

DEPARTMENT OF LABOR

MISSION

The Department of Labor (DOL) helps prepare the people of the State for the jobs of today and tomorrow and delivers dozens of services that help people find jobs and employers find workers. The Department administers Federal Unemployment Insurance benefits for people who have lost jobs through no fault of their own. These benefits support New York's workers and their families. DOL also enforces regulations that maintain safety and health in the workplace and ensure fair compensation.

ORGANIZATION AND STAFFING

The Department is headed by a Commissioner and is organized into six programs: Employment and Training; Occupational Safety and Health; Labor Standards; Unemployment Insurance; Employment Relations Board; and Administration.

The Department of Labor's Central Office is located in Albany. The Department also has 75 Community Service Centers located throughout the State which administer the Unemployment Insurance program and provide job training and placement services. Six community service regional offices, located in Binghamton, Hicksville, New York City, Rochester, Saratoga and White Plains, oversee the 75 community service centers. In addition, the Department has nine worker protection district offices which enforce child labor laws, foster workplace health and safety, including elimination of illegal "sweat shop" conditions, and ensure 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 4,589 employees in 1999-00. Approximately 87 percent of these positions are financed by Federal grants; 10 percent are supported by fees and assessments; and the remaining three percent are paid by State tax dollars from the General Fund.

General Fund appropriations, though not the major support of the Department of Labor's operations, will provide partial support for agency administration, job training, welfare employment services, and enforcement activities as well as funding for the Employment Relations Board (ERB) and Youth, Education, Employment and Training programs. ERB helps to mediate disputes between private sector employers and employees to avoid and settle strikes.

General Fund appropriations of \$8,958,700 will support the current level of Youth Education, Employment and Training program contracts that serve economically disadvantaged youth. In addition, a General Fund appropriation of \$2,287,000 will continue support for the Green Teams program contracts that provide vocational training and work experience for approximately 300 youth and 100 adults.

As the lead agency in helping people find jobs and employers find workers, the Department verifies employer tax credits by ensuring that the individuals hired qualify the employer for the tax credit. To improve the processing of tax credits for employers, the budget includes funding for the Department to serve as the single point of entry for employer tax credits. The Department currently processes tax credits that employers receive for hiring welfare recipients and hiring individuals in designated economic development zones. This budget proposes that DOL also process recently enacted employer tax credits for hiring individuals with disabilities, thereby ensuring a simple and efficient method for employers to apply for the various credits.

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Federal Fund appropriations support approximately 26 percent of the Department's overall budget. Specific programs and activities include Unemployment Insurance, Welfare-to-Work, re-employment services for persons who may be affected by international trade agreements, and Job Training Partnership Act (JTPA) and Workforce Investment Act services.

JTPA provides job training to youth, unskilled adults and economically disadvantaged individuals to prepare them for employment. Under the recently enacted Federal Workforce Investment Act (WIA), states must convert from JTPA programs to WIA programs by July 2000. While WIA provides similar services to those under JTPA, WIA funding will be provided through three new block grants and services will be delivered through one-stop delivery systems. Federal local assistance appropriations include JTPA funding for 1999-2000 and additional authority to begin the implementation of WIA programs by July, 2000 should Federal funding become available.

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 General Fund, Federal Temporary Assistance for Needy Families (TANF) block grant dollars, and Federal Food Stamp Employment and Training monies. Highlights include a broad-based expansion of the InVEST Program which helps welfare recipients and other low-income workers upgrade their skills to strengthen employability and earn higher wages; a new hospital based wage subsidy and training demonstration program to help welfare recipients secure and retain employment in the health care industry; an expansion of Governor Pataki's Built on Pride initiative to increase apprenticeship and pre-apprenticeship training programs available to Family Assistance recipients; and a new block grant to social service districts to address specific local employment and training needs.

Federal appropriations also include funding to assist families that are the victims of natural disasters. Adjustments to Federal State Operations appropriations reflect an increase of \$51 million for the Unemployment Insurance and other employment related programs, mostly attributable to the new re-employment services program established in last year's Unemployment Insurance reform bill, partially offset by the elimination of \$22.9 million in authority for one-time payments associated with last year's North Country ice storm.

