

## Labor Department DOL40000

### Permanent Full-Time Positions

| Fund                       | Actual<br>FY 16 | Actual<br>FY 17 | Governor<br>Estimated<br>FY 18 | Original<br>Appropriation<br>FY 19 | Governor<br>Revised<br>FY 19 | Legislative<br>FY 19 | Difference<br>Leg-Gov<br>FY 19 |
|----------------------------|-----------------|-----------------|--------------------------------|------------------------------------|------------------------------|----------------------|--------------------------------|
| General Fund               | 191             | 191             | 191                            | 191                                | 201                          | 191                  | (10)                           |
| Workers' Compensation Fund | 2               | 2               | 2                              | 2                                  | 2                            | 2                    | -                              |

### Budget Summary

| Account                                | Actual<br>FY 16   | Actual<br>FY 17   | Governor<br>Estimated<br>FY 18 | Original<br>Appropriation<br>FY 19 | Governor<br>Revised<br>FY 19 | Legislative<br>FY 19 | Difference<br>Leg-Gov<br>FY 19 |
|--|-------------------|-------------------|--------------------------------|------------------------------------|------------------------------|----------------------|--------------------------------|
| Personal Services                      | 9,480,620         | 8,617,273         | 8,418,030                      | 8,747,739                          | 9,003,989                    | 8,503,989            | (500,000)                      |
| Other Expenses                         | 1,231,539         | 1,145,343         | 1,026,326                      | 1,080,343                          | 1,126,326                    | 1,026,326            | (100,000)                      |
| <b>Other Current Expenses</b>          |                   |                   |                                |                                    |                              |                      |                                |
| CETC Workforce                         | 584,594           | 493,670           | 556,800                        | 619,591                            | 457,632                      | 557,632              | 100,000                        |
| Workforce Investment Act               | 32,518,662        | 34,117,416        | 36,626,347                     | 36,758,476                         | 36,662,281                   | 36,662,281           | -                              |
| Job Funnels Projects                   | 213,828           | 149,132           | 73,342                         | 108,656                            | -                            | 73,342               | 73,342                         |
| Connecticut's Youth Employment Program | 5,149,042         | 5,188,454         | 250,000                        | 4,000,000                          | 3,000,000                    | 4,000,000            | 1,000,000                      |
| Jobs First Employment Services         | 15,145,904        | 14,169,348        | 12,477,223                     | 13,869,606                         | 12,482,645                   | 12,482,645           | -                              |
| STRIDE                                 | 490,768           | 412,680           | -                              | -                                  | -                            | -                    | -                              |
| Apprenticeship Program                 | 544,048           | 481,559           | 465,342                        | 465,342                            | 465,342                      | 465,342              | -                              |
| Spanish-American Merchants Association | 474,426           | 393,219           | 300,367                        | 400,489                            | 300,367                      | 300,367              | -                              |
| Connecticut Career Resource Network    | 147,125           | 144,006           | 153,113                        | 153,113                            | 153,113                      | 153,113              | -                              |
| Incumbent Worker Training              | 663,588           | 529,257           | -                              | -                                  | -                            | -                    | -                              |
| STRIVE                                 | 224,788           | 179,970           | 76,058                         | 108,655                            | -                            | 76,058               | 76,058                         |
| Customized Services                    | 395,157           | -                 | -                              | -                                  | -                            | -                    | -                              |
| Opportunities for Long Term Unemployed | 3,023,025         | 1,753,994         | 1,315,495                      | 1,753,994                          | 1,315,495                    | 1,753,994            | 438,499                        |
| Veterans' Opportunity Pilot            | 301,230           | 349,669           | 227,606                        | 227,606                            | 227,606                      | 227,606              | -                              |
| Second Chance Initiative               | 1,004,783         | 1,178,312         | 311,403                        | 444,861                            | 311,403                      | 311,403              | -                              |
| Cradle To Career                       | 191,980           | 97,767            | -                              | 100,000                            | -                            | 100,000              | 100,000                        |
| 2Gen - TANF                            | 739,245           | 675,000           | -                              | -                                  | -                            | -                    | -                              |
| ConnectiCorps                          | 74,000            | 76,567            | -                              | -                                  | -                            | -                    | -                              |
| New Haven Jobs Funnel                  | 406,853           | 403,201           | 201,931                        | 344,241                            | 201,931                      | 344,241              | 142,310                        |
| Healthcare Apprenticeship Initiative   | -                 | -                 | -                              | 1,000,000                          | -                            | 500,000              | 500,000                        |
| Manufacturing Pipeline Initiative      | -                 | -                 | 500,000                        | 1,000,000                          | 500,000                      | 1,000,000            | 500,000                        |
| <b>Agency Total - General Fund</b>     | <b>73,005,206</b> | <b>70,555,837</b> | <b>62,979,383</b>              | <b>71,182,712</b>                  | <b>66,208,130</b>            | <b>68,538,339</b>    | <b>2,330,209</b>               |
| Opportunity Industrial Centers         | 475,000           | 475,000           | 475,000                        | 475,000                            | 475,000                      | 475,000              | -                              |
| Individual Development Accounts        | 190,000           | 190,000           | -                              | -                                  | -                            | -                    | -                              |
| Customized Services                    | 950,000           | 950,000           | 950,000                        | 950,000                            | 950,000                      | 950,000              | -                              |
| <b>Agency Total - Banking Fund</b>     | <b>1,615,000</b>  | <b>1,615,000</b>  | <b>1,425,000</b>               | <b>1,425,000</b>                   | <b>1,425,000</b>             | <b>1,425,000</b>     | <b>-</b>                       |
| Occupational Health Clinics            | 661,693           | 662,911           | 686,300                        | 687,148                            | 687,148                      | 687,148              | -                              |

