


FY 2012 and FY 2013

Senate Ways and Means Subcommittee

Kansas Department of Labor



Senator Ty Masterson, Chair



Senator Marci Francisco



Senator Mark Taddiken



Senator Dwayne Umbarger

Senate Subcommittee Report

Agency: Kansas Department of Labor

Bill No. 311

Bill Sec. 32

Analyst: Morrow

Analysis Pg. No. --

Budget Page No. 250

Expenditure Summary	Agency Estimate FY 2012	Governor Recommendation FY 2012	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 406,298	\$ 406,298	\$ 0
Other Funds	780,309,408	780,309,408	0
Subtotal	<u>\$ 780,715,706</u>	<u>\$ 780,715,706</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	2,505,449	2,505,449	0
Subtotal	<u>\$ 2,505,449</u>	<u>\$ 2,505,449</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 783,221,155</u></u>	<u><u>\$ 783,221,155</u></u>	<u><u>\$ 0</u></u>
FTE positions	499.0	499.0	0.0
Non FTE Uncl. Perm. Pos.	109.6	109.6	0.0
TOTAL	<u><u>608.6</u></u>	<u><u>608.6</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency** estimates current year operating expenditures of \$780.7 million, an increase of \$53.7 million, or 7.4 percent, above the FY 2011 Legislature approved amount. The increase is mainly attributable to an increase in unemployment insurance benefit payments. The State General Fund estimate is \$406,298, a decrease of \$3,731, or 0.9 percent, below the FY 2011 Legislature approved amount. This amount is lapsed back into the State General Fund. The estimate includes the 499.0 FTE positions approved by the FY 2011 Legislature.

The agency requests a capital improvements expenditure budget of \$2,505,449, an increase of \$1,764,186, or 238.0 percent, above the approved FY 2012 capital improvements budget. The increase is mainly attributable to payments to the principal of the federal Unemployment Insurance loan. All expenditures in capital improvements for FY 2012 would be funded by special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency's FY 2012 revised estimate for both operating expenditures and capital improvements.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Kansas Department of Labor

Bill No. --

Bill Sec. --

Analyst: Morrow

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Budget Page No. 250

Expenditure Summary	Agency Request FY 2013	Governor Recommendation FY 2013	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 406,352	\$ 338,150	\$ 0
Other Funds	492,673,894	491,962,465	0
Subtotal	<u>\$ 493,080,246</u>	<u>\$ 492,300,615</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	2,681,797	2,681,797	0
Subtotal	<u>\$ 2,681,797</u>	<u>\$ 2,681,797</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 495,762,043</u></u>	<u><u>\$ 494,982,412</u></u>	<u><u>\$ 0</u></u>
FTE positions	499.0	489.0	0.0
Non FTE Uncl. Perm. Pos.	113.1	113.1	0.0
TOTAL	<u><u>612.1</u></u>	<u><u>602.1</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests FY 2013 operating expenditures of \$493.1 million, a decrease of \$287.6 million, or 36.8 percent, below the revised FY 2012 estimate. The decrease in FY 2013 is mainly attributable to a reduction in the projected Unemployment Insurance benefit payments due to the elimination of two federal programs: the Emergency Unemployment Compensation (EUC), which ended January 3, 2012; and the Extended Benefits (EB), which ended January 4, 2012. The request includes 499.0 FTE positions, the same as the FY 2012 Legislative approved amount.

The request includes \$406,352 from the State General Fund. This is an increase of \$54, or less than one-tenth of a percent, above the revised FY 2012 estimate. The increase is mainly attributable to an increase in the cost indices for commodities and capital outlay.

The request includes an enhancement of \$105,600, all from special revenue funds, for the replacement of six vehicles with over 100,000 miles. Absent the enhancement, the expenditures would be \$493.0 million, a decrease of \$287.7 million, or 36.9 percent, below the revised FY 2012 estimate.

The agency requests a capital improvements expenditure budget of \$2,681,797, an increase of \$176,348, or 7.0 percent, above the FY 2012 revised estimate. The increase is mainly attributable to the renovation of the 1309 SW Topeka Avenue building. All expenditures in capital improvements for FY 2013 would be funded by special revenue funds.

Governor's Recommendation

The **Governor** recommends FY 2013 operating expenditures of \$492.3 million, a decrease of \$779,631, or 0.2 percent, below the agency's FY 2013 request. The decrease is attributable to the Governor accepting the agency's reduced resource budget and an additional reduction of \$659,025 and 10.0 FTE positions for the voluntary retirement incentive program.

The Governor recommends \$338,150, all from the State General Fund, a decrease of \$68,202, or 16.8 percent, below the agency's request for FY 2013. The decrease is attributable to the Governor's recommending the reduced resource budget of \$20,631 and an additional \$47,571 due to the voluntary retirement incentive program.

The Governor did not recommend the enhancement of \$105,600, from special revenue funds, for the replacement of six vehicles but it was noted in the recommendation that as the Department's vehicles attain the necessary mileage and it is feasible financially, the agency has the flexibility to make the purchases.

The Governor concurs with the agency's request of \$2,681,797 in capital improvements expenditures for FY 2013.

The Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation with the following notation:

1. The Subcommittee has questions and concerns about the reduction in salaries and wages funding due to the Voluntary Retirement Incentive Program, since the agency was given permission to fill the vacated positions, and understands there may be a Governor's Budget Amendment issued to modify the reduction in expenditures for salaries and wages within the agency.