Fee revenues support approximately one percent of the Department of Labor's overall budget, funding worker protection and compensation enforcement activities and job training programs. These accounts are financed by fees the agency collects for health and safety inspections related to asbestos abatement, commercial boiler operation, amusement park rides and tramways, and penalties collected from employers who are late in paying Unemployment Insurance taxes or providing important Unemployment Insurance data. To achieve General fund savings, the budget proposes the transfer of twelve Labor Standards positions from the General Fund to the State account supported by Department fee revenues. Revenue from Workers' Compensation Board assessments on employers and insurance companies also supports worker protection and enforcement activities, as well as a workplace safety contract program. The Unemployment Insurance benefit appropriation of \$2.5 billion comprises 71 percent of the Department of Labor's overall budget. These benefits are funded from Unemployment Insurance taxes paid by employers.

The Department's budget also includes an appropriation of \$245,000 which partially finances construction projects by local governments to correct workplace hazards and is supported by the penalties assessed against public employers whose workplaces do not comply with State health and safety standards.

PROGRAM HIGHLIGHTS**JOB SERVICES**

Through its Community Service Centers located statewide, the Department of Labor offers "One Stop Shopping" in its delivery of employment services. This approach ensures that individuals have access to a variety of employment services, including job referral and placement, education and training, resume preparation, employer information, and support services such as child care and transportation, all at one location. The Centers also benefit employers by providing them with access to worker resumes and information on tax credits, workplace safety issues and apprenticeship services. To assist with ongoing implementation, the Department has awarded \$3 million in federal grants to 24 counties and New York City to help them establish One-Stop career centers. 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 computers, the Department of Labor has made it easier for job seekers and employers to use and benefit from agency services. For example, employers can enter their job openings and review information about job seekers through the computer without needing any assistance from Department of Labor staff. Similarly, job seekers can independently review the list of job openings. Because the information is on computer, employers and job seekers do not have to visit a Department of Labor Center, but can directly access the Department's database from the Internet. These job-finding services are supported with Federal funds. In program year 1997, the Department of Labor served approximately 460,000 individuals and successfully placed an estimated 62,000 individuals in jobs.

In addition to the development of One-Stop Centers across the State, the Department is working with other State and local agencies, community colleges and others to build a workforce development system that 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.

JOB TRAINING PARTNERSHIP ACT (JTPA) PROGRAM/WORKFORCE INVESTMENT ACT (WIA)

The Job Training Partnership Act (JTPA) Program is supported by Federal dollars and provides job training services to youth, unskilled adults, welfare recipients and workers who have lost a job because of a plant closing or relocation. These services are provided by local governments and community agencies under Department of Labor supervision. It is estimated that the Department will receive approximately \$352 million in Federal JTPA dollars and in anticipated funding under the Workforce Investment Act during program year 1999.

EMPLOYMENT RELATIONS

The Employment Relations Board helps mediate disputes between private sector employers and employees to avoid or settle strikes. These efforts are important to New York's economy because disagreements between labor and management can cause disruption of local economies. In 1997, the Board received approximately 1,500 requests for assistance and provided help to over 600 individual employers and over 200 labor organizations.

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WORKER PROTECTION

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

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 19,445 amusement park devices, 771 ski lifts, 8,804 places of public assembly (e.g., bleachers at concerts), and 31,292 commercial boilers. It also reviewed applications for 617 Radioactive Materials licenses and 57,426 asbestos licenses and certificates.

The Labor Standards program enforces the Labor Law in such areas as minimum wage, child labor, registration of garment industry employers, cash payment of wages, meal periods, and equal pay. Statistics for recent years indicate the Division inspected 1,558 businesses for compliance with child labor laws, and found actual violations in 871 cases (56 percent). It also collected over \$10 million in back wages, unpaid fringe benefits, and minimum wage underpayments for approximately 22,244 employees.

Within the Labor Standards program, the Bureau of Public Work enforces Labor Law provisions related to work performed under State and/or local government contracts. Specific provisions require payment of prevailing wages, prevent illegal "kickback" of wages to employers, and prohibit work beyond eight hours per day/five days per week without appropriate overtime compensation. Statistics for recent years indicate the Division collected \$646,320 in civil penalties, \$1,724,112 in unreported State and local payroll taxes, and \$9.7 million in underpaid wages for 6,944 employees.

