

NWX-DOL ASP

Moderator: Jonathan Wolfson
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Coordinator: Good afternoon. Thank you for participating in the U.S. Department of Labor Summer 2020 Virtual Roadshow Stakeholder Webinar, Supporting American Workers and Businesses.

All phones are now muted. I will unmute the phone line during the question-and-answer portion of the webinar in about 60 minutes. We will open the phone line at the beginning of the second segment of this webinar to give you an opportunity to ask questions.

You will now be joined by Jonathan Wolfson, Principal Deputy Assistant Secretary for Policy.

Jonathan Wolfson: Good afternoon. My name's Jonathan Wolfson. And I have the privilege of leading the policy shop here at the Department of Labor.

Thanks for participating in today's webinar for stakeholders entitled, "Supporting America's Workers and Business". Amy Simon ETA's Deputy Assistant Secretary will be our guest speaker in the second portion of today's

webinar. But first let me tell you a little bit about myself and the great work of the Department of Labor.

In my role at the department and specifically the policy shop I'm responsible for coordinating the department's regulatory programs and process to help advance this policy agenda. In this role I work regularly with the leadership and teams of economists, attorneys, and policy analysts across the Department of Labor as well as across the administration to analyze and develop the regulations and other policies of the Department of Labor.

Immediately before joining the Department of Labor I spent a number of years in private law practice where I focused on regulatory as well as litigation matters.

As I tell you a little more about the important work of the Department of Labor and some of our many achievements please refer to the chat for some resources from our subject matter experts.

We will also be opening up the phone line during the final segment for an opportunity for you to ask questions of myself and Ms. Simon.

At this time we're going to begin a presentation to discuss some of the regulatory accomplishments of the U.S. Department of Labor this year. Today we're going to focus on a few of the key things that we have done here at the Department of Labor to support America's workers and businesses in the regulatory front.

The Department of Labor issues a number of rules and regulations. And these rules and regulations are provided to try to make it easier for businesses to hire workers, to train workers, and to keep workers safe.

This presentation is going to cover a few things that we have done here at the department.

First of all we're going to talk a little bit about regulatory reform efforts that have been done here at the department.

Secondly we're going to talk about the Office of Compliance Initiative which is a shop inside the policy office here at the Department of Labor which helps to make sure that it's easier to understand the rules and regulations that come out of the department.

Next we're going to talk a little bit about some of the things that we've done to reimagine compliance assistance in the face of the COVID-19 illness and pandemic. Next we're going to talk a little bit about some specific materials catered to the industries that we're focused on here today.

So let's jump in. Regulatory reform has been an important feature of the Department of Labor's efforts for a number of years both under Secretary Acosta and now under Secretary Scalia. Regulatory reform efforts have been very important to the success of the Department of Labor and something we see as an important piece of the puzzle that we put together to help the administration.

Let me just highlight a couple of the major accomplishments we've had here at the department.

In Fiscal 2019 alone we've had almost \$8 billion in cost savings that we provided to the American people. Now sometimes people wonder what does it mean to have a cost savings from a regulation. Well when we put a regulation

in place that provides cost savings what that means is that there are paperwork or other burdens that current rules and regulations impose on businesses, on workers, or on individuals out in the world. And when we are able to reduce those we're able to reduce the burden that those regulations have on those job creators, on those businesses, or on individual workers.

And when we do that part of what the Office of Information and Regulatory Affairs at the Office of Management and Budget at the White House requires us to do is to calculate just how impactful are those changes.

And so in Fiscal Year 2019 alone taking all the regulations that we put on the books together we saved almost \$8 billion for the American people so that they can spend their time focusing on running their businesses instead of on complying with needless paperwork or other things which were simply getting in their way.

From Fiscal 2017 to 2019 the cost savings exceeded \$11.3 billion. In Fiscal 2019 alone we had 11 deregulatory actions. And each of these actions are opportunities where we see a burden is being placed on businesses that is not necessary. So we have a burden that doesn't improve health and safety, a burden that doesn't improve the lives of the workers but simply makes it harder for businesses to run. And when we're able to reduce those we're able to pass those cost savings along to other individuals.

We're very proud of the efforts that we've done here at the Department of Labor because all together we have been ranked number two across the entire federal government in delivering cost savings through deregulation to the American public.

When we think about regulatory reform here at the Department of Labor one

of our key goals is providing clarity and consistency to American workers and to American businesses.

Secretary Scalia has often said that the U.S. Department of Labor is a enforcement agency. We exist to enforce the laws and to faithfully execute the laws that exist in the United States specifically in the employment sector. However just because we're an enforcement agency doesn't mean that we want to go out and enforce these laws against individuals or companies that don't understand what those laws are and are violating them simply out of ignorance.

Instead as an enforcement agency the secretary wants to make sure that we provide clarity to individuals and to businesses so that they know what the rules are. And if they know what the rules are then we're enabling them to follow them so that when we are focusing our enforcement efforts we can focus them on the companies that are intentionally violating the rules that are laid out. This has led to record-high levels of enforcement at the department because we are able to focus on truly bad actors rather than on those actors who are making minor errors out of ignorance of what the law is.

Ultimately the Compliance Assistance Office inside of the Office of the Assistant Secretary for Policy working together with the Compliance Assistance Units of the various agencies in the Department of Labor make it easier for people to know what the rules are. And that helps us to be an effective enforcement agency. So when we're talking about regulatory reform we're talking about taking down burdens and making it easier for people to know what the law is.

Let's talk for a moment about a couple of the key deregulatory actions that we have taken in the past couple of years where we've issued final rules which

provide real cost savings to businesses and to the American workers. The Wage and Hour Division finalized an overtime rule earlier this year which clarifies who is entitled to overtime. The economic threshold for an individual to be eligible for overtime had not been changed in over a decade and a half. And as a result the number of people who were receiving smaller wages which were likely going to be entitled to overtime was going down.