DRAFT

DEPARTMENT OF LABOR

Expenditure	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Operating Expenditures:					
State General Fund	\$ 438,372	\$ 406,298	\$ 406,298	\$ 406,352	\$ 338,150
Other Funds	1,018,257,504	780,309,408	780,309,408	492,673,894	491,962,465
TOTAL	\$ 1,018,695,876	\$ 780,715,706	\$ 780,715,706	\$ 493,080,246	\$ 492,300,615
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	2,435,876	2,505,449	2,505,449	2,681,797	2,681,797
TOTAL	\$ 2,435,876	\$ 2,505,449	\$ 2,505,449	\$ 2,681,797	\$ 2,681,797
GRAND TOTAL	\$ 1,021,131,752	\$ 783,221,155	\$ 783,221,155	\$ 495,762,043	\$ 494,982,412

Percentage Change:

Operating Expenditures					
State General Fund	(3.4) %	(7.3) %	(7.3) %	0.0 %	(16.8) %
All Funds	(28.6)	(23.4)	(23.4)	(36.8)	(36.9)
FTE Positions					
FTE Positions	552.0	499.0	499.0	500.2	490.2
Non-FTE Perm. Uncl. Pos.	197.7	109.6	109.6	113.1	113.1
TOTAL	749.7	608.6	608.6	613.3	603.3

AGENCY OVERVIEW

The Department of Labor's mission is to advance the economic well-being of all Kansans by providing quality, accessible, and responsive workforce services. The Department has six programs to assist with the agency's mission: Administration; Labor Market information; Unemployment Insurance; Industrial Health and Safety; Workers' Compensation; and Labor Relations.

MAJOR ISSUES FROM PRIOR YEARS

The **2004 Legislature** approved the transfer of \$600,000 in unused bond proceeds from the renovation of the state-owned building at 401 SW Topeka Blvd. to other renovation projects

subject to review by the Joint Committee on State Building Construction. The projects were subsequently approved.

- The Legislature also allowed the implementation of the Governor's Executive Reorganization Order (ERO) No. 31, effective July 1, 2004, which:
 - Transferred the duties of the division of Employment and Training from the Kansas Department of Human Resources (KDHR) to the newly established Division of Workforce Development in the Kansas Department of Commerce;
 - Moved the Kansas Commission on Disability Concerns, the Apprenticeship Program, and the portion of Support Services from KDHR to the Department of Commerce; and
 - Changed the name of the Kansas Department of Human Resources to the Kansas Department of Labor (KDOL). 2004 HB 2948 made numerous statutory changes to reflect the name change.
 - The implementation of 2004 ERO No. 31 resulted in the transfer of \$39.2 million including \$237,350 from the State General Fund, and 280.6 FTE positions from KDHR to the Department of Commerce in FY 2005.
- The **Legislature** also approved Substitute for HB 2435, which also affected the organizational structure of KDHR. Effective July 1, 2004, the statute:
 - Created the Hispanic and Latin Affairs Commission, which is housed in the Governor's office;
 - Repealed statutes concerning the Hispanic Affairs Advisory Committee, which was housed in KDHR; and
 - Moved the Advisory Committee on African-American Affairs from KDHR to the Governor's office.
- The **Legislature** transferred the Office of Native-American Affairs from KDHR to the Governor's Office, effective July 1, 2004. A total of \$501,591, including \$87,560 from the State General Fund, and 7.0 FTE positions, were transferred from KDHR to the Governor's Office in FY 2005.
- The **Legislature** approved a provision in the Omnibus appropriations bill (2004 Senate Substitute for HB 2471), which authorized the issuance of \$21.0 million in bonds to finance a comprehensive upgrade of Kansas' Unemployment Insurance Benefits (UIB) computer system. This statute directed KDOL to pay the principal and interest on the bonds with State General Fund moneys or appropriate special revenue funds, including federal Reed Act funds. The duration of the bonds would be for six years. By utilizing bond financing, the Department intends to use an amount roughly equivalent to the interest earned on the principal of the Reed Act funds over the period of six years to finance the project. This would ensure that the principal amount of the Reed Act funds would remain relatively consistent over the six-year period.
- The **Legislature** included a proviso that the Joint Committee on Information Technology (JCIT) was to review the unemployment insurance benefits system

project. Additionally, the \$21.0 million in bonding authority would be subject to the approval of the State Finance Council.

During the **2004 Interim** JCIT reviewed the findings of KDOL's needs assessment and feasibility study of the UIB computer system. The findings of the study were as follows:

- The application and underlying data structure of the UIB system used obsolete technology. It was overly complex and difficult to maintain. The UIB system also had many unresolved errors.
- The majority of the Information Services programmers lacked the knowledge and understanding to adequately maintain the outdated system.
- Recent mandated changes, including the Temporary Extended Unemployment Compensation (TEUC) and the Kansas Additional Benefit, were implemented quickly. The upgrades were not designed well and resulted in a number of problems and errors.
- Unemployment Insurance Services could not make changes to improve business operating efficiency because only mandated changes could be made to the UIB system.

In June 2004, after JCIT reviewed the needs assessment and feasibility study, the Department received the approval of the State Finance Council to issue \$21.0 million in bond authority.

During the **2005 Interim** the **State Finance Council** authorized the agency to purchase the Eastman Building at the grounds of the former Topeka State Hospital, from the Department of Administration. KDOL used federal funds to purchase the property. These funds were proceeds from the sale of property originally purchased with federal funds. The proceeds could only be used to purchase additional buildings. Had the funding not been spent by the end of the federal fiscal year, the funding would have reverted back to the federal government.

KDOL transferred the America's Joblink Alliance Program to the Kansas Department of Commerce. This transfer was to follow up on ERO No. 31, which transferred the workforce development related program from KDOL to the Department of Commerce.

The **2006 Legislature** approved FY 2006 expenditures of \$2.3 million and FY 2007 expenditures of \$2.6 million on bond payments for the \$21.0 million in bonds from the Unemployment Insurance Modernization.

- Total additional expenditures of \$282,380 from the Workers Compensation Fee Fund to increase salaries of workers' compensation administration law judges to 75.0 percent of the salary of a district court administrative law judge.
- Total additional expenditures of \$51,750 from the Workers Compensation Fee Fund for increased salaries for board members. Workers' Compensation Board members' salaries are based on district court judge salaries.

