



Department of Labor
**FY 2027 Joint Finance Committee
Hearing**

February 4, 2026

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The Mission

The Delaware Department of Labor promotes a strong economy by empowering workers, job seekers, and employers – ensuring safety and justice in the workplace; partnering with employers to cultivate a skilled workforce; and connecting people to benefits, employment, training and labor market information.



DOL Organization

- Office of Workforce Development
- Director of Finance

Labor Market Information

Seasonally adjusted unemployment rate	5.2 %
Labor Force Participation Rate	59.4 %
Unemployment by County	New Castle - 5 % Kent - 5.6 % Sussex - 5.1 %
Job Increase (Dec. 2024 – Dec. 2025)	5,400
Industry with most growth	Private education and health services
Industry with least growth	Manufacturing

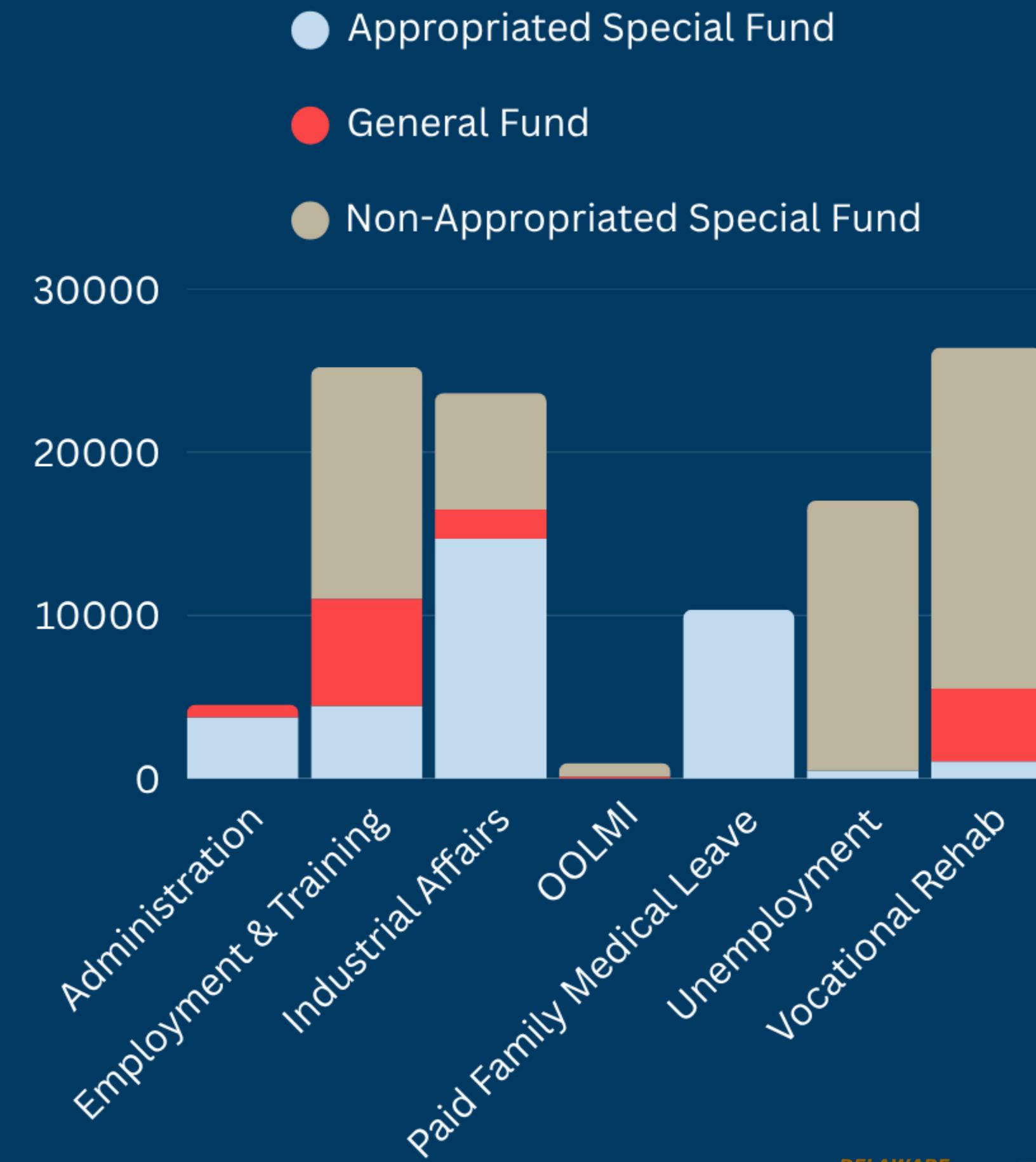
FY 2027 Outlook

Recommended Budget

- \$628,200 Increase in General Funding
- \$108.65 Million DOL Operating Budget
- 7.74% YoY Increase
- \$14.26 M (GF); \$34.74 M (ASF); \$59.65 M (NSF)
- 4.20% Overhead/Indirect Cost

Strategic Priorities

- UI Modernization
- Paid Family Leave
- Workforce Development



Mission

To provide accurate, timely and professional support to assist Labor's service divisions in achieving their goals.

FY 2027 Recommended Budget

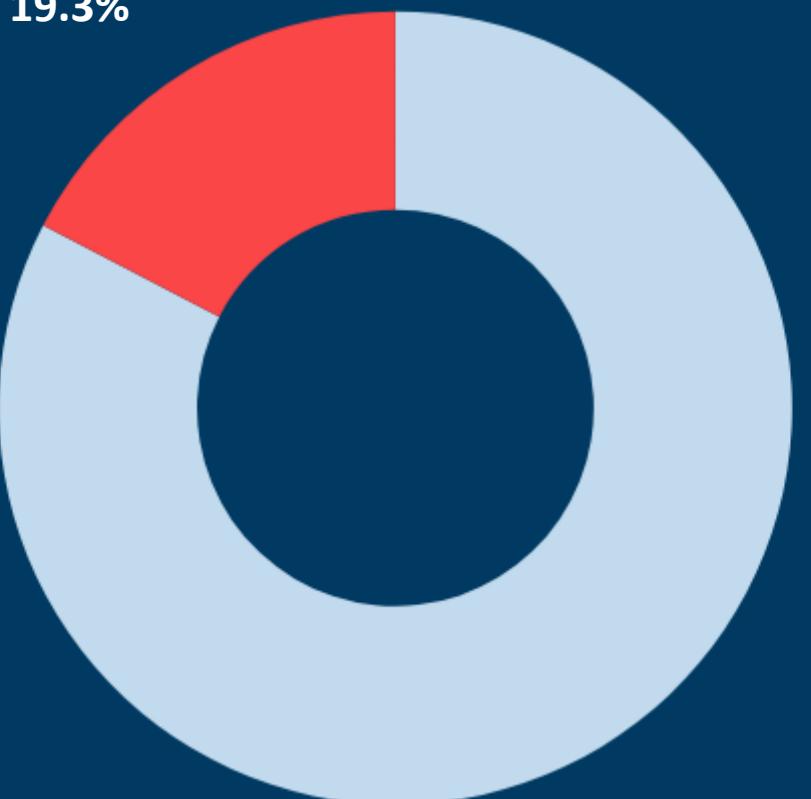
- \$4.67 Million
- Craft Training – establish permanent spending authority for administrative costs.

Staffing

- 47 FTEs