As a result of this rule almost 1.5 million people became newly eligible for overtime protections under the Fair Labor Standards Act. So this provides a benefit to individuals and provided clarity and consistency to businesses because they knew which workers were and were not going to be eligible for overtime under the clarification of the rule. The Wage and Hour Division also issued a joint employer rule which clarified who was in fact an employee of more than one company under the Fair Labor Standards Act.

This provides clarity for franchises and contractors so that they can work with other companies and know that mere interaction with those companies is not going to increase liability for those companies. Both of these actions were deregulatory because they provided cost savings for the businesses. And many of those cost savings can then be passed on to the workers.

The Employee Training Administration finalized a Wagner-Peyser Rule earlier this year. And that rule provided flexibility to states in implementing their Wagner-Peyser Job Training Programs. And as a result of this rule the states are able to identify what are their needs and best meet them. Rather than Washington telling states, here are the specific things you have to do we provided much-needed flexibility to states so that they could implement these programs in a way that would best meet the needs of the residents of their states.

The Wage and Hour Division also finalized a regular rate rule. And this regular rate rule set the parameters of what types of perks and benefits employers can provide for their employees without being help-labile for additional overtime obligations. We were able to clarify that employers providing certain perks at works whether that's a snack bar or a coffee shop in the office was not going to cause an employer to be obligating themselves to pay additional wages.

This will allow employers to provide additional perks to their employees saving businesses and their employees costs and providing additional benefits. The Association Retirement Plan Rule that came out of our Employee Benefits Security Administration clarified that groups of individual business -- small businesses generally -- could band together to create retirement plans and take advantage of the economies of scale that large businesses are able to have.

As a result of this rule small organizations who might not otherwise be able to afford the administrative fees of implementing retirement plans can work together and come to a solution that provides retirement benefits to their employees while saving the businesses themselves costs.

In addition the Employee Benefits Security Administration also finalized an electronic disclosure rule earlier this year. That rule was really important because previously companies that had to provide mandatory disclosures to their customers and to beneficiaries of pension plans were required to provide paper copies of many disclosures to their members every single year.

What we did in this rule was we allowed those companies to begin providing these disclosures electronically and as a result companies will save in excess of \$4 billion in the coming 10 years so that they -- in their postage and

printing costs. Ultimately this also provides better access to information for their consumer because rather than accidentally throwing that disclosure away people will have access to it electronically at any time they ever have need of it.

Finally we finalized a Tricare rule which clarifies that healthcare for veterans being provided by subcontractors of the federal government did not obligate them to the burdensome regulations that the Office of Federal Contract and Compliance Program potentially could impose on them. This rule is very important to provide additional options for our veterans to be able to access healthcare on the private market through Tricare.

In addition to finalizing rules the Department of Labor has also been able to propose some additional rules in this past year. These include a Trade Adjustment Assistance Rule which the Employee Training Administration put together. And that rule provides clarity for individuals who become eligible for Trade Adjustment Assistance so that both the state and the individual know what their rights and obligations are.

We have an H-2A Rule which we've been working on provide temporary employment for nonimmigrant workers. We have a tip regulation under the Fair Labor Standards Act which we proposed earlier toward the end of last year and we intend to finalize sometime this year where we're working toward trying to make it clear what work is in fact tip, what work is not, and providing clarity to employers so that they know when they do and do not qualify for the tip exempt wage.

We have from our Office of Federal Contractor Compliance Program the predetermination notices rule which provides clarity in the process that OFCCP will follow when it works to implement specific programs where

they're going to go in and do an investigation of poor compliance. And the predetermination notices permit individual companies to have an opportunity to interact with OFCCP earlier in the process to determine whether or not there is a violation and if there is a violation to resolve it without having to go through a long administrative process.

We've also been working on a Faith-Based Grantees Equal Opportunity Rule. And this rule clarifies that individual organizations which may have a faith basis can receive federal grants, can receive federal dollars that they use to provide benefits through the community around them. And they don't have to provide these benefits with a warning label different than any other protection that would be provided if those same organizations were secular. And this allows more of those faith-based organizations which are already providing beneficial services to their community to access those funds and to continue to abide by the law.

So in addition we've also -- my office also coordinates a regulatory reform task force. And the regulatory reform task force is intended to help us as a department identify confusing and improper guidance and improper regulations which make it harder for businesses to function. We identify these regulations and these rules across the entire Department of Labor and we work with the agencies to identify ways that we can better clarify what those rules, the rights, and obligations are for businesses and for workers.

Our goal again is to encourage clarity and consistency across the department both inside specific agencies and from agency to agency inside the department. In addition we focus on trying to encourage our agencies to issues rules through notice and comment that can be followed and can be commented on by the public rather than issuing sub-regulatory guidance which isn't always going to help the regulated community know what the rules and

regulations are. And so this regulatory reform task force has been tasked with identifying problematic rules, problematic regulations, across the department and working together with the agencies to help make them more clear and more consistent for the workers.

In addition last fall the president signed an executive order on guidance. The president required that every agency work to identify problematic guidance inside of each agency where these guidance documents might not be available to the public. And the objective was to try to provide clarity to the regulated community of what the rules that they needed to follow in fact were.

This guidance review required us to look for documents across the entire department, to post those documents on a searchable website and to make it very clear to the public what guidance was and was no longer active. All right. If you could advance the slide. My computer's not letting me do it. So I'll just let you do it for a minute. Thanks. Yes. Yes. That's perfect.

One of the projects that we did -- as I mentioned -- was to create a fully searchable database of the guidance documents that already exist here at the Department of Labor. And we put it together on a portal which is searchable. So this is just an example of the guidance search that individuals can in fact use if they are trying to find guidance that is active or inactive here at the Department of Labor.