The **2007 Legislature** approved FY 2007 expenditures of \$113,438, all from special revenue funds, to reclassify two existing positions to investigator/auditor positions to examine

instances of worker misclassification and to enforce the resulting unemployment insurance collection changes in accordance with 2006 HB 2772. The Legislature also added \$107,438, all from special revenue funds in FY 2008 to continue the two positions.

- FY 2007 expenditures totaling \$26.0 million, all from federal Reed Act funds, for modernization of the Unemployment Insurance Benefits (UIB) computer system.
- FY 2007 expenditures of \$87,500, all from the State General Fund, and 1.0 FTE position in FY 2008 to expand the Public Employees' Relations Board.

The **2008 Legislature** approved FY 2009 expenditures of \$105,322, all from the State General Fund, and deleted the same from the Federal Indirect Cost Offset Fund, for the Employment Standards Program.

The **2009 Legislature** deleted \$7,600, all from the State General Fund, to reduce the agency's FY 2009 approved budget by 1.25 percent and deleted \$73,168, from the State General Fund, to reduce the agency's FY 2010 approved State General Fund budget to 12.6 percent below the FY 2009 approved amount. Additionally, the Legislature transferred \$549,500 from the Human Resources Special Projects Fund and the Workers Compensation Fund to the State General Fund.

During the **2009 Interim**, the Kansas Department of Labor and the Division of the Budget altered the manner in which the KDOL reports non-expense items. Starting in FY 2010, Administration, Unemployment Insurance Services, Labor Market and Information Services and Industrial Safety and Health Divisions will each have a parallel off-budget program. These off-budget programs are codified in Memorandums of Understanding between KDOL and Social and Rehabilitative Services (SRS), the Kansas Department of Health and Environment (KDHE), and the Kansas Health Policy Authority (KHPA).

The **2010 Legislature** deleted \$11,172, all from the State General Fund, to achieve a State General Fund reduction of approximately 2.5 percent from the Governor's recommendation for FY 2011. The Legislature also transferred \$800,000 from the Workers' Compensation Fee Fund to the State General Fund for FY 2011, leaving a balance of \$223,782 in the fund.

The **2011 Legislature** deleted \$77,400, all from special revenue funds, to remove funding for the roof replacement project at 417 SW Jackson Avenue. The Governor recommended and the Legislature approved deleting 53.0 vacant FTE positions from the FY 2011 approved amount of 552.0 positions, leaving 499.0 FTE positions for FY 2012.

The Legislature enacted SB 77 that revises provisions of the unemployment security laws pertaining to loan interest payments, the taxable wage base, and extension of tax rate caps on positive balance employers, the number of rate groups for negative balance employers and benefits. The law authorized the creation of the Employment Security Interest Assessment Fund to pay interest owed to the U.S. Department of Labor for advances received by the Kansas Employment Security Trust Fund.

BUDGET SUMMARY AND KEY POINTS

FY 2012 – Current Year. The agency estimates current year operating expenditures of \$780.7 million, an increase of \$53.7 million, or 7.4 percent, above the FY 2011 Legislature approved amount. The increase is mainly attributable to an increase in unemployment insurance benefit payments. The State General Fund estimate is \$406,298, a decrease of \$3,731, or 0.9 percent, below the FY 2011 Legislature approved amount. This amount is lapsed back into the State General Fund. The estimate includes the 499.0 FTE positions approved by the FY 2011 Legislature.

The agency requests a capital improvements expenditure budget of \$2,505,449, an increase of \$1,764,186, or 238.0 percent, above the approved FY 2012 capital improvements budget. The increase is mainly attributable to payments to the principal of the federal Unemployment Insurance loan. All expenditures in capital improvements for FY 2012 would be funded by special revenue funds.

The **Governor** concurs with the agency's FY 2012 revised estimate for both operating expenditures and capital improvements.

FY 2013 – Budget Year. The agency requests FY 2013 operating expenditures of \$493.1 million, a decrease of \$287.6 million, or 36.8 percent, below the revised FY 2012 estimate. The decrease in FY 2013 is mainly attributable to a reduction in the projected Unemployment Insurance benefit payments due to the elimination of two federal programs: the Emergency Unemployment Compensation (EUC), which ended January 3, 2012; and the Extended Benefits (EB), which ended January 4, 2012. The request includes 499.0 FTE positions, the same as the FY 2012 Legislative approved amount.

The request includes \$406,352 from the State General Fund. This is an increase of \$54, or less than one-tenth of a percent, above the revised FY 2012 estimate. The increase is mainly attributable to an increase in the cost indices for commodities and capital outlay.

The request includes an enhancement of \$105,600, all from special revenue funds, for the replacement of six vehicles with over 100,000 miles. Absent the enhancement, the expenditures would be \$493.0 million, a decrease of \$287.7 million, or 36.9 percent, below the revised FY 2012 estimate.

The agency requests a capital improvements expenditure budget of \$2,681,797, an increase of \$176,348, or 7.0 percent, above the FY 2012 revised estimate. The increase is mainly attributable to the renovation of the 1309 SW Topeka Avenue building. All expenditures in capital improvements for FY 2013 would be funded by special revenue funds.

The **Governor** recommends FY 2013 operating expenditures of \$492,300,615, a decrease of \$779,631, or 0.2 percent, below the agency's FY 2013 request. The decrease is attributable to the Governor accepting the agency's reduced resource budget and an additional reduction of \$659,025 and 10.0 FTE positions for the voluntary retirement incentive program.