| Account                                      | Actual<br>FY 16   | Actual<br>FY 17   | Governor<br>Estimated<br>FY 18 | Original<br>Appropriation<br>FY 19 | Governor<br>Revised<br>FY 19 | Legislative<br>FY 19 | Difference<br>Leg-Gov<br>FY 19 |
|--|-------------------|-------------------|--------------------------------|------------------------------------|------------------------------|----------------------|--------------------------------|
| Agency Total - Workers'<br>Compensation Fund | 661,693           | 662,911           | 686,300                        | 687,148                            | 687,148                      | 687,148              | -                              |
| <b>Total - Appropriated Funds</b>            | <b>75,281,899</b> | <b>72,833,748</b> | <b>65,090,683</b>              | <b>73,294,860</b>                  | <b>68,320,278</b>            | <b>70,650,487</b>    | <b>2,330,209</b>               |

| Account | Governor<br>Revised<br>FY 19 | Legislative<br>FY 19 | Difference from<br>Governor |
|---------|------------------------------|----------------------|-----------------------------|
|---------|------------------------------|----------------------|-----------------------------|

## Policy Revisions

### Adjust Funding Due To Diminishing Federal Funds

|                                 |                |          |                  |
|---------------------------------|----------------|----------|------------------|
| Personal Services               | 500,000        | -        | (500,000)        |
| <b>Total - General Fund</b>     | <b>500,000</b> | <b>-</b> | <b>(500,000)</b> |
| <b>Positions - General Fund</b> | <b>10</b>      | <b>-</b> | <b>(10)</b>      |

#### Background

The agency is primarily federally-funded. Recent reductions in federal funds available to the agency have resulted in deficiencies that have historically been covered using existing agency reserves.

#### Governor

Provide one-time, half-year funding of \$500,000 to cover diminishing federal funds through 12/31/18.

Effective 1/1/19 a proposed administrative assessment surcharge of 0.05% on the first \$15,000 of taxable employees' wages (to be paid by the employer) is implemented in order to provide on-going funding to the agency. The surcharge is anticipated to yield approximately \$9 million when fully annualized. Section 1 of SB 6, "An Act Implementing the Governor's Budget Recommendations for General Government," enacts this policy.

#### Legislative

Do not provide state funding to cover diminishing federal funds. Do not implement an administrative surcharge.

### Adjust Funding for Other Expenses

|                             |                |          |                  |
|-----------------------------|----------------|----------|------------------|
| Other Expenses              | 100,000        | -        | (100,000)        |
| <b>Total - General Fund</b> | <b>100,000</b> | <b>-</b> | <b>(100,000)</b> |

#### Background

PA 16-3 MSS, the FY 17 Revised budget implementer, increased (from \$225 to \$325), the arbitrator fee paid to State Board of Mediation and Arbitration (SBMA) members for the first day of mediation. An appropriation of \$91,600 was provided to cover the estimated cost of this increase.

PA 17-2 JSS, the FY 18 - FY 19 biennial budget, increased (from \$175 to \$500) the additional compensation paid to arbitrators of the SBMA for preparing a written decision. An appropriation of \$40,000 was provided to cover the estimated cost of this increase.

#### Governor

Provide \$100,000 to fund recent shortfalls due to increases in SBMA board member fees.

#### Legislative

Do not provide additional funding.

### Adjust Funding for Various Line Items

|                                      |                  |          |                |
|--------------------------------------|------------------|----------|----------------|
| Job Funnels Projects                 | (73,342)         | -        | 73,342         |
| STRIVE                               | (76,058)         | -        | 76,058         |
| Healthcare Apprenticeship Initiative | (500,000)        | -        | 500,000        |
| <b>Total - General Fund</b>          | <b>(649,400)</b> | <b>-</b> | <b>649,400</b> |

#### Background

The Job Funnels Projects program works with the Workforce Investment Boards, community-based organizations, and labor unions in urban centers to place qualified individuals into careers in specific industries, such as construction.

The STRIVE program, which is run by community-based organizations in Bridgeport, New Haven, and Hartford, is an intensive job-readiness program that includes training, orientation, case management, workplace preparation, personalized job search assistance, and subsequent support services.