Now I'd like to take a couple of minutes and talk about the Office of Compliance Initiative here at the Department of Labor. The Office of Compliance Initiative was founded in August of 2018. And the office was intended to provide clarity to the regulated community working with the agency. One of the challenges that we found is that many of the rules and regulations that we issue do not in fact provide detailed explanations of how

people ought to follow those rules.

Yes. Sorry. We're having technical difficulties you all. All right. I'll keep going. I'll keep going through it. And then we'll get it to work in a few minutes. I think actually it's working now. I think we're good. Yes. We're good. Now it's working. So we're good. Thank you. Sorry about that.

So the Office of Compliance Initiative exists to work with our agencies to make it clear to the regulated community what their rights and obligations are under the law. And the Office of Compliance Initiative works across the various agencies in our building to provide clarity to the regulated community.

We've worked with those agencies to identify best practices. We work with those agencies to identify where the challenges are that those agencies may face or that the regulated community may be facing. And we work together with them to make compliance assistance materials. Materials which make it easier for the regulated community to understand what the rules are and to put those in formats that the public can understand.

The Office of Compliance Initiative has four key areas of focus. They are first of all outreach. And these is outreach both outside the building and inside the building. The Office of Compliance Initiative works to help identify what are the challenges that the regulated community by talking to actual stakeholders, people who really use the compliance assistance and regulatory tools that we've put out and also by working with the agencies themselves to identify what are the challenges that they believe that the stakeholders may face.

We work on innovation, trying to identify what are the new ways to present information to the public. Are there new tools that exist in the world? Are there new opportunities to develop videos or to develop fact sheets which

actually better follow the way the regulated community expects for materials to come out? And we work to innovate and try to make sure that our materials don't just speak to people who are insiders and understand how the government works but actually speak to the people who really need to use these materials.

Third we work on a culture. We try to help agencies internally develop a culture which encourages to the Secretary's goal of wanting compliance initiatives and compliance assistance to be an important piece of the regulatory work that we do so that we can identify the truly bad actors. And so making compliance assistance part of the culture of the Department of Labor is one of the key features that we have here in the office.

And finally is analysis. We review compliance assistance materials that come out from the department on a weekly and daily basis. And we work with those agencies to try to see whether or not there are ways we could improve them.

So a couple of compliance assistance resources I would like to highlight include Worker.gov and Employer.gov. And these two tools allow individuals who may not understand all the narrow lines between the various agencies here at the Department of Labor to better access compliance and other guidance information from the department. These two websites would enable employees to simply go to Worker.gov and begin searching for their specific questions.

So they don't have to worry about whether the question they have is an OSHA question or whether it's an Employee Benefits question, or a Wage and Hour question, or if a state is trying to figure out where their grants are going if those grants are coming from ETA or from somewhere else. An individual does not need to know all of those things.

So let's talk for a minute about some of the accomplishments of the Office of Compliance Initiative and compliance assistance here at the Department of Labor. In Fiscal Year 2019 alone there were over 6,000 compliance assistance events. And there were other 54,000 attendees at these events. The compliance assistance across the department issued more than 30 tools to assist people in compliance assistance ranging from apps to online tools that could be used by individuals. And we produced over 1,300 publications and webpages which allow individuals to better understand what their rights and obligations are under the law.

This year the Office of Compliance Initiative undertook a compliance assistance review of compliance assistance in the Department of Labor. We asked two very important questions.

First how can we make compliance assistance more accessible and understandable? And secondly how can we best deliver compliance assistance to stakeholders? We evaluated these questions across the six enforcement agencies and came up with specific recommendations for each agency to follow to improve the quality of the compliance assistance materials that they have.

One of the key things that we determined that all of our agencies could work better at was human-centered design. Human-centered design provides an opportunity for us to develop our compliance materials not with us the department in mind but with the actual users of those materials in mind.

So, human-centered design looks at real people. It puts them in the scenario of clicking on links, of interacting with a website or a video, or interacting with a hardcopy compliance material document and helps us as a department to

evaluate whether or not we are designing our programs to meet the needs of the workers and of the businesses that are running them.

As a result of COVID the Department of Labor has been asked to reimagine some of our compliance assistance programs. And the way we've done in that in the age of COVID is specifically through putting together some national online dialogues

First of all very early on in the COVID response here at the Department of Labor, the Department of Labor worked with the Office of Compliance Initiative to put on a national online dialogue regarding expanded family and medical leave under the Families First Coronavirus Response Act.

We put this dialogue online. We had over 1,300 ideas shared, nearly 1,300 comments, and over 5,000 participants where individuals were able to provide us questions that we were able to turn around, use as we develop frequently asked questions regarding the regulations that we were in the process of writing to implement that new law. In addition we were able to identify compliance assistance materials specifically based on those questions.

First of all we developed a digital infographic tool to determine eligibility. Secondly we developed an employee rights poster. And finally we recognized based on the dialogue the need to produce many of these materials in multiple languages.

After we did that national dialogue and it closed and we issued the Families First Regulation out of the Wage and Hour Division we put a second national online dialogue regarding returning Americans to work specifically talking about what are the things that workers and businesses believe we need to do as we open America's workplaces again.

For that national dialogue we had over 500 ideas, 600 comments and we had nearly 2,000 people register and participate for the dialogue. In all of these times we were able to gather great ideas from the community at large. Not just the ideas that we can develop here inside the Frances Perkins Building or here inside the administration but asking real people who run real businesses who have to deal with the real challenges what issues they're facing and what are the ways we can help them fix them.

I want to just show you a quick example of the poster that we put together as a result of the Families First Coronavirus Response Act dialogue. That poster allowed us to be -- we used the feedback we got to translate it into 12 different languages. In addition OSHA put together COVID response documents. And these were all dictated by the information we gathered from these dialogues.