- 3 IT vacancies currently being recruited

Administration

General Fund
19.3%



Appropriated Special Fund
80.7%

Mission

To provide access to paid parental leave, medical, and family caregiving leave benefits for eligible Delaware workers.

FY 2027 Budget Request

- \$10.35 Million
- \$6.54 Million increase over FY 2026
- 10 Additional Positions

Staffing

- Paid Leave is actively recruiting all newly approved positions

Paid Leave



Performance Metrics

- Combined loss ratio
- Timely claims adjudication
- Affirmance rate

Highlights

- Registered users : 12,824 (as of 1/24/2026)
 - Employers: 6,632
 - 5,006 in public plan (994 voluntarily), 1,521 on private insurance policies, and 105 self-insured programs
 - Third Party Administrators: 191 TPAs serving 70% of ERs
- Claims: 1,173 (as of 1/30/2026)
 - Parental = 354, Medical = 338, Family = 126, QE = 2
 - Approved = 79, Pending = 388, Ineligible = 296
- Contributions: Approximately \$50 million (through Q3 2025)
 - \$40M Processed, \$4M in Suspense
 - \$6 delayed by tech issues

Legislation & Initiatives

- Actuarial Study (SB 200)
- Becoming an official Division
- PFML Advisory Board

Paid Leave

Balance Sheet (Unaudited) (as of June 30, 2025)

Cash and Cash Equivalents	\$912,427
Accounts Receivable	12,982,496
Current Liabilities	286,607
Net Fund Balance	\$13,608,317

Unemployment Insurance

Mission

To minimize the impact that unemployment has on the individual, their family, and community through temporary financial assistance and connection to reemployment resources.

