

# **DEPARTMENT OF LABOR**

## **MISSION**

The Department of Labor is New York State's primary advocate for job creation and economic growth through workforce development. The Department administers New York's unemployment insurance system, labor exchange system and Welfare-to-Work programs. The Department also oversees State worker protection programs, including enforcement of safety and health regulations in the public sector, State labor laws and Federal statutes related to working conditions, wages and hours and laws related to public work. The Department of Labor serves as the State's principal source for labor market information and offers a variety of services designed to help businesses find workers and people find jobs.

## **ORGANIZATION AND STAFFING**

The Department is headed by a Commissioner with a central office located in Albany. This office is responsible for three Unemployment Insurance Telephone Claims Centers and eight employment service regional offices that oversee employment services staff at 106 locations throughout the State. In addition, through nine worker protection district offices, the Department enforces child labor laws, fosters workplace health and safety and ensures that employees are paid in accordance with provisions of the Labor Law. Offices are staffed based upon the workload in each geographic area.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Department of Labor will have a workforce of 5,103 in SFY 2003-04. Approximately 88 percent of these positions are financed by Federal grants, 10 percent are supported by fees and assessments and the remaining 2 percent are paid by State tax dollars from the General Fund.

General Fund appropriations will provide partial support for Agency administration, employment training and vocational rehabilitation. The increase in State operations appropriations primarily reflects a transfer, discussed below, to the Department of vocational rehabilitation programs presently operated by the Office of Children and Family Services and the State Education Department.

Excluding the \$4.8 billion appropriation for the Unemployment Insurance Benefit Fund, Federal funds support approximately 86 percent of the Department's remaining budget. Specific programs and activities include Workforce Investment Act (WIA) job training services and re-employment services for persons who may be affected adversely by international trade agreements. Under the State Welfare Reform Act of 1997, the Department is responsible for supervising social services district operation of welfare employment programs. The programs are supported by the General Fund, Federal Temporary Assistance for Needy Families (TANF) Block Grant dollars and Federal Food Stamp Employment and Training money.

A Federal TANF appropriation of \$40 million will support programs designed to increase the self-sufficiency of eligible participants, including the Youth Education, Employment and Training Program (YEETP), the Green Teams program, Displaced Homemakers and the Bridge/EDGE Program.

In SFY 2003-04, \$50 million in TANF funding will be made available in the form of a block grant to social services districts and State agencies to support work activities and transitional services through the Department and the Office of Temporary and Disability Assistance (OTDA). This new funding will complement prior-year set-asides for initiatives, such as the New York Works Block Grant, which will remain available for expenditure in the forthcoming fiscal year. The new funding, as well as these existing programs, is structured so that services can be provided to eligible individuals and families with incomes that do not exceed 200 percent of the Federal poverty level, thus providing an important focus on avoiding

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welfare dependency through work. TANF funding is not provided for the 2002 summer youth employment program reflecting the continued phase-out of temporary TANF support as localities implement WIA year-round youth program requirements.

Federal appropriations also include funding to assist individuals and families that are the victims of disasters.

Fee revenues support approximately nine percent of the Department of Labor's non-Unemployment Insurance benefit related budget, funding worker protection and compensation enforcement activities and job training programs. These accounts are financed by fees for health and safety inspections, revenue from Workers' Compensation Board assessments and interest on overdue Unemployment Insurance taxes owed by employers. The Unemployment Insurance benefit appropriation of \$4.8 billion comprises 82 percent of the Department of Labor's overall budget. These benefits are funded from Unemployment Insurance taxes paid by employers.

In SFY 2003-04, the Employment Relations Board (ERB), funded exclusively with General Fund appropriations, will be merged with the Public Employment Relations Board (PERB). ERB helps to mediate disputes between private sector employers and employees to avoid and settle strikes and PERB performs similar services for public sector employers. This merger will facilitate a more streamlined mediation process for both the public and private sectors and will generate General Fund savings through administrative efficiencies.

## ***PROGRAM HIGHLIGHTS***

### ***JOB SERVICES***

Consistent with Workforce Investment Act (WIA) requirements, the Department of Labor and local governments have worked together to open 67 local One-Stop Centers across the State that offer access to a variety of employment services including job referral and placement, education and training, resume preparation, employer services, human resources consultation and support services such as child care and transportation. The Centers benefit employers by providing them with access to worker resumes and information on tax credits, workplace safety issues and apprenticeship services. Department of Labor employment services also help move individuals from welfare to work and help prevent public assistance dependency by focusing on disadvantaged youth, displaced homemakers, and persons who may lose their jobs because of plant closings or relocations.