Finally I'd like to just take a couple minutes and talk to those of you in the foodservice and the hospitality industries who I know have joined us today.

We've put together specific compliance assistance documents for your fields as well. The Wage and Hour Division has put together a compliance assistance toolkit for restaurants in particular. So if you're in the foodservice industry and you have a Wage and Hour question look for that document.

In addition OSHA has put together a restaurant and beverage vendors who offer takeout or curbside delivery piece of guidance. And this is really valuable again if you're in the foodservice industry.

For those of you tuning in who are in the hospitality industry we have compliance assistance resource toolkits for hotels and resorts from the Wage and Hour Division. In addition OSHA has put together guidance for the retail

industry for COVID-19 conformed prevention, for guidance that we put together in both English and Spanish and a package delivery document from OSHA to provide specific examples of how package delivery can be done in the retail sector.

In addition the Wage and Hour Division has put together specific guidance for the retail industry under the Fair Labor Standards Act. So if you are in any of those industries these are some specific tools where the Office of Compliance Initiative have worked together with the compliance offices inside of our agencies to put together specifics for your agency.

So now that we're at the end of this presentation I would ask if you are in fact someone who uses our materials or if you're someone who's regulated by the rules and regulations that we issue please do not hesitate to contact us.

We are always looking for ways that we can improve the compliance assistance materials that we produce. We're always looking for confusing or confounding guidance or other materials that come out of this building so that we can make those clear and consistent.

So if there are any that are problematic do not hesitate to email us at compliance@dol.gov. Share your thoughts. We really do need those of you who live under the rules and regulations that we write to tell us where we're moving in the right direction and where you could use additional help.

So with that I'm going to just note for our participants if you have any UI questions relating to the CARES Act you can share those will all participants in the WebEx chat. In response we're going to provide links and detailed frequently asked questions. In addition if you have a question that's not already addressed by our frequently asked questions feel free to include your

question in the chat function of our tool and we will collect those and see if there are ways that we can update the frequently asked questions document that we've already been putting out of the Employee Training Administration.

I would now like to ask the Operator to open the phone line to give our participants an opportunity to queue up to ask questions via the phone. We ask that the questions we receive be focused on the work of ETA or employee training more broadly but not specifically on UI as it relates to the CARES Act. As I mentioned we have lots of detailed responses to UI questions already put together in our frequently asked questions. And so we'd ask that you'd focus your questions on other areas of the department's work.

Coordinator: Hello again participants. This is the Operator. Please Star 1 to be placed into the question queue. Thank you.

Jonathan Wolfson: Thank you Operator. I'd now like to introduce Amy Simon who is the Employee Training Administration's Deputy Assistant Secretary.

Amy's portfolio covers the Office of Employment Insurance, the Office of Workforce Investment, and the Office of Trade Adjustment Assistance. She also covers ETA's regional offices in Philadelphia, Atlanta, Dallas, and Chicago.

Previously Amy was ETA's Chief of Staff where she helped lead strategy and planning, management, operations, staffing and communications for the largest agency here at the Department of Labor.

Prior to DOL Amy worked in information technology consulting where she supported various federal agencies including the Department of Justice, the Department of Homeland Security, the National Archives and Records

Administration.

Welcome Amy. Thanks for joining our virtual roadshow.

Amy Simon: Glad to be here.

Jonathan Wolfson: Well ETA has been pretty busy as a result of some of the things Congress has done, as a result of the coronavirus itself. Talk to me a little bit about when ETA first started to have to deal with the coronavirus in addition to all of the other work that you've been working on.

Amy Simon: Yes. Certainly. And as you referenced ETA's already the largest by dollar budget amount, the largest subagency in the building. So a typical day in ETA was already pretty busy.

But it was clear even from the very early days of the public health emergency that we were going to be playing an essential role.

So even in mid-February, the state of Washington had already started reaching out to us asking questions about flexibility that they could provide in the unemployment insurance system, asking questions about ways that they could respond creatively to the specific items that were - that COVID-19 was presenting.

And so our first piece of guidance out of the Unemployment Insurance essentially came out even before the Families First Act or before the CARES Act were published. It was clear there's already a need and we were already in conversations with states.

So I think we were perhaps just a bit further ahead but certainly no one, ETA,

or otherwise was prepared for what March and April looked like.

And certainly, during the Families First Coronavirus Response Act implementation, we had a key role to make sure that emergency administrative grants got to states, right, as they realized that their infrastructure and their staffing which is related to the unemployment insurance - related to their unemployment rate in their state. And since we had been at historic lows, states were at historic lows and their staffing levels were not high. And suddenly saw the tsunami coming.

And so I think we were able to help states get access to that funding quickly. States were able to start making changes to their information technology system, call centers, get us back onboard. And I think that was really important because once the CARES Act passed at the end of March we went into even higher gear to help states really start implementing those CARES Act specific Unemployment Insurance Programs.

And I would be lying if I didn't say some of that was a blur. And I certainly sometimes look at the calendar and wonder how we are at the end of June. But I think it's been an honor and certainly to be on the front lines supporting those, helping America's workers. The mission could not be clearer during these past few months.

Jonathan Wolfson: Yes. And you not only were you helping manage all this, in the midst of this you had a title change. And you changed roles.

Amy Simon: Yes.

Jonathan Wolfson: Tell us a little bit about how your role has changed at the Employment and Training Administration even in the midst of the crazy.

Amy Simon: Yes, absolutely. So yes. I had - I had been Chief of Staff since March of 2019. And so was overseeing in some ways the Grand Central Station that is the ETA front office.

And for those of you who don't know, ETA has six master program offices. We've got of course Unemployment Insurance, Workforce Investment, Trade Adjustment Assistance which are in my portfolio. But we also have the Office of Apprenticeship, Foreign Labor Certification, and Job Corps which is a residential program for at risk youth.