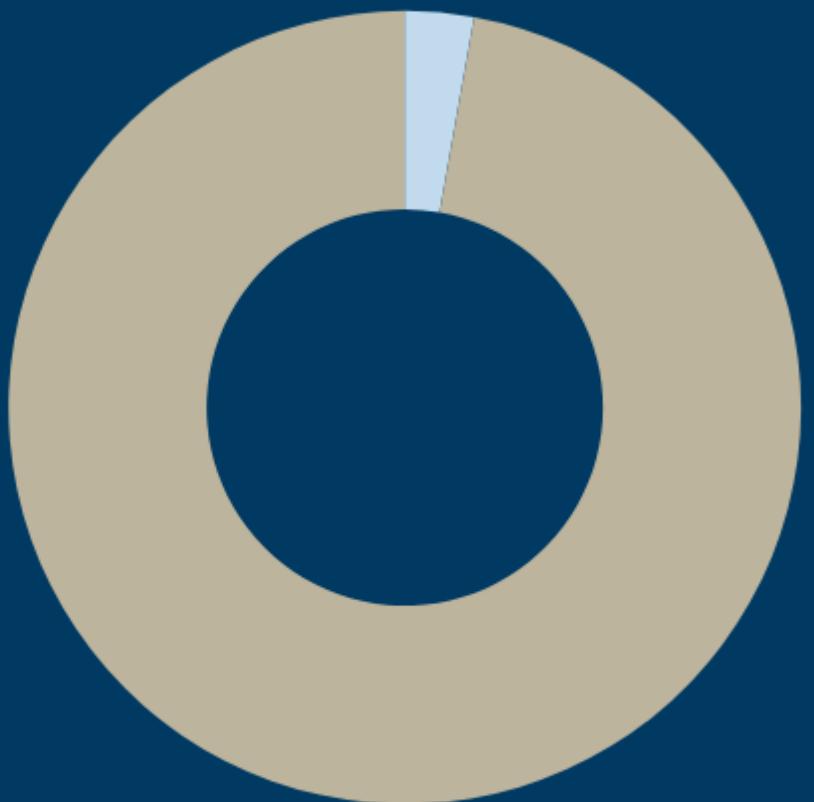
FY 2027 Budget Request

- \$17.03 Million
- No change from FY 2026
- No new request

Staffing

- 16 vacancies currently being recruited
- 10 reclasses underway

Appropriated Special Fund
2.8%



Non-Appropriated Special Fund (Grant)
97.2%

Federal Performance Metrics

Measure	FY 2025 Actual	FY 2027 Goal
% of Timely First Payment (21 days)	53.9%	87.0%
% of New Employer Tax Account Established Timely	72.8%	80.0%

Highlights

- “Mission Backlog”

Legislation & Initiatives

- Modernization

Unemployment Insurance

Balance Sheet (Unaudited) (as of June 30, 2025)

Cash and Cash Equivalents	\$36,919,676
Investment - UI Trust Fund	276,864,697
Accounts Receivable	48,847,619
Current Liabilities	106,368,995
Net Fund Balance	\$256,262,998