Through the use of job orders, on-line forms, America's Job Bank and America's Talent Bank available through the Internet, the Department of Labor has made it easier for job seekers and employers to use and benefit from Agency services. For example, employers and job seekers can immediately access relevant information without assistance from Department staff.

In addition to the opening of One-Stop Centers across the State, the Department continues to work with other State and local agencies, community colleges and others to ensure that New York's workforce development system provides access to information and services across agency lines regardless of where a person may initially go for assistance — State office, local government office, community service agency or college placement office.

### ***WORKFORCE INVESTMENT ACT (WIA)***

Federally funded local assistance appropriation authority includes \$309 million for WIA services. WIA provides job training to youth, adults and dislocated workers. WIA also upgrades the skills of those currently working, thus helping employers meet the changing needs of their business operations. Eligible participants access WIA services through a network of local One-Stop Centers for the delivery of employment and training services. WIA also improves customer choice and program effectiveness, as participants can choose training providers based on past performance through the use of individual training accounts.

The State Workforce Investment Board, established in 1999, assists in the development of the State's plan for using WIA funds.

### ***WORKER PROTECTION***

Worker Protection functions are carried out by two Department of Labor programs: Occupational Safety and Health and Labor Standards/Public Work.

The Occupational Safety and Health program is responsible for health and safety inspections and granting licenses to qualified persons to operate or handle dangerous equipment or substances. Statistics for recent years show that the Division inspected 26,980 amusement park devices, 828 ski lifts, 6,635 places of public assembly (e.g., bleachers at concerts), and 31,140 commercial boilers. It also reviewed applications for 793 radioactive materials licenses and 54,538 asbestos licenses and certificates.

The Labor Standards program enforces the Labor Law in such areas as minimum and prevailing wage, child labor and garment industry registration. Statistics for recent years indicate the Division inspected 841 businesses for compliance with child labor laws and collected nearly \$14 million in back wages, unpaid fringe benefits and minimum wage underpayments for approximately 25,750 employees.

### ***UNEMPLOYMENT INSURANCE***

The Unemployment Insurance program makes weekly payments to eligible unemployed workers who have lost a job through no fault of their own. These temporary payments, generally available for up to 26 weeks, help workers and their families pay bills and buy basic household items while looking for work. The Department also operates a re-employment services program to further strengthen efforts to move individuals back to work.

As part of Governor Pataki's continuing efforts to make government more efficient, the Department of Labor operates a telephone claims system that uses computer technology and information received over the phone to determine if applicants are eligible to receive Unemployment Insurance benefits and handle all other processing issues related to an individual's benefits. The system operates through three Tele-Claims Centers located in Troy, Endicott and New York City, and replaces the less efficient process of requiring DOL staff to determine eligibility from paper forms filled out by applicants at local Department of Labor offices. In addition, the Department is currently piloting programs for filing Unemployment Insurance claims and employer registration through the Internet.

A projected deficit in the Unemployment Insurance Trust Fund resulting from the September 11 terrorist attacks and the downturn in the nation economy will require the State to borrow funding from the Federal government in 2003 thereby incurring Federal interest costs. The Budget includes an interest assessment on employer taxes to pay these interest costs.

### ***VOCATIONAL REHABILITATION***

In SFY 2003-04, vocational rehabilitation services for disabled persons will be transferred to DOL to raise the overall effectiveness of these programs through increased coordination with existing DOL employment services. Components of the Commission for the Blind and Visually Handicapped (CBVH) Program will be transferred from the Office of Children and Family Services (OCFS) to provide services to help visually handicapped people live independently and achieve self-sufficiency through employment. Through its regional offices and in conjunction with contracted services with private agencies for the blind, CBVH provides vocational rehabilitation services, and business information and referral services to over 7,000 individuals.

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DOL also will administer CBVH's Business Enterprise Program which develops jobs, including vending stand positions, for approximately 710 clients and its Independent Living Centers which provide employment readiness services through work experience and mentoring. Remaining CBVH functions that serve the elderly will be transferred to the State Office for the Aging (SOFA).