So the massive scale, \$10 billion a year, there's always an adventure happening in ETA. And so we had been prepared for what we thought 2020 was going to be. And I think we were excited to move forward with those. We had momentum. We had strategy. And I think it became very clear that we needed to pivot.

So we are - in the middle of that process, it became clear that the Deputy Assistant Secretary spot over these spots was going to need to be filled until we could post and fill the job permanently. And so this has been certainly quite the time to switch into a new role .

So honestly the ETA Team has been terrific. And I'm honored to work with such amazing professionals in the middle of it so.

Jonathan Wolfson: Well, you're doing a great job. Talk a little bit about how COVID impacted ETA. And I know that, you know, a lot of your programs you have Job Corps Centers that closed but...

Amy Simon: Right.

Jonathan Wolfson: ...I think the - at least the things I've seen, unemployment insurance has been kind of the biggest thing that has changed. I know when we have our daily meetings with the Secretary about coronavirus, you and Assistant Secretary Pallasch are always talking about kind of where we're at on unemployment. Talk a little bit about ETA's role specific in the unemployment insurance related to COVID.

Amy Simon: Yes, absolutely. Yes. There's certainly, first of all, lots of impact. UI is absolutely in the front of the pack.

But we noticed quickly as states were - State Workforce Agencies weren't able to provide in-person services for any of the things that they normally do. So whether that's American Job Centers, whether that's, you know, offices where folks were getting training, whether that's where folks went to file for unemployment. All of those things were shutting down in March.

And so the immediate impacts of not having in-person service delivery were felt across our whole portfolio. And Job Corps certainly as well. Residential centers needed to transition quickly.

So but I - so I think all of those impacts were being felt at the same time. And unemployment insurance obviously like you said quickly came to the forefront.

So I think with the structure of unemployment insurance being a federal-state partnership there's always a balance between our role at the U.S. Department of Labor with State Workforce Agencies or State Departments of Labor who are administering the program and who are paying benefits. And those relationships are deep and we work with those states all the time.

But that certainly required us to move into a posture of helping states adapt and adjust, giving states clear guidance so that they knew how to implement these brand-new programs. But I think the one thing that became clear was we needed more forums in which to speak to the states and to get feedback so there are staff conversations going on all the time.

But we added additional calls with Assistant Secretary, with the Secretary and State Workforce Directors and Governors just to ensure that the information we were seeing at the staff level was also being communicated at the leadership level. And certainly as you mentioned, communicating clearly at any time much less during a crisis is really essential.

And so I think unemployment insurance is a complicated technical topic in a lot of ways and communicating clearly was something we had to adapt and pivot to do quickly.

Jonathan Wolfson: You mentioned talking to, you know, governors and state workforce, how do you - how does ETA specifically engage with the policymakers and stakeholders specifically regarding the CARES Act?

Amy Simon: Yes, absolutely. So I think it was clear that the seeds of legislation was coming together in mid-March. And we at unemployment insurance would be playing a big role.

And so we were consistently getting policy feedback and technical assistance to legislators on The Hill. We were talking to our State Workforce Agency heads and trade associations who were in this space to ensure that what ended up in the legislation reflected what was possible and how to solve the problems that we were trying to solve. I think also, you know, there's certainly

like I mentioned earlier, UI is a fairly technical topic. And so there's a key set of folks who are always in the conversation of UI whether those are staff, community staff on The Hill or here in the building or in states.

And so I think we were able to play a critical role in terms of facilitating that conversation, providing feedback to legislative proposals as it was happening. And certainly it all happens very quickly.

Jonathan Wolfson: Yes.

Amy Simon: So that was a condensed period of time. And certainly now that conversation, even though it seems that's past, that conversation continues about, you know, what does the rest of the summer look like, how do states respond to different challenges and implementation so.

Jonathan Wolfson: And what all did implementation of the CARES Act involve from the ETA side of the building?

Amy Simon: Certainly, I think we're still in present tense of that implementation. But I can reference what we have done. So first with the Families First Act, the need to get administrative funding to states so that was both allotments of their funding making sure states got those in a timely manner.

But really the bulk of the implementation work was around those brand-new programs in the CARES Act for unemployment insurance. So the federal pandemic unemployment compensation more commonly known as the \$600 plus up was the first thing that states had to pivot to. So because that benefit is added to routine UI claims and new PUA claims, Pandemic Unemployment Assistance, it was the first hurdle for states. So how do we - how do we get over this hurdle quickly.

And in order for states to do that we had to give them guidance, right. So we had to provide clarity to them about how the programs should be implemented, how the funding would work, how the technical accounting details would work.

And so for us at ETA and the UI office so much of that was guidance work. And the first two weekends after the CARES Act passed were certainly long, long drafting and reviewing weekends.

But I think, you know, since March I think it's been 19 separate guidance documents. So the office has continued to give states the answers they need to move forward.

So after UC went first and then most states did Pandemic Unemployment Assistance. This is a brand-new space for the unemployment insurance role. So typically folks who are self-employed or state workers or freelancing aren't covered under the typical UI system.

And so this is a new space for both State Workforce Agencies. It required a lot of new information technology adjustments at the state level. And certainly, I think not lost on anyone was the fact that folks were in serious financial hardship often and trying to access benefits was a challenge, to put it mildly in many states.

And so I think we saw those challenges evolving. We continued to help and support states and we're now at a place where we're only waiting for the last few states to implement the Pandemic Emergency Unemployment Compensation, the last program, for those who exhausted other benefits.

So I think even as the states got the program stood up and started paying you run into other kinds of challenges. You run into, you know, fraud challenges. You run into payment issues. Lots of things.

And so states were moved from needing to stand up the programs, adjusting to implementation challenges of having the program running. And I think we're going to continue to face challenges if the, you know if the parameters shift, if there is additional legislation or if or as states figure out how folks were trying to work. And that transition as well is going to be another point for states to have to move implementation so.