UNEMPLOYMENT INSURANCE

The Unemployment Insurance (UI) program makes weekly payments to eligible unemployed workers who have lost a job. These temporary payments, which are available for up to 26 weeks, help workers and their families pay bills and buy basic household items while looking for work.

To help unemployed workers find work as quickly as possible, the Department of Labor operates a Self-Employment program to help workers establish businesses and become self-employed. Workers whom the Department identifies as least likely to find another job without such assistance are referred to this program. In addition, as part of the changes enacted in last year's Unemployment Insurance reform bill, the Department will operate 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 has established an initial claims system that uses computer technology to determine if applicants are eligible to receive unemployment insurance benefits with information received over the phone. The system operates through two Tele-Claims Centers in Troy and Glendale, with a third site in New York City scheduled to open shortly. This system replaces the inefficient process of requiring DOL staff to determine eligibility from paper forms filled out by applicants at local Department of Labor offices.

**ALL FUNDS
APPROPRIATIONS**

Category	Available 1998-99	Appropriations Recommended 1999-00	Change	Reappropriations Recommended 1999-00
State Operations	\$2,978,721,400	\$3,008,464,000	+ \$29,742,600	\$384,765,700
Aid To Localities	482,692,300	510,789,700	+ 28,097,400	521,155,000
Capital Projects . . . . .	.....	.....	.....	.....
Total	\$3,461,413,700	\$3,519,253,700	+ \$57,840,000	\$905,920,700

**ALL FUND TYPES
LEVELS OF EMPLOYMENT BY PROGRAM
ANNUAL SALARIED POSITIONS**

Program	Available 1998-99	1999-00 Recommended Average Fill Level			Change
		Personal Service (Regular)	Maintenance Undistributed	Total Recommended 1999-00	
Administration					
General Fund	76	83	.....	83	+ 7
Special Revenue Funds — Federal	3,976	.....	3,976	3,976	.....
Occupational Safety and Health					
Special Revenue Funds — Other	214	214	.....	214	.....
Labor Standards					
General Fund	33	21	.....	21	-12
Special Revenue Funds — Other	180	173	19	192	+ 12
Employer Relations Board					
General Fund	14	14	.....	14	.....
Employment and Training					
General Fund	15	15	.....	15	.....
Special Revenue Funds — Other	74	.....	74	74	.....
Total	4,582	520	4,069	4,589	+ 7

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS**

Fund Type	Available 1998-99	Recommended 1999-00	Change
General Fund	\$10,714,900	\$10,760,900	+ \$46,000
Special Revenue Funds — Federal	422,843,300	451,167,300	+ 28,324,000
Special Revenue Funds — Other	45,163,200	46,535,800	+ 1,372,600
Fiduciary Funds	2,500,000,000	2,500,000,000
Total	\$2,978,721,400	\$3,008,464,000	+ \$29,742,600

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS

Program	Available 1998-99	Recommended 1999-00	Change
Administration			
General Fund	\$4,334,100	\$4,763,700	+ \$429,600
Special Revenue Funds — Federal	365,843,300	417,067,300	+ 51,224,000
Occupational Safety and Health			
Special Revenue Funds — Other	22,317,900	22,658,600	+ 340,700
Labor Standards			
General Fund	1,566,200	995,700	-570,500
Special Revenue Funds — Other	10,725,800	11,671,700	+ 945,900
Employer Relations Board			
General Fund	1,618,000	1,696,700	+ 78,700
Employment and Training			
General Fund	3,196,600	3,304,800	+ 108,200
Special Revenue Funds — Other	12,119,500	12,205,500	+ 86,000
Unemployment Insurance Benefit Fund			
Special Revenue Funds — Federal	57,000,000	34,100,000	-22,900,000
Fiduciary Funds	2,500,000,000	2,500,000,000	. . . . .
Total	\$2,978,721,400	\$3,008,464,000	+ \$29,742,600

STATE OPERATIONS — GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 1999-00 RECOMMENDED

Program	Total Personal Service		Personal Service Regular (Annual Salaried)		Temporary Service (Nonannual Salaried)	
	Amount	Change	Amount	Change	Amount	Change
Administration	\$3,759,600	+ \$104,600	\$3,759,600	+ \$104,600	. . . . .	. . . . .
Labor Standards	852,200	-479,500	852,200	-479,500	. . . . .	. . . . .
Employer Relations Board	885,200	-59,300	868,500	-59,300	\$16,700	. . . . .
Employment and Training	827,400	+ 16,200	827,400	+ 16,200	. . . . .	. . . . .
Total	\$6,324,400	-\$418,000	\$6,307,700	-\$418,000	\$16,700	. . . . .

