit Plans, known as the ERISA Advisory Council, have been recently appointed by Secretary Solis. She also announced the appointment of the incoming chair and vice chair. "The security of health and retirement benefits is of tremendous importance to America's workers," said Solis. "The ERISA Advisory Council provides added expertise to the department as it works to enhance and preserve these protections. I am pleased that we have such an outstanding group of professionals joining the 2012 council whose insights will be invaluable in helping us improve benefit security for millions of American workers." The 15-member council provides advice on policies and regulations affecting employee benefit plans governed by the Employee Retirement Income Security Act.

- [Read the News Release](#)
- [Learn about the Advisory Council](#)

Indiana Union Official Sentenced for Embezzling More Than \$100,000

Rodney Richerson, former financial secretary of the Glass, Molders, Pottery, Plastics & Allied Workers International Union Local 238 in Kokomo, Ind., has been sentenced to four months incarceration, eight months home detention and two years of supervised release

sewer and electrical workers \$60,911 after an investigation by the department's Wage and Hour Division found violations of the Fair Labor Standards Act's minimum wage, overtime and record-keeping provisions. Employees had been improperly classified as exempt from the FLSA and worked as many as 85 hours in a workweek but did not receive overtime.

- [Read the News Release](#)

Win for Maine Workers With Assets in Defunct Benefit Plans

The department's Employee Benefits Security Administration has successfully settled a lawsuit netting \$300,000 for the participants of two defunct employee stock ownership plans in Maine. Stephen Thomas, the trustee for both plans, was charged with misappropriating and/or improperly diverting plan assets in violation of the Employee Retirement Income Security Act. He has agreed to restore \$225,000 to the Gagne Precast Concrete Products Inc. ESOP and \$75,000 to the Frank L. Woodworth Inc. ESOP.

- [Read the News Release](#)

Wisconsin Rubber Facility Cited for 22 Violations

Rubber parts fabricator Acme Machell Co. Inc. has been cited by the Occupational Safety and Health Administration for 22 – including six repeat – violations, following safety and health inspections conducted at the company's Waukesha, Wis., facility. OSHA began its inspections after receiving complaints alleging burn hazards and poor housekeeping throughout the plant. Proposed fines total \$77,600.

- [Read the News Release](#)

Houston Recycling Plant Cited for Safety and Health Hazards

Petag Corp. in Houston, Texas, has been cited by the Occupational Safety and Health Administration following an investigation that found multiple serious, repeat and other-than-serious safety and health violations at the recycling facility. Some of the repeat violations include failing to provide fall protection, such as standard guardrails or fall arrest devices, when employees are working on platforms; provide training on lockout/tagout procedures for machines' energy sources; and provide the required machine guarding. OSHA cited the company for similar violations in 2006. Proposed penalties total \$144,760.

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Georgia Granite Quarry Sued Over Unpaid Fines

The Labor Department is suing Mize Granite Quarries Inc. in Elberton, Ga., and owner Robert W. Mize III over \$142,992 in unpaid fines, interest and civil penalties associated with 58 safety and health citations issued by the Mine Safety and Health Administration. MSHA also is asking the court to give the agency the power to shut down the mine should it discover additional violations. "The filing of this lawsuit shows that MSHA will not allow mine operators to flout the rules by refusing to pay penalties associated with violations," said Solicitor of Labor M. Patricia Smith.

- [Read the News Release](#)

Mass. Masonry Contractor Agrees to Step Up Fall Protection

Wilmington, Mass., masonry contractor NER Construction Management Inc. has agreed to pay \$134,000 in penalties and take significant steps to protect its employees against fall hazards, according to the terms of a settlement agreement that resolves litigation with the department. The Occupational Safety and Health Administration cited NER for willful and serious violations of workplace safety standards, including fall hazards of up to 17 feet for employees working at Rowes Wharf in Boston.

- [Read the News Release](#)

after pleading guilty to embezzling union funds. He also was ordered to pay restitution in the amount of \$100,195. The guilty plea and sentencing followed an Office of Labor-Management Standards investigation that found Richerson had embezzled union funds and hid his actions by falsifying union records, forging signatures and filing false reports with OLMS.

See You Next Year!

The next issue of the DOL e-newsletter will arrive in your inbox on Jan. 5, 2012, with more exciting news, information and events from the U.S.

Department of Labor. Can't wait that long? Keep up to date by following @USDOL on [Twitter](#) or becoming a fan of the U.S. Department of Labor on Facebook. Until then, the DOL e-newsletter team wishes you a safe and happy holiday!

Follow USDOL on

- Secretary Hilda Solis discusses last night's agreement by Congress to extend UI and the payroll tax cuts.
<http://t.co/HAmwYIAL> about 2 hours ago
- In this week's newsletter: Agreement on Payroll and UI Extension; Innovation Funds Available; MSHA I
<http://t.co/wtoHh7FP> about 2 hours ago

Utilities Contractor Cited Following Fatality

Granbury Contracting and Utilities Inc. has been cited by the Occupational Safety and Health Administration for two willful and two serious safety and health violations following the death of a worker in Gordon, Texas. While employees were working on a new sewer line, a worker entered a manhole to flush out debris and became overwhelmed by toxic fumes. Proposed penalties total \$118,580.

- [Read the News Release](#)

Dredge & Marine Cited Following Worker Fatality

Following an incident in which one worker died and another was severely burned when a spark ignited paint vapors inside a pontoon dredge, the Occupational Safety and Health Administration cited Dredge & Marine Co. LLC of Millersville, Tenn., for 12 safety and health violations. Two serious safety violations related to the fatality include not using explosion-proof lighting and exposing employees to explosion and fire hazards when exhaust ventilation was inadequate.

- [Read the News Release](#)

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