Trust Fund is solvent with AHCM of .91 for 2025

Industrial Affairs

Mission

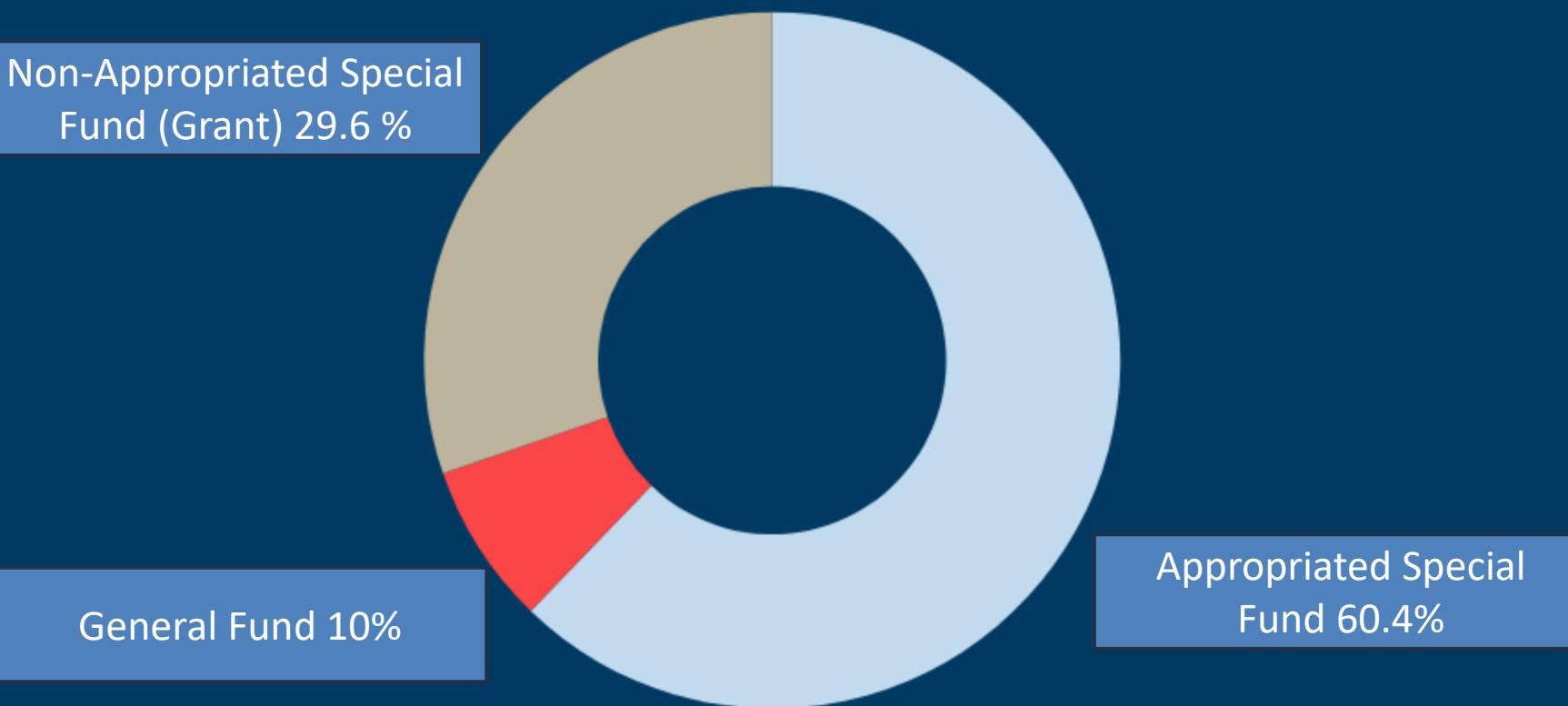
To foster, promote, and develop the welfare of the wage earners of the state of Delaware, to improve their working conditions, and to advance their opportunities for profitable employment.

FY 2027 Budget Request

- Requesting spending authority; \$520.0 ASF in Personnel and \$75k ASF in Contractual
- \$550.0 and 6 FTEs to support wage theft protection efforts.

Staffing

- 7 vacancies, 5 under active recruitment



Industrial Affairs

Performance Metrics

Measure	FY 2025 Actual	FY 2027 Goal
# Days Petition Filed to Hearing Date (Worker's Comp)	135.29	120
# Days Hearing to Decision (Worker's Comp)	34.2	14
# Days Resolve Wage & Hour Claim	30.43	30
# Days Resolve Construction Enforcement Investigations	59	90
# Safety & Health Consultations	115	200
# Days Resolve Discrimination Claims	193	180

Highlights

- 50% decrease contractor penalties
- \$465k collected on behalf of employees

Legislation & Initiatives

- Enforcement of wage theft
- Strengthen child labor enforcement
- Worker's Comp overhaul (1997)
- Contractor registration
- Modernization for the division