**STATE OPERATIONS — GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
1999-00 RECOMMENDED**

Program	Amount	Total		Supplies and Materials	
		Amount	Change	Amount	Change
Administration	\$1,004,100		+ \$325,000	\$49,700	. . . . .
Labor Standards	143,500		-91,000	5,500	-\$3,600
Employer Relations Board	811,500		+ 138,000	18,200	-100
Employment and Training	2,477,400		+ 92,000	35,000	. . . . .
Total	\$4,436,500		+ \$464,000	\$108,400	-\$3,700

Program	Amount	Travel		Contractual Services	
		Amount	Change	Amount	Change
Administration	\$69,600		. . . . .	\$461,600	. . . . .
Labor Standards	7,600		-\$4,900	113,300	-\$71,800
Employer Relations Board	62,500		. . . . .	378,900	-11,900
Employment and Training	24,200		. . . . .	15,200	. . . . .
Total	\$163,900		-\$4,900	\$969,000	-\$83,700

Program	Amount	Equipment		Maintenance Undistributed	
		Amount	Change	Amount	Change
Administration	\$98,200		. . . . .	\$325,000	+ \$325,000
Labor Standards	17,100		-\$10,700	. . . . .	. . . . .
Employer Relations Board	1,900		. . . . .	350,000	+ 150,000
Employment and Training	24,000		. . . . .	2,379,000	+ 92,000
Total	\$141,200		-\$10,700	\$3,054,000	+ \$567,000

**STATE OPERATIONS — OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
1999-00 RECOMMENDED**

Program	Amount	Total		Personal Service	
		Amount	Change	Amount	Change
Administration	\$417,067,300		+ \$51,224,000	. . . . .	. . . . .
Occupational Safety and Health	22,658,600		+ 340,700	\$10,589,500	+ \$204,900
Labor Standards	11,671,700		+ 945,900	7,956,000	+ 627,800
Employment and Training	12,205,500		+ 86,000	. . . . .	. . . . .
Unemployment Insurance Benefit Fund	2,534,100,000		-22,900,000	. . . . .	. . . . .
Total	\$2,997,703,100		+ \$29,696,600	\$18,545,500	+ \$832,700

Program	Amount	Nonpersonal Service		Maintenance Undistributed	
		Amount	Change	Amount	Change
Administration . . . . .	. . . . .		. . . . .	\$417,067,300	+ \$51,224,000
Occupational Safety and Health	\$12,069,100		+ \$135,800	. . . . .	. . . . .
Labor Standards	2,710,300		+ 318,100	1,005,400	. . . . .
Employment and Training . . . . .	. . . . .		. . . . .	12,205,500	+ 86,000
Unemployment Insurance Benefit Fund	2,534,100,000	-22,900,000
Total	\$14,779,400		+ \$453,900	\$2,964,378,200	+ \$28,410,000

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AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS

<u>Fund Type</u>	<u>Available 1998-99</u>	<u>Recommended 1999-00</u>	<u>Change</u>
General Fund	\$37,339,300	\$33,958,700	-\$3,380,600
Special Revenue Funds — Federal	445,108,000	476,586,000	+ 31,478,000
Special Revenue Funds — Other	245,000	245,000	. . . .
Total	<u>\$482,692,300</u>	<u>\$510,789,700</u>	<u>+ \$28,097,400</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS

<u>Program</u>	<u>Available 1998-99</u>	<u>Recommended 1999-00</u>	<u>Change</u>
Occupational Safety and Health Special Revenue Funds — Other	\$245,000	\$245,000	. . . .
Employer Relations Board General Fund	150,000	. . . .	-\$150,000
Employment and Training General Fund	36,938,700	33,958,700	-2,980,000
Special Revenue Funds — Federal	445,108,000	476,586,000	+ 31,478,000
Legislative Initiatives General Fund	250,600	. . . .	-250,600
Total	<u>\$482,692,300</u>	<u>\$510,789,700</u>	<u>+ \$28,097,400</u>