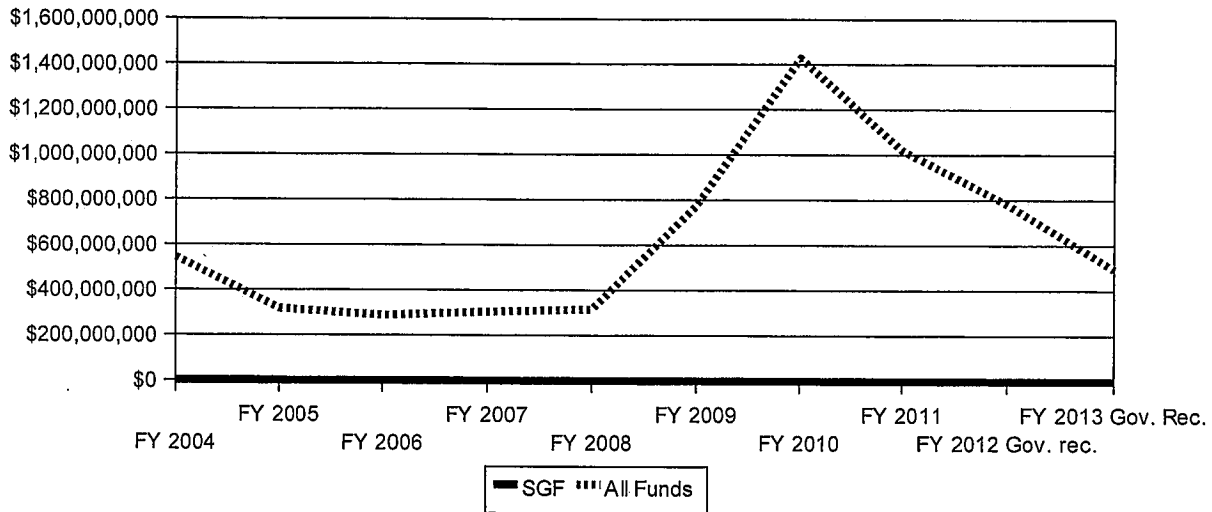
The Governor recommends \$338,150, all from the State General Fund, a decrease of \$68,202, or 16.8 percent, below the agency's request for FY 2013. The decrease is attributable to the Governor's recommending the reduced resource budget of \$20,631 and an additional \$47,571 due to the voluntary retirement incentive program.

The Governor did not recommend the enhancement of \$105,600. from special revenue funds, for the replacement of ten vehicles but it was noted in the recommendation that as the Department's vehicles attain the necessary mileage and it is feasible financially, the agency has the flexibility to make the purchases.

The Governor concurs with the agency's request of \$2,681,797 in capital improvements expenditures for FY 2013.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2004 – FY 2013



OPERATING EXPENDITURES FY 2004 – FY 2013

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2004	\$ 1,953,356	(6.5)%	\$ 543,824,795	(3.2)%	940.4
2005	514,992	(73.6)	317,497,989	(41.6)	634.2
2006	382,252	(25.8)	287,262,777	(9.5)	601.2
2007	382,733	0.1	303,715,639	5.7	601.2
2008	481,018	25.7	315,069,214	3.7	552.0
2009	542,458	12.8	775,632,425	146.2	552.0
2010	453,981	(16.3)	1,427,457,051	84.0	552.0
2011	438,372	(3.4)	1,018,695,876	(28.6)	552.0
2012 Gov. Rec.	406,298	(7.3)	780,715,706	(23.4)	499.0
2013 Gov. Rec.	338,150	(16.8)	492,300,615	(36.9)	490.2
Ten-Year Change					
Dollars/Percent	\$ (1,615,206)	(82.7)%	\$ (51,524,180)	(9.5)%	(450.2)

Summary of Operating Budget FY 2011 - FY 2013

	Agency Request				Governor's Recommendation				
	Actual 2011	Estimate FY 2012	Request FY 2013	Dollar Change from FY 12	Percent Change from FY 12	Rec. FY 2012	Rec. FY 2013	Dollar Change from FY 12	Percent Change from FY 12
By Program:									
Administration	\$ 16,699,833	\$ 12,339,053	\$ 12,330,215	\$ (8,838)	(0.1)%	\$ 12,339,053	\$ 12,040,970	\$ (298,083)	(2.4)%
Labor Market Information	2,081,410	2,070,549	2,101,079	30,530	1.5	2,070,549	1,945,776	(124,773)	(6.0)
Unemployment Insurance	988,800,800	750,872,932	465,237,968	(285,634,964)	(38.0)	750,872,932	465,202,768	(285,670,164)	(38.0)
Industrial Safety and Health	1,914,740	1,876,319	1,949,289	72,970	3.9	1,876,319	1,837,974	(38,345)	(2.0)
Workers' Compensation	8,054,798	7,826,310	8,013,916	187,606	2.4	7,826,310	7,883,507	57,197	0.7
Labor Relations	461,278	495,212	485,226	(9,986)	(2.0)	495,212	427,067	(68,145)	(13.8)
Debt Services	683,017	5,235,331	2,962,553	(2,272,778)	(43.4)	5,235,331	2,962,553	(2,272,778)	(43.4)
TOTAL	\$ 1,018,695,876	\$ 780,715,706	\$ 493,080,246	\$ (287,635,460)	(36.8)%	\$ 780,715,706	\$ 492,300,615	\$ (288,415,091)	(36.9)%
By Major Object of Expenditure:									
Salaries and Wages	\$ 35,109,426	\$ 27,954,131	\$ 27,647,068	\$ (307,063)	(1.1)%	\$ 27,954,131	\$ 26,973,037	\$ (981,094)	(3.5)%
Contractual Services	12,155,352	10,156,009	10,186,830	30,821	0.3	10,156,009	10,186,830	30,821	0.3
Commodities	411,911	421,215	428,157	6,942	1.6	421,215	428,157	6,942	1.6
Capital Outlay	1,307,179	1,036,259	1,291,607	0	0.0	1,036,259	1,186,007	149,748	0.0
Debt Service	683,017	5,235,331	2,962,553	(2,272,778)	(43.4)	5,235,331	2,962,553	(2,272,778)	(43.4)
Subtotal - Operations	\$ 49,666,885	\$ 44,802,945	\$ 42,516,215	\$ (2,286,730)	(5.1)%	\$ 44,802,945	\$ 41,736,584	\$ (3,066,361)	(6.8)%
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	969,028,991	735,912,761	450,564,031	(285,348,730)	(38.8)	735,912,761	450,564,031	(285,348,730)	(38.8)
TOTAL	\$ 1,018,695,876	\$ 780,715,706	\$ 493,080,246	\$ (287,635,460)	(36.8)%	\$ 780,715,706	\$ 492,300,615	\$ (288,415,091)	(36.9)%
Financing:									
State General Fund	\$ 438,372	\$ 406,298	\$ 406,352	\$ 54	0.0%	\$ 406,298	\$ 338,150	\$ (68,148)	(16.8)%
Workmen's Compensation	10,998,062	10,508,516	10,671,490	162,974	1.6	10,508,516	10,419,756	(88,760)	(0.8)
3335 Unemployment Insurance	34,164,202	25,663,162	25,410,331	(252,831)	(1.0)	25,663,162	25,182,499	(480,663)	(1.9)
7054 Unemployment Insurance	958,279,432	724,907,707	439,558,825	(285,348,882)	(39.4)	724,907,707	439,558,825	(285,348,882)	(39.4)
All Other Funds	14,815,808	19,230,023	17,033,248	(2,196,775)	(11.4)	19,230,023	16,801,385	(2,428,638)	(12.6)
TOTAL	\$ 1,018,695,876	\$ 780,715,706	\$ 493,080,246	\$ (287,635,460)	(36.8)%	\$ 780,715,706	\$ 492,300,615	\$ (288,415,091)	(36.9)%