Jonathan Wolfson: Absolutely. Let's talk for a second. And we kind of touched on work - Job Corps. What's been the impact of COVID-19 on the public workforce system as a whole? And specifically on the National Network of American Job Centers.

Amy Simon: Certainly. The - as I mentioned earlier the American Job Centers often had to stop in-person services. And that transition in some states was easier than others certainly.

But I think what we're all seeing is that with the number of initial claims that we face, the mass of scale of folks who are going to have to return to work at some point. And not all of them are going to be able to return to the same job they came from. Maybe their industry has changed. Maybe their skills don't align.

And so I think the entire workforce infrastructure is pivoting to the fact that we have a really big job to do as well. And in some sense the UI system took the first wave. But the second wave really and it will be gradual and nuanced. But it will really be about helping American workers get back into the

workplace.

And so I think the American Job Centers, some have started opening on appointment only basis or offering limited services are certainly gearing up for that next phase and are excited to assist American workers.

Jonathan Wolfson: Talk a little bit about in addition to unemployment benefits and kind of what's going on on the ground. I know that the CARES Act also provides additional dislocated worker grants.

Amy Simon: Yes.

Jonathan Wolfson: And can you tell us a little more about these grants and how they're helping communities and workers who are trying to cope with the effects of the pandemic?

Amy Simon: Absolutely. So dislocated worker grants are typically available in response to disasters and those are often limited to a certain region or maybe after wildfires or hurricanes.

And so the public health emergency category of dislocated worker grants has been used before. And so we already had a category for it. But certainly for the whole country to be facing this at once was a brand-new challenge for our Dislocated Worker Grants Team.

And we knew that states were absolutely facing demands that they've never faced before and so the Grant Program is designed to in some cases provide employment to respond to a disaster. And the states use them for a variety of things.

In this situation, it was an emergency situation so states came to us quickly to say hey we are going to need funding and the CARES Act gave us an additional \$345 million for - specifically for this purpose. And so it took us some work to sort of figure out how do we make sure states get what they need to get started. And we still have enough resources to support their ongoing work.

So I think with over 50 individual DWG grants have been made already, states can apply actually under a number of categories, not just public health emergency.

And so we're continuing to work with states. Some states are actually using the funds to do contact tracing which is kind of an exciting way to both respond to the public health emergency and employ folks. So we've been encouraging states to think about that and to look at it more closely.

And I think we are - we understand that the investment of these dislocated worker grants will be, you know, could be for years to come. And so we're trying at the frontend to equip states to make those investments effectively and to think about how they want to tie them to helping folks get back to work and get on the other side of this public health emergency understanding that that may be quite a long way away so.

Jonathan Wolfson: Absolutely. How is ETA planning to, you know, as we kind of talk about using dislocated worker grants for contact tracing. You know there are some new jobs that have been created as a result of the pandemic.

Amy Simon: Absolutely.

Jonathan Wolfson: How does ETA plan to support grief skilling and training for those who

are going to be looking for or there may even be opportunities for new jobs because of COVID-19?

Amy Simon: It's a great question. We've been really encouraged to see some states actually using their state job boards or advertising COVID specific jobs. So certainly as you mentioned there's some industries that are having a drastic increase in their need for new workers and other industries who may not come back in the same way.

And so in that mix kind of trying to respond to both, folks that might have skills at an existing job but they don't know about. And so really encouraged to see states try to make those connections for workers.

And I think understanding that there will be folks who need additional skills. They need to move into a different field. And I think that's where the American Job Center Network and State Workforce Agencies are really positioned well to know how their state has been affected and how their local labor market has shifted and what they need and where the demand for new skills or different skills really is and we'd love to see folks to support that effort.

So one of the things we're doing is even in the conversations with states talking to them about how they communicate more effectively with workers who are out of work temporarily for now but who may have the most challenges or barriers to reentering the workforce. How do we reach those folks, and start the process of helping them back towards new skills and hopefully a new career potentially.

Jonathan Wolfson: Do apprenticeships play a role in kind of reskilling or helping people figure this out? And if so, what - how is ETA working to try to help get people

to work through apprenticeship to develop these skills?

Amy Simon: Yes, that's a great factor. And certainly apprenticeship is a priority and even before now. But I do think at this moment it reveals one of the things that really important about apprenticeship which is that connection to an employer. And that ability to do work-based learnings with an employer.

And so I think the model of apprenticeship is well proven and we have seen so much success with that even in some new fields like stamps manufacturing, cybersecurity, information technology.

But I think we are excited to see that momentum continue. A lot of those pieces, and certainly the Industry-Recognized Apprenticeship Rule which came out last summer. And I think we are just looking for that first crop of standards recognition entities who in the process of applying now. We're excited to see what that process looks like and to see the apprenticeship model expand and meet the changing needs quite frankly of America's workforce.

And so we've been encouraged by the interest in the program. And we'll just see - we'll see how that unfolds later this summer. But certainly believe that apprenticeship has a space - has a key place in this conversation about how we get returned to work so.

Jonathan Wolfson: Absolutely. And, you know, one of the interesting things for the department is even in the midst of COVID, which has been really important and we need to help the American workforce, help businesses figure out how to deal with it, how to work with their workers, how to help make sure people get the benefits they need. At the department we still have a long list of projects that we're trying...

Amy Simon: Yes.

Jonathan Wolfson: ...to accomplish. And, you know, your office finalized the Industry-Recognized Apprenticeship Rule earlier this spring. And that, you know, you've been working on, Trade Adjustment Assistance. Your office has kind of done both response to COVID and also all of the other really important work that ETA had been doing before. Talk a little bit about how your agency has balanced continuing to advance the mission and the goals that you were working towards back in December and January...

Amy Simon: Right.