The Healthcare Apprenticeship Initiative supplements federal American Apprenticeship Initiative funding to support apprenticeships and pre-apprenticeships statewide in the healthcare field.

**Governor**

Reduce funding by \$649,400 to reflect the elimination of various programs.

**Legislative**

Do not reduce funding for these programs.

**Adjust Funding for CETC Workforce**

|                             |                  |          |                |
|-----------------------------|------------------|----------|----------------|
| CETC Workforce              | (100,000)        | -        | 100,000        |
| <b>Total - General Fund</b> | <b>(100,000)</b> | <b>-</b> | <b>100,000</b> |

**Background**

The Connecticut Employment Training Commission (CETC) has oversight responsibilities for employment and training efforts statewide, and serves as the chief policy board for workforce development. The account partially funds six agency positions.

**Governor**

Reduce funding by \$100,000 in FY 19 to achieve savings.

**Legislative**

Do not reduce funding.

**Rollout SEBAC Attrition Savings to Agencies**

|                             |                  |                  |          |
|-----------------------------|------------------|------------------|----------|
| Personal Services           | (224,496)        | (224,496)        | -        |
| Workforce Investment Act    | (88,596)         | (88,596)         | -        |
| <b>Total - General Fund</b> | <b>(313,092)</b> | <b>(313,092)</b> | <b>-</b> |

**Background**

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

**Governor**

Reduce Personal Services and Workforce Investment Act by \$313,092 to reflect this agency's portion of the attrition savings.

**Legislative**

Same as Governor

**Annualize FY 18 Budgeted Lapses**

|  |                    |                    |                  |
|--|--------------------|--------------------|------------------|
| Personal Services                      | (19,254)           | (19,254)           | -                |
| Other Expenses                         | (54,017)           | (54,017)           | -                |
| CETC Workforce                         | (61,959)           | (61,959)           | -                |
| Workforce Investment Act               | (7,599)            | (7,599)            | -                |
| Job Funnels Projects                   | (35,314)           | (35,314)           | -                |
| Connecticut's Youth Employment Program | (1,000,000)        | -                  | 1,000,000        |
| Jobs First Employment Services         | (1,386,961)        | (1,386,961)        | -                |
| Spanish-American Merchants Association | (100,122)          | (100,122)          | -                |
| STRIVE                                 | (32,597)           | (32,597)           | -                |
| Opportunities for Long Term Unemployed | (438,499)          | -                  | 438,499          |
| Second Chance Initiative               | (133,458)          | (133,458)          | -                |
| Cradle To Career                       | (100,000)          | -                  | 100,000          |
| New Haven Jobs Funnel                  | (142,310)          | -                  | 142,310          |
| Healthcare Apprenticeship Initiative   | (500,000)          | (500,000)          | -                |
| Manufacturing Pipeline Initiative      | (500,000)          | -                  | 500,000          |
| <b>Total - General Fund</b>            | <b>(4,512,090)</b> | <b>(2,331,281)</b> | <b>2,180,809</b> |

**Background**

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

| Account | Governor Revised FY 19 | Legislative FY 19 | Difference from Governor |
|---------|------------------------|-------------------|--------------------------|
|---------|------------------------|-------------------|--------------------------|

**Governor**

Reduce funding by \$4,512,090 to reflect this agency's portion of the non-SEBAC lapses.

**Legislative**

Reduce funding by \$2,331,281 to reflect this agency's portion of the non-SEBAC lapses.

**Totals**

| Budget Components             | Governor Revised FY 19 | Legislative FY 19 | Difference from Governor |
|-------------------------------|------------------------|-------------------|--------------------------|
| Original Appropriation - GF   | 71,182,712             | 71,182,712        | -                        |
| Policy Revisions              | (4,974,582)            | (2,644,373)       | 2,330,209                |
| <b>Total Recommended - GF</b> | <b>66,208,130</b>      | <b>68,538,339</b> | <b>2,330,209</b>         |
| Original Appropriation - BF   | 1,425,000              | 1,425,000         | -                        |
| <b>Total Recommended - BF</b> | <b>1,425,000</b>       | <b>1,425,000</b>  | -                        |
| Original Appropriation - WF   | 687,148                | 687,148           | -                        |
| <b>Total Recommended - WF</b> | <b>687,148</b>         | <b>687,148</b>    | -                        |

| Positions                     | Governor Revised FY 19 | Legislative FY 19 | Difference from Governor |
|-------------------------------|------------------------|-------------------|--------------------------|
| Original Appropriation - GF   | 191                    | 191               | -                        |
| Policy Revisions              | 10                     | -                 | (10)                     |
| <b>Total Recommended - GF</b> | <b>201</b>             | <b>191</b>        | <b>(10)</b>              |
| Original Appropriation - WF   | 2                      | 2                 | -                        |
| <b>Total Recommended - WF</b> | <b>2</b>               | <b>2</b>          | -                        |