Vocational Rehabilitation

Mission

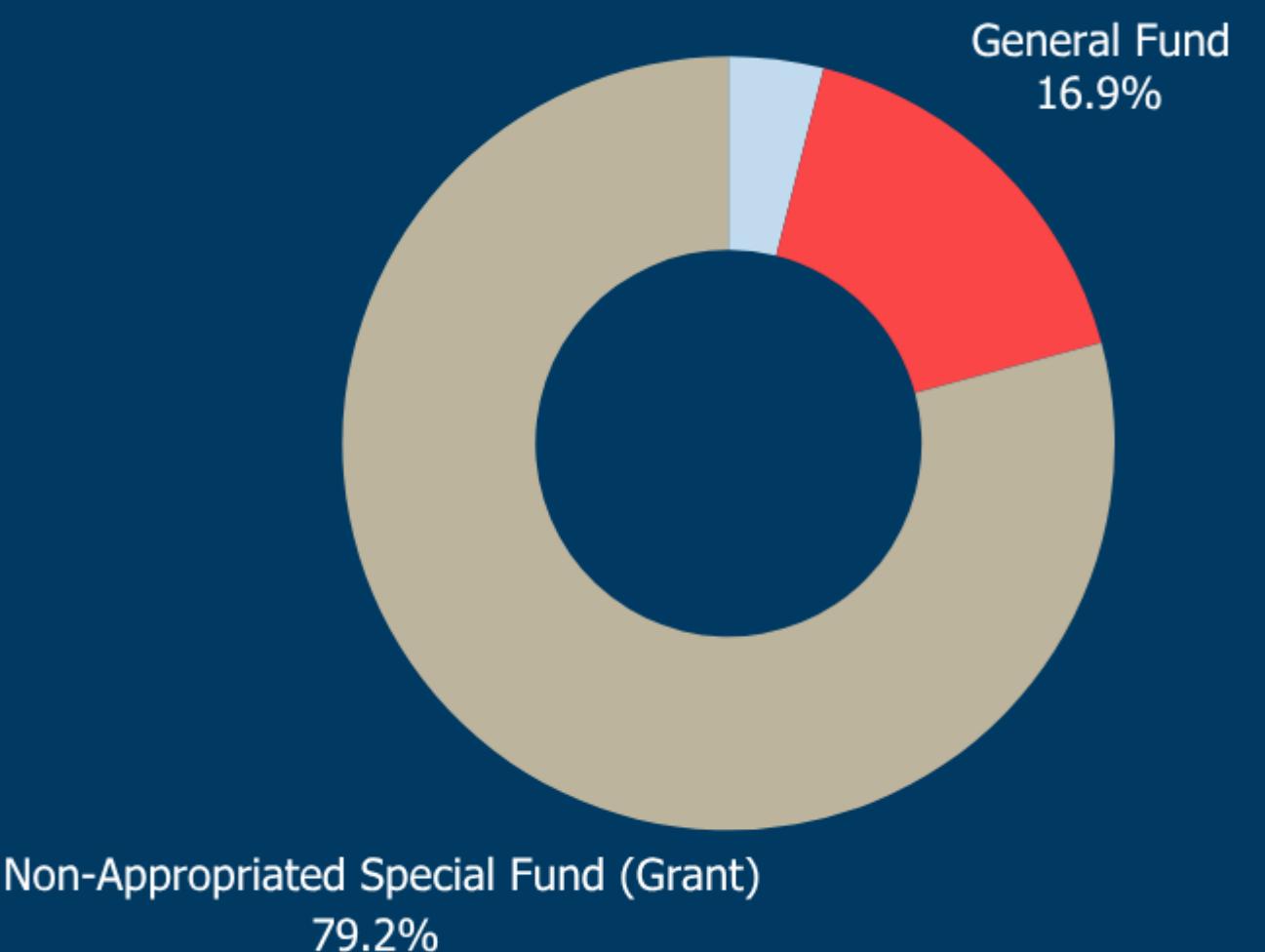
We provide individualized services to employers and people with disabilities, developing career pathways that link qualified employees to jobs, resulting in greater independence and a more inclusive workplace.