Jonathan Wolfson: ...while simultaneously addressing this huge challenge that we've all been facing.

Amy Simon: Yes, absolutely. And I think that that's a question we're continuing to ask. So but I mean today actually the last day of the program year so we're wrapping up, you know, investments across our workforce, Job Corps, apprenticeship space for the end of the program year.

And I think that's just a reminder that these existing projects that we started last summer are continuing. And I think there are plenty of things that did get moved off the plate for a moment. But I think we've had a bunch of conversations internally about how do we manage the fact that COVID is really the majority of what we're focused on. But that we still have other priorities and we still have other things to keep moving forward.

And so developed some ways to keep our eyes on multiple projects and to - ensure that we do hit the finish line. So for instance like you mentioned, the final rule and the waiting for the Trade Adjustment Assistance Program and

even those that have already - the final rule has been published still have implementation activities. They still have communication that we want to share about those things.

So some of those things we're working our ways behind the scenes. But making sure we actually get them to the finish line is certainly something we've been talking about and focused on internally because we don't want to lose the momentum that we've had in some of those key areas and think that the broader landscape is actually perhaps in some cases even more in need of what that rule brought to the table even pre-pandemic.

Jonathan Wolfson: Yes. No, absolutely. Well, thanks for sharing and being forthcoming...

Amy Simon: Sure.

Jonathan Wolfson: ...about these things. I think let's see if there are any questions that we received from any of our audience. And we can add those to our list and try to talk about some of those.

Amy Simon: Okay.

Jonathan Wolfson: While we're waiting for a question from the phone or from our chat, let me just ask what role does ETA see IRAP playing in the pandemic recovery?

Amy Simon: Certainly. So as I mentioned we are right at the first batch of Standards Recognition Entities applying and those will be the organizations that recognize individual IRAP eventually.

And so we think, you know, employers or businesses or trade associations, variety of organizations can be well-positioned to have insight into where

there's a particular niche where apprenticeship would be a really good solution and who can provide the structure to create that apprenticeship opportunity.

And so I think we are encouraged to see interest in our program and I'm very interested to see how that first pool of applicants looks and what comes out of this first round of implementation. I do think like I mentioned earlier, work-based learning will continue to be a centerpiece of workforce effort here and beyond for sure.

Jonathan Wolfson: Great. Well, one question we have received is what step is ETA taking to promote program integrity and prevent fraud in the UI system?

Amy Simon: Yes. That's a great question. And one that we have been speaking about even long - as well, long before COVID-19.

So the importance of maintaining accurate and timely payments in unemployment insurance is a foundation to the entire program. But as you know UI has struggled with improper payment rates over 10%, a national average over 10%. And so that's where we have to do some very intentional work with the highest risk base to bring down those improper payment rates.

And so in the last quarter of 2019, the national rate was lower than it had been in several years. And so we were encouraged by the progress there. We're encouraged by state action to address known causes or root causes of improper payments.

But obviously now we're in a new world with brand new UI Programs, with state combatting often organized crime rings. Like it's a new attack on states figuring out new programs.

And so what we've really tried to do is ensure that the program integrity message was there from the very beginning of this process and so almost every single piece of guidance that we did use has included a section on program integrity.

And we really want to be in a position to help states prevent fraud. We want to be in a position to help the right folks, the eligible folks get their benefits quickly. Like our interest is not in slowing down the process but ensuring that the process works properly and eligible folks are able to access benefits.

And so I think one of the other things is that we've noticed that given especially the \$600 plus up there's more fraud attempts than there might have been otherwise.

And so how do we prepare states to respond to that? And when states notice issues or when financial institutions notice issues we've responded proactively and quickly working with law enforcement when necessary and appropriate to lead those investigations to support in any way that we can. We're actually working on a piece of guidance to clarify some data sharing elements between states and the IG . We're working with some of the banking regulators who facilitate information flow back and forth between financial institutions and states in some cases.

And so I think we see this as an ongoing conversation and certainly in the PUA and PUA Program specifically there's still ways that we are finding that states need help to prevent fraud, to cut down on improper payments.

And I think we are also aware that the IG and other law enforcement bodies, will be interested in how these billions of dollars benefit - were spent. And we

don't want to be in a position where fraud was a major part of that story both for the American taxpayers whose dollars it really is and for beneficiaries who are eligible for the benefits.

And so think one of our key messages has been that we want to be in the frontend of that conversation. So for instance we are finalizing a checklist, an implementation checklist for states so that they can go through and identify have we done all of these things. This is exactly how our IT system is set up. So we want to be in a place that states are encouraged and helped. Not simply told but also helped to be in a position to prevent, detect fraud.

Jonathan Wolfson: That's great. I'll just remind those who are on the phone. If you press star 1 you can be placed in the question queue. I guess a question came in for me. So I'll ask and answer my own question.

Someone asked how do we reduce regulatory burdens and make it easier for employers to comply?

And, you know, we can talk a little bit about just how, you know, what we do in the department on a regular basis is we're interacting with our stakeholders. But we need them to tell us when we have - if there is something that we have put out that we think or has been there for a long time that we think is helpful for the regulated community or if we think this helps workers but it actually just creates a burden, right. If we say hey you have to make sure that you only bring employees into work between specific hours or if we put these burdens on, we don't always know here that those are going to be problematic.

And so if the regulated community tells us hey we want to provide our employees, you know, I think regulatory is a great example. We have employers come to us and they said look, we provide snack bars to our

employees. But we've been told by some of our lawyers that if we do that we have to then for every hour they take overtime include the value of the snack bar which who knows what that is because it's going to depend on how much snack a person takes, we're going to have to include that in our calculation of paying them overtime.

And so that was a situation where we had stakeholders tell us this is a problem. We looked at the regulation. And we said actually there's some clear principles here. The principles are you want to encourage employers to provide perks to their employees within the bounds of the law.