The Vocational and Educational Services for Individuals with Disabilities Program (VESID) will be transferred from the Education Department to provide job training, counseling and placement services for disabled persons throughout New York. Using its network of 15 district offices across the State, VESID provides vocational rehabilitation services to disabled clients tailored to their individual goals, capabilities and needs. This program arranges for job placements for more than 14,576 individuals annually from an active caseload of 59,611.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2002-03	Appropriations Recommended 2003-04	Change	Reappropriations Recommended 2003-04
State Operations	5,412,661,000	5,502,362,000	89,701,000	1,608,162,000
Aid To Localities	397,083,750	347,920,000	(49,163,750)	1,234,674,200
Capital Projects	0	0	0	0
Total	5,809,744,750	5,850,282,000	40,537,250	2,842,836,200

### ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

#### Full-Time Equivalent Positions (FTE)

Program	2002-03 Estimated FTEs 03/31/03	2003-04 Estimated FTEs 03/31/04	FTE Change
Administration			
General Fund	72	32	(40)
Special Revenue Funds - Federal	3,574	3,524	(50)
Commission for the Blind and Visually Handicapped			
General Fund	0	13	13
Special Revenue Funds - Federal	0	161	161
Fiduciary Funds	0	3	3
Employment Relations Board			
General Fund	16	0	(16)
Employment and Training			
General Fund	43	43	0
Special Revenue Funds - Other	74	74	0
Labor Standards			
Special Revenue Funds - Other	225	210	(15)
Occupational Safety and Health			
Special Revenue Funds - Other	215	239	24
Vocational and Educational Services for Individuals with Disabilities			
General Fund	0	8	8
Special Revenue Funds - Federal	0	796	796
Total	4,219	5,103	884

**STATE OPERATIONS  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS  
(dollars)**

<b>Fund Type</b>	<b>Available 2002-03</b>	<b>Recommended 2003-04</b>	<b>Change</b>
General Fund	13,863,000	7,345,000	(6,518,000)
Special Revenue Funds - Federal	546,046,000	603,990,000	57,944,000
Special Revenue Funds - Other	52,752,000	89,713,000	36,961,000
Fiduciary Funds	4,800,000,000	4,801,314,000	1,314,000
<b>Total</b>	<b>5,412,661,000</b>	<b>5,502,362,000</b>	<b>89,701,000</b>

Adjustments:

Transfer(s) To	
Public and Private Employment Relations Board	
General Fund	1,720,000
Appropriated 2002-03	<u>5,414,381,000</u>

**STATE OPERATIONS  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS  
(dollars)**

<b>Program</b>	<b>Available 2002-03</b>	<b>Recommended 2003-04</b>	<b>Change</b>
Administration			
General Fund	5,534,000	2,000,000	(3,534,000)
Special Revenue Funds - Federal	508,086,000	491,865,000	(16,221,000)
Commission for the Blind and Visually Handicapped			
General Fund	0	3,572,000	3,572,000
Special Revenue Funds - Federal	0	12,772,000	12,772,000
Special Revenue Funds - Other	0	250,000	250,000
Fiduciary Funds	0	814,000	814,000
Employment Relations Board			
General Fund	500,000	0	(500,000)
Employment and Training			
General Fund	2,829,000	1,380,000	(1,449,000)
Special Revenue Funds - Federal	860,000	1,010,000	150,000
Special Revenue Funds - Other	11,325,000	11,619,000	294,000
Fiduciary Funds	0	500,000	500,000
Labor Standards			
Special Revenue Funds - Other	16,122,000	16,836,000	714,000
Occupational Safety and Health			
Special Revenue Funds - Other	25,305,000	30,552,000	5,247,000
Unemployment Insurance Benefit Fund			
General Fund	5,000,000	0	(5,000,000)
Special Revenue Funds - Federal	37,100,000	57,500,000	20,400,000
Special Revenue Funds - Other	0	30,000,000	30,000,000
Fiduciary Funds	4,800,000,000	4,800,000,000	0
Vocational and Educational Services for Individuals with Disabilities			
General Fund	0	393,000	393,000
Special Revenue Funds - Federal	0	40,843,000	40,843,000
Special Revenue Funds - Other	0	456,000	456,000
<b>Total</b>	<b>5,412,661,000</b>	<b>5,502,362,000</b>	<b>89,701,000</b>