BUDGET OVERVIEW

A. FY 2012 – Current Year

Adjustments to Approved State General Fund Budget

The 2011 Legislature approved a State General Fund budget of \$406,823 for the Department of Labor in FY 2012. An adjustment has subsequently been made to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$3,206, based on the reappropriation of FY 2011 funding which was not spent in FY 2011 and has shifted to FY 2012.

This adjustment changes the FY 2012 approved State General Fund to \$410,029. That amount is reflected in the table below as the currently approved FY 2012 State General Fund amount.

	CHANGE FROM APPROVED BUDGET				
	Approved 2011 Legislature	Agency Estimate FY 2012	Agency Change from Approved	Governor Rec. FY 2012	Governor Change from Approved
State General Fund	\$ 410,029	\$ 406,298	\$ (3,731)	\$ 406,298	\$ (3,731)
All Other Funds	726,637,888	780,309,408	53,671,520	780,309,408	53,671,520
TOTAL	\$ 727,047,917	\$ 780,715,706	\$ 53,667,789	\$ 780,715,706	\$ 53,667,789
FTE Positions	499.0	499.0	0.0	499.0	0.0

The **agency** estimates current year operating expenditures of \$780.7 million, an increase of \$53.7 million, or 7.4 percent, above the FY 2011 Legislature approved amount. The increase is mainly attributable to an increase in unemployment insurance benefit payments. The State General Fund estimate is \$406,298, a decrease of \$3,731, or 0.9 percent, below the FY 2011 Legislature approved amount. This amount is lapsed back into the State General Fund. The estimate includes the 499.0 FTE positions approved by the FY 2011 Legislature.

The **Governor** concurs with the agency's FY 2012 revised estimate.

B. FY 2013– Budget Year

FY 2013 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 493,080,246	\$ 492,300,615	\$ (779,631)
FTE Positions	500.2	490.2	(10.0)
Change from FY 2012:			
<i>Dollar Change:</i>			
State General Fund	\$ 54	\$ (68,148)	
All Other Funds	(287,635,514)	(288,346,943)	
TOTAL	\$ (287,635,460)	\$ (288,415,091)	
<i>Percent Change:</i>			
State General Fund	0.0 %	(16.8) %	
All Other Funds	(36.9)	(37.0)	
TOTAL	(36.8) %	(36.9) %	
 Change in FTE Positions	 1.2	 (8.8)	

The **agency** requests FY 2013 operating expenditures of \$493.1 million, a decrease of \$287.6 million, or 36.8 percent, below the revised FY 2012 estimate. The decrease in FY 2013 is mainly attributable to a reduction in the projected Unemployment Insurance benefit payments due to the elimination of two federal programs: the Emergency Unemployment Compensation (EUC), which ended January 3, 2012; and the Extended Benefits (EB), which ended January 4, 2012. The request includes 499.0 FTE positions, the same as the FY 2012 Legislative approved amount.

The request includes \$406,352 from the State General Fund. This is an increase of \$54, or less than one-tenth of one percent, above the revised FY 2012 estimate. The increase is mainly attributable to an increase in the cost indices for commodities and capital outlay.

The request includes an enhancement of \$105,600, all from special revenue funds, for the replacement of six vehicles with over 100,000 miles. Absent the enhancement, the expenditures would be \$493.0 million, a decrease of \$287.7 million, or 36.9 percent, below the revised FY 2012 estimate.

The **Governor** recommends FY 2013 operating expenditures of \$492,300,615, a decrease of \$779,631, or 0.2 percent, below the agency's FY 2013 request. The decrease is attributable to the Governor accepting the agency's reduced resource budget and an additional reduction of \$659,025 and 10.0 FTE positions for the voluntary retirement incentive program.

The Governor recommends \$338,150, all from the State General Fund, a decrease of \$68,202, or 16.8 percent, below the agency's request for FY 2013. The decrease is attributable to the Governor recommending the reduced resource budget of \$20,631 and an additional reduction of \$47,571 due to the voluntary retirement incentive program.