And there's some things that the law has been very clear on certain perks you can't provide. So for example, if an employer provides childcare it's pretty clear that the statute doesn't allow that to be excluded. You would have to then include that in overtime calculation.

But there are other things that can be excluded from the regular rate of pay and from overtime payment. And so we try to identify what those were and provide clarity.

And then the other thing that we try to do is not always be so specific where we say hey it's a snack bar that serves pretzels, right. If we say a snack bar that would allow a little leeway and latitude for a company because you might have employees that don't like pretzels. And so rather than us, the Department of Labor, guessing what those employees and employers are going to want we try to set out guiding principles of snack bars in general are fine, coffee is fine. Maybe having a sit-down banquet is not. You know there can be some line drawing.

And you try as much as you can to give clear lines but also give enough

leeway for the businesses and for the workers to negotiate those things because ultimately a lot of times those are provided for employees as a perk. The employees are going to choose one company over another because of some of those benefits that they're going to get.

Another question, I would love for you to talk a little bit more about thinking back over the last few months in the response to COVID and think about now in your new role but also in your other role with ETA.

Amy Simon: Yes.

Jonathan Wolfson: You know we've all been in the building, working from home a lot. And we've been on phone calls and in meetings at all hours of the day, night, weekends...

Amy Simon: Absolutely.

Jonathan Wolfson: ...holidays. I mean it's been 1000 miles an hour for everybody for weeks and weeks. But if you think back what was one of the proudest moments that you had for what ETA has been able to accomplish or way you've been able to really provide an impactful change for the American people in the response to COVID?

Amy Simon: Absolutely. And there have been many moments like that. To your point in the middle of the 1000-mile-an-hour days and nights. I think a few things stand out.

One is the great team in Office of Unemployment Insurance and their work right after the CARES Act was passed. So implementing those CARES Act Programs is actually dependent on an agreement between the U.S. Department

of Labor and the states.

And so some of the benefits are retroactive to the date of that agreement. And so it was really critical that those happen as quickly as possible so that folks could have benefits to the earliest possible point in some cases.

And so I think I was just amazed at the work that the Office of Unemployment Insurance and ETA front office and the entire building put in ensuring that those agreements were ready to go the day after CARES Act was enacted.

And so that sort of teamwork and effort is incredibly stunning and it's not something that many folks are going to know about it. And it's hard to even explain the impact, right. But I was amazed at the team's ability to do that.

And there's another moment like that in early May, in less than two weeks the team put together 12 separate pieces of really critical guidance that went through I think seven or eight layers of review each and got them out to the door to states on some really critical issues.

And I think knowing that they were also facing massive inflow on a daily basis from the general public, from stakeholders, from State Workforce Agencies, from Congressional Staff and knowing that they - even in the middle of that could prioritize and work as a really effective team and that includes Office of Facilitator. It includes ASP. It included Office of the Secretary.

So inside the building seeing that teamwork and then seeing the results for states being able to move forward with confidence. And in those moments just like the tiredness, and to be on a team like that. And so it's been remarkable to see the professionalism and the dedication of this group.

Jonathan Wolfson: Yes. No. And I will echo that. It's kind of, you know, we are the ones who sit on the video. But, you know, even just to put this together, we have teams from both of our offices who are spending lots of time and effort and it's a privilege to be sitting where we're sitting and knowing that the great work is going on. And we're excited to get to share it.

But knowing that every day we've got hundreds and thousands of dedicated Americans who are coming to help their fellow Americans. There are so many things the Department of Labor is doing that a handful of us couldn't do by ourselves.

And, you know, it's really valuable service that we get from our staff. And so that's been great.

Well, let me just ask because we got a question about where people can find compliance assistance materials. If people are looking for more information about ETA's response to COVID, what are some good resources that they could look to?

Amy Simon: Yes, absolutely. So for the earlier conversation about apprenticeship, [apprenticeship.gov](https://www.apprenticeship.gov) is always a great place for front door for all things apprenticeship. For coronavirus specific things, there's some sites on our DOL home page or ETA's home page. So dol.gov/agencies/eta/coronavirus which is we'll make sure we share the link with you as well. Is a good spot for ETA specific items so there's lots of FAQs. There's also some unemployment insurance specific sites and I'll make sure we share those with the crew as well.

But those have really been in some sense our front door for all the information

we're sharing to folks across the country.

Jonathan Wolfson: Well and I'll just also again highlight employer.gov and worker.gov as good places for folks especially if you're a small business owner.

If you're an employee and you don't know exactly where to turn, those are really good resources because you don't have to know the things that before I started in Department of Labor I didn't know either. Just all the intricacies of which office and which sub-office and which, you know, part of - which leadership person in that office is the right place to figure out the answers. There's a lot of good opportunities to find that information there.

Well, Amy I really appreciate you joining us today. It doesn't look like we've received any phone questions. Operator, is that correct?

Coordinator: That's correct. No questions at this time.

Jonathan Wolfson: Excellent. Well Amy I just want to thank you again for joining us. Thank all of you for joining us today as well. This is an opportunity that we relish to get to share with you the great work of the men and women of the Department of Labor. And it's great to get to share the table with you for a little bit of time.

And I would just invite all of you who are participating. If you have additional questions or concerns don't hesitate to reach out to us. As I mentioned you can reach out to the Office of Compliance Initiative, at compliance@dol.gov. You can visit the ETA or the Office of Assistant Secretary for Policy website and those will direct you to the various locations.

And if you are interested, feel free to join us tomorrow for the final ASP

chapter of these Virtual Roadshows where I'm going to be joined by Acting Assistant Secretary for the Employee Benefits Security Administration Jeanne Klinefelter Wilson.

And we're going to be focusing our outreach on healthcare industry including emergency responders so that's tomorrow afternoon.

Thank you all again for joining us. Be well and stay safe.

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