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**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2003-04 RECOMMENDED  
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	1,380,000	(2,657,000)	1,380,000	(2,657,000)
Employment and Training	954,000	0	954,000	0
Vocational and Educational Services for Individuals with Disabilities	366,600	366,600	366,600	366,600
Total	<u>2,700,600</u>	<u>(2,290,400)</u>	<u>2,700,600</u>	<u>(2,290,400)</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2003-04 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	620,000	(877,000)	38,000	(80,000)
Commission for the Blind and Visually Handicapped	3,572,000	3,572,000	0	0
Employment Relations Board	0	(500,000)	0	0
Employment and Training	426,000	(1,449,000)	35,000	0
Unemployment Insurance Benefit Fund	0	(5,000,000)	0	0
Vocational and Educational Services for Individuals with Disabilities	26,400	26,400	26,400	26,400
Total	<u>4,644,400</u>	<u>(4,227,600)</u>	<u>99,400</u>	<u>(53,600)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	24,000	(50,000)	324,000	(676,000)
Commission for the Blind and Visually Handicapped	0	0	0	0
Employment Relations Board	0	0	0	0
Employment and Training	26,000	0	17,000	0
Unemployment Insurance Benefit Fund	0	0	0	0
Vocational and Educational Services for Individuals with Disabilities	0	0	0	0
Total	<u>50,000</u>	<u>(50,000)</u>	<u>341,000</u>	<u>(676,000)</u>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	34,000	(71,000)	200,000	0
Commission for the Blind and Visually Handicapped	0	0	3,572,000	3,572,000
Employment Relations Board	0	0	0	(500,000)
Employment and Training	26,000	0	322,000	(1,449,000)
Unemployment Insurance Benefit Fund	0	0	0	(5,000,000)
Vocational and Educational Services for Individuals with Disabilities	0	0	0	0
Total	<u>60,000</u>	<u>(71,000)</u>	<u>4,094,000</u>	<u>(3,377,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2003-04 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	491,865,000	(16,221,000)	0	0
Commission for the Blind and Visually Handicapped	13,836,000	13,836,000	0	0
Employment and Training	13,129,000	944,000	0	0
Labor Standards	16,836,000	714,000	12,173,000	580,000
Occupational Safety and Health	30,552,000	5,247,000	15,434,000	3,285,000
Unemployment Insurance Benefit Fund	4,887,500,000	50,400,000	0	0
Vocational and Educational Services for Individuals with Disabilities	41,299,000	41,299,000	20,744,000	20,744,000
<b>Total</b>	<b>5,495,017,000</b>	<b>96,219,000</b>	<b>48,351,000</b>	<b>24,609,000</b>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	0	0	491,865,000	(16,221,000)
Commission for the Blind and Visually Handicapped	113,000	113,000	13,723,000	13,723,000
Employment and Training	0	0	13,129,000	944,000
Labor Standards	4,663,000	134,000	0	0
Occupational Safety and Health	14,983,000	1,962,000	135,000	0
Unemployment Insurance Benefit Fund	0	0	4,887,500,000	50,400,000
Vocational and Educational Services for Individuals with Disabilities	20,099,000	20,099,000	456,000	456,000
<b>Total</b>	<b>39,858,000</b>	<b>22,308,000</b>	<b>5,406,808,000</b>	<b>49,302,000</b>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS  
(dollars)**

<b>Fund Type</b>	<b>Available 2002-03</b>	<b>Recommended 2003-04</b>	<b>Change</b>
General Fund	10,777,750	0	(10,777,750)
Special Revenue Funds - Federal	386,061,000	347,490,000	(38,571,000)
Special Revenue Funds - Other	245,000	430,000	185,000
<b>Total</b>	<b>397,083,750</b>	<b>347,920,000</b>	<b>(49,163,750)</b>

Adjustments:

Transfer(s) From	
Temporary and Disability Assistance, Office of	
Special Revenue Funds - Federal	(32,753,000)
Appropriated 2002-03	<u>364,330,750</u>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS  
(dollars)**

<b>Program</b>	<b>Available 2002-03</b>	<b>Recommended 2003-04</b>	<b>Change</b>
Employment and Training			
General Fund	6,341,000	0	(6,341,000)
Special Revenue Funds - Federal	386,061,000	347,490,000	(38,571,000)
Occupational Safety and Health			
Special Revenue Funds - Other	245,000	430,000	185,000
Community Projects			
General Fund	4,436,750	0	(4,436,750)
<b>Total</b>	<b>397,083,750</b>	<b>347,920,000</b>	<b>(49,163,750)</b>