The Governor did not recommend the enhancement of \$105,600. from special revenue funds, for the replacement of ten vehicles but it was noted in the recommendation that as the Department's vehicles attain the necessary mileage and it is feasible financially, the agency has the flexibility to make the purchases.

The Governor concurs with the agency's \$2,681,797 capital improvements request.

FY 2013 ENHANCEMENTS						
Enhancements	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Six vehicles	\$ 0	\$ 105,600	0.0	\$ 0	\$ 0	0.0

Enhancements Detail

The request includes the replacement of six vehicles, all driven over 100,000 miles. The following is a breakdown of the enhancements:

- Two vehicles would be purchased with funds from the Boiler Inspection Fee Fund totaling \$35,200. One vehicle was beyond repair and sent to state surplus and one with approximately 140,000 miles;
- Two vehicles would be purchased with funds from the Workers Compensation Fee Fund totaling \$35,200. Both vehicles to be replaced have approximately 130,000 miles; and
- Two vehicles would be purchased with funds from the Employment Security Administration Fund totaling \$35,200. Both vehicles to be replaced have over 135,000 miles.

No State General Funds would be used to fund the enhancement.

The **Governor** does not recommend the enhancement.

FY 2013 REDUCED RESOURCES						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Office of Labor Relations	\$ (20,631)	\$ (20,631)	0.0	\$ (20,631)	\$ (20,631)	0.0

FY 2013 Reduced Resources

The **agency** would reduce resources by reducing staff hours in the Office of Labor Relations. The Office of Labor relations conducts labor relations activities under both the Kansas Professional Negotiations Act (PNA) and the Kansas Public Employer-Employee Relations Act (PEERA). According to the agency, the reduction in funding would diminish the ability to resolve labor disputes and impact processing wage claims.

The **Governor** accepts the reduced resources budget of \$20,631, all from the State General Fund.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Governor's FY 2013 recommendation does not include a base salary adjustment for state employees.

Classified Employee Pay Plan. During the 2007 interim, the State Employee Compensation Oversight Commission was charged with the development of a new pay plan for classified employees for the Governor, Chief Justice of the Supreme Court and 2008 Legislature to consider. The Commission endorsed the recommendation of the Hay Group that five separate pay plans be created for state employees in the classified service, with different opportunities for pay increases to acknowledge the different types of work performed. The time frame to fully implement the recommended plan was five years. Under the plan, the classified employees were divided into three groups to first address those with the greatest salary disparity to the market rate. The 2008 Legislature appropriated \$8.5 million from the State General Fund for FY 2009, the first year of the program. The 2008 Legislature also appropriated \$8.5 million from the State General Fund for each year from FY 2010 through FY 2013 to the State Finance Council. The 2011 Legislature, however, lapsed the \$8.5 million which had been previously appropriated for both FY 2012 and FY 2013. To date, not action has been taken to implement the new pay plans or the evaluation provisions of the pay plans.

Longevity Bonus Payments. For FY 2013, the Governor recommends the continuation of the current "temporary" longevity bonus payment program. The recommendation provides for a bonus of \$50 per year of service, with a 10-year minimum (\$500) and a 25-year maximum (\$1,250). The current statutory provisions of the longevity bonus payment are \$40 per year of service, with a 10-year minimum (\$400), and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008 are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2013 payments is \$12.0 million, including \$4.9 million from the State General Fund. **For this agency, longevity payments total \$213,119, including \$1,699 from the State General Fund .**

Kansas Public Employees Retirement System (KPERs) Rate Adjustments. A total of \$26.1 million, including \$22.2 million from the State General Fund, is included in the Governor's FY 2013 recommendations for KPERs adjustments. The FY 2013 rate for KPERs regular and school members will increase by 0.6 percent, from 8.77 percent to 9.37 percent, when compared to FY 2012. This increase is attributable to the annual statutory increase for financing the unfunded liability of the KPERs fund.

Voluntary Retirement Incentive Program. On August 2, 2011, a Voluntary Retirement Incentive Program was announced that provided incentives to eligible State of Kansas employees in the Executive Branch who elected to retire between August 2, 2011 and October 31, 2011. The intent was to provide incentives for employees to retire in order to generate salary and benefit savings in agency budgets. A total of 1,027 employees participated in the program. Employees were given two incentive options under the program. One was a one-time \$6,500 cash payment at the time of retirement that was not factored into final average salary for KPERs benefit calculations. This option was chosen by 214 employees. The second option, accepted by the other 813 employees, was a health insurance subsidy for up to 60 months of employee only coverage or up to 42 months for employee and dependent coverage. All coverage ceases once the former employee reaches 65 years of age. Agencies were advised they could refill only a portion of the positions vacated by the program. The refilled positions, however, were not to exceed 25.0 percent of the salaries of the vacant positions. Some exceptions were made to this limitation in order to ensure agencies continued to provide acceptable levels of service. After 651 selected positions (63.4 percent) were restored, 376.0 FTE positions (36.6 percent), and estimated savings of \$22.0 million, including \$6.6 million from the State General Fund, were deleted from agency budgets. **For this agency, 14.0 positions participated with the savings total \$659,025, including \$47,571 from the State General Fund and 10.0 FTE positions were eliminated.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2013	Gov. Rec. Percent of Total FY 2013
State General Fund	0.1 %	0.1 %
Workmen's Compensation	2.2	2.1
3335 Unemployment Insurance	5.2	5.1
7054 Unemployment Insurance	89.2	89.3
Subtotal All Other Funds	3.5	3.4
TOTAL	<u>100.0 %</u>	<u>100.0 %</u>

Note: Percentages may not add due to rounding.