FY 2027 Budget Request

- No new requests

Staffing

- Recruitment and Retention Strategies



Federal Performance Metrics

Measure	FY 2025 Actual	FY 2027 Goal
Employer rate second quarter after exit	51.0%	51.0%
Employment rate fourth quarter after exit	47.6%	48.0%
Median Earnings	\$5,280	\$5,480
% Credential Attainment	54.0%	55.0%
# DDS cases processed	12,500	11,200
% Accuracy rate from federal	96.0%	96.0%

Vocational Rehabilitation

Highlights

- Transition Services
- Workforce Innovation Opportunity Act
- Performance Measures Achieved
- Disability Determination Services Case Processing Time

Legislation & Initiatives

- Office of Deaf and Hard of Hearing

Employment & Training

Mission

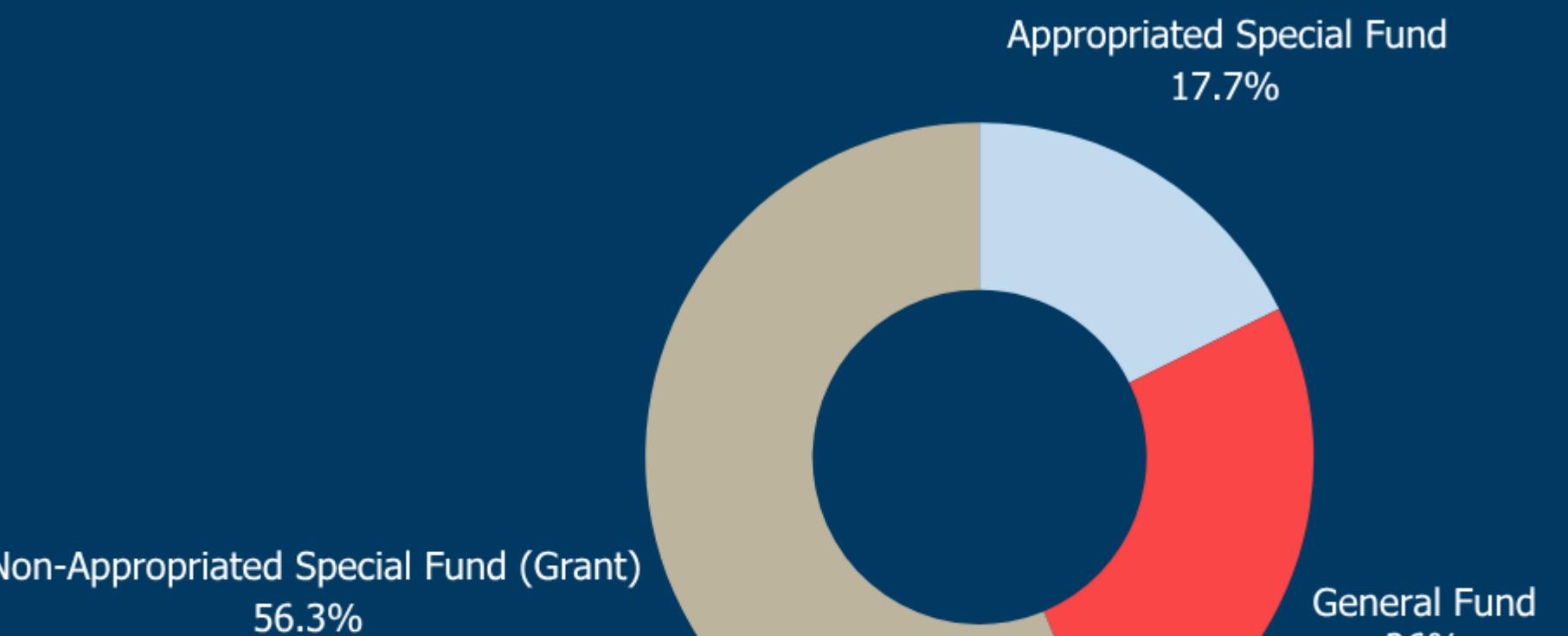
To provide services which enable employers and job seekers to make informed employment and training choices leading to employment.

FY 2027 Budget Request

- \$25.17 Million
- \$17.8 ASF Craft Training – establish permanent spending authority for admin costs.
- (\$64.8) Elevate Delaware – reduction will have minimal impact.

Staffing

- 9 vacancies under active recruitment



Federal Performance Metrics

Measure	FY 2025 Actual	FY 2027 Goal
Employment rate second quarter after exit	73.7%	70.1%
Employment rate fourth quarter after exit	71.8%	72.0%
Median Earnings	\$8,590	\$6,925
% Credential Attainment	68.7%	68.5%

Employment & Training