Employment Security Administration Fund - 3335

The Employment Security Administration Fund is supported by Unemployment Insurance contributions which are received on a calendar basis as opposed to a fiscal year basis. This account can show negative ending balances in the fund. The Employment Security Fund consists of three accounts:

- *Benefit account:* Receipts into the benefit account are transfers from the Unemployment Insurance Trust Fund to pay unemployment insurance benefits and federal draw downs for payment of the Trade Adjustment Assistance (TAA) and North American Free Trade Agreement (NAFTA) benefits;
- *Clearing account:* Receipts into the clearing account are unemployment insurance taxes collected from employers; and
- *Trust account:* Receipts into the trust account are transfers from the clearing account along with interest earnings on the Unemployment Insurance Trust Fund balance and deposits made by the federal government for payment of benefits to ex-federal employees, ex-military, and the Temporary Extended Unemployment Compensation (TEUC).

The state authorization for this fund is found in K.S.A. 44-716.

Resource Estimate	Actual FY 2011	Agency Estimate FY 2012	Governor Rec. FY 2012	Agency Request FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ (5,056,776)	\$ 2,913,092	\$ 2,913,092	\$ 3,188,582	\$ 3,188,582
Revenue	31,564,656	25,408,326	25,408,326	25,061,311	25,061,311
Transfers in	12,661,939	2,646,150	2,646,150	2,646,150	2,646,150
Total Funds Available	\$ 39,169,819	\$ 30,967,568	\$ 30,967,568	\$ 30,896,043	\$ 30,896,043
Less: Expenditures	36,253,749	27,778,986	27,778,986	27,416,534	27,188,702
Transfers Out	2,978	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 2,913,092	\$ 3,188,582	\$ 3,188,582	\$ 3,479,509	\$ 3,707,341
Ending Balance as Percent of Expenditures	8.0%	11.5%	11.5%	12.7%	13.6%

Special Employment Security Fee Fund - 2120

The Special Employment Security Fund is supported by charges to employers for late filing of unemployment claims and is used for the operations of the Unemployment Insurance Program. The statutory authority for this fund is found in K.S.A. 44-716a. The revenue into this fund is found in K.S.A. 44-717.

Resource Estimate	Actual FY 2011	Agency Estimate FY 2012	Governor Rec. FY 2012	Agency Request FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 132,111	\$ 214,541	\$ 214,541	\$ 660,398	\$ 660,398
Revenue	490,767	420,000	420,000	425,000	425,000
Transfers in	541,954	934,750	934,750	795,270	795,270
Total Funds Available	\$ 1,164,832	\$ 1,569,291	\$ 1,569,291	\$ 1,880,668	\$ 1,880,668
Less: Expenditures	555,442	504,750	504,750	365,270	365,270
Transfers Out	394,849	404,143	404,143	405,000	405,000
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 214,541	\$ 660,398	\$ 660,398	\$ 1,110,398	\$ 1,110,398
Ending Balance as Percent of Expenditures	38.6%	130.8%	130.8%	304.0%	304.0%
Month Highest Ending Balance	July \$ 215,162	July \$ 225,000	July \$ 225,000	July \$ 270,000	July \$ 270,000
Month Lowest Ending Balance	January \$ 68,115	January \$ 75,000	January \$ 75,000	January \$ 125,000	January \$ 125,000

Workmen's Compensation Fee Fund - 2124

The Workmen's Compensation Fee Fund is supported by fees paid by insurance companies and employers based on a percentage of insurance benefits paid out. The assessment rate for FY 2011 was 2.79 percent. The fund is authorized under K.S.A. 74-715.

Resource Estimate	Actual FY 2011	Agency Estimate FY 2012	Governor Rec. FY 2012	Agency Request FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 4,107,589	\$ 4,339,039	\$ 4,339,039	\$ 5,115,018	\$ 5,915,018
Revenue	12,138,865	12,200,350	12,200,350	12,566,361	7,000,000
Transfers in	0	0	0	0	0
Total Funds Available	\$16,246,454	\$ 16,539,389	\$ 16,539,389	\$ 17,681,379	\$ 12,915,018
Less: Expenditures	11,087,472	10,624,371	10,624,371	10,969,035	10,717,301
Transfers Out	819,943	800,000	0	800,000	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 4,339,039</u>	<u>\$ 5,115,018</u>	<u>\$ 5,915,018</u>	<u>\$ 5,912,344</u>	<u>\$ 2,197,717</u>
Ending Balance as Percent of Expenditures	39.1%	48.1%	55.7%	53.9%	20.5%
Month Highest Ending Balance	July <u>\$14,740,859</u>	July <u>\$ 17,651,417</u>	July <u>\$ 16,539,389</u>	July <u>\$ 15,029,792</u>	July <u>\$ 12,915,018</u>
Month Lowest Ending Balance	June \$ 4,813,824	June \$ 8,029,792	June \$ 5,915,018	June \$ 5,109,928	June \$ 2,197,717

Boiler Inspection Fee Fund - 2128

The Boiler Inspection Fee Fund is supported by boiler inspection fees and is used to support the operations of the Industrial Safety and Health Division. The authorization for the fees is contained in K.S.A. 44-926.

Resource Estimate	Actual FY 2011	Agency Estimate FY 2012	Governor Rec. FY 2012	Agency Request FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 228,196	\$ 309,796	\$ 309,796	\$ 380,230	\$ 380,230
Revenue	606,982	556,800	556,800	556,800	556,800
Transfers in	0	0	0	0	0
Total Funds Available	\$ 835,178	\$ 866,596	\$ 866,596	\$ 937,030	\$ 937,030
Less: Expenditures	524,576	486,366	486,366	528,485	449,095
Transfers Out	806	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 309,796</u>	<u>\$ 380,230</u>	<u>\$ 380,230</u>	<u>\$ 408,545</u>	<u>\$ 487,935</u>
Ending Balance as Percent of Expenditures	59.1%	78.2%	78.2%	77.3%	108.6%
Month Highest Ending Balance	June <u>\$ 336,415</u>	July <u>\$ 380,330</u>	July <u>\$ 380,330</u>	July <u>\$ 937,130</u>	July <u>\$ 937,130</u>
Month Lowest Ending Balance	July \$ 247,769	June \$ 348,234	June \$ 348,234	June \$ 443,845	June \$ 487,935

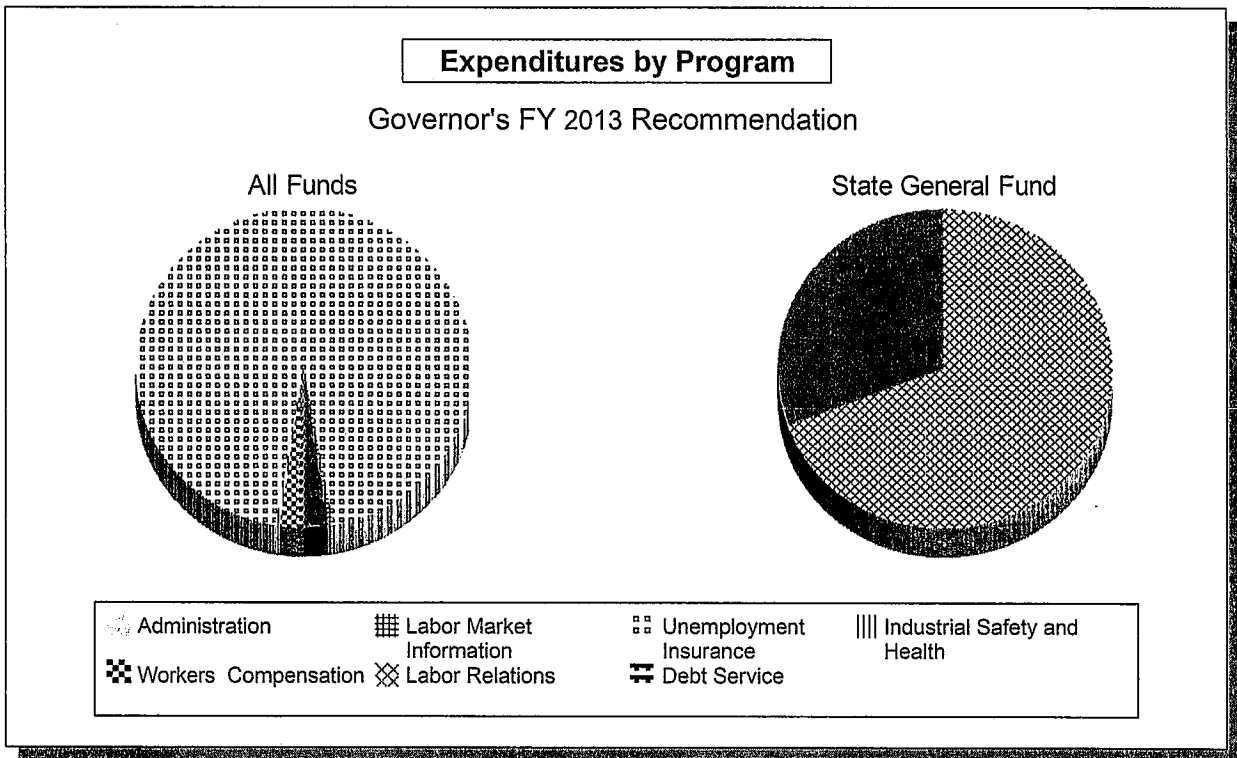
Employment Security Interest Assessment Fund - 2771

The Employment Security Interest Assessment Fund was established in 2011 SB 77 to collect receipts deposited from employers to pay the interest due on Title XII advances from the federal government. The authorization for this fund is found in K.S.A. 44-710.

Resource Estimate	Actual FY 2011	Agency Estimate FY 2012	Governor Rec. FY 2012	Agency Request FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 2,250,000	\$ 2,250,000
Revenue	0	2,250,000	2,250,000	9,000,000	9,000,000
Transfers in	0	4,601,744	4,601,744	0	0
Total Funds Available	\$ 0	\$ 6,851,744	\$ 6,851,744	\$ 11,250,000	\$ 11,250,000
Less: Expenditures	0	4,601,744	4,601,744	2,430,000	2,430,000
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 0</u>	<u>\$ 2,250,000</u>	<u>\$ 2,250,000</u>	<u>\$ 8,820,000</u>	<u>\$ 8,820,000</u>
Ending Balance as Percent of Expenditures	--	48.9%	48.9%	363.0%	363.0%
Month Highest Ending Balance	\$ 0	September \$ 4,601,744*	September \$ 4601744	July \$ 8,820,000	July \$ 8,820,000
Month Lowest Ending Balance	\$ 0	\$ 0	\$ 0	October \$ 100,000	October \$ 100,000

* The Pooled Money Investment Board (PMIB) loan proceeds for the first interest payment made September 2011.

PROGRAM DETAIL



Program	Gov. Rec. All Funds FY 2013	Percent of Total	Gov. Rec. SGF FY 2013	Percent of Total
Administration	\$ 12,040,970	2.4 %	\$ 104,120	30.8 %
Labor Market Information	1,945,776	0.4	0	0.0
Unemployment Insurance	465,202,768	94.5	0	0.0
Industrial Safety and Health	1,837,974	0.4	0	0.0
Workers Compensation	7,883,507	1.6	0	0.0
Labor Relations	427,067	0.1	234,030	69.2
Debt Service	2,962,553	0.6	0	0.0
TOTAL	\$ 492,300,615	100.0 %	\$ 338,150	100.0 %

FTE POSITIONS BY PROGRAM – FY 2011- FY 2013					
Program	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Administration	125.7	99.6	99.6	105.0	100.0
Labor Market Information	29.0	27.0	27.0	27.0	24.0
Unemployment Insurance	261.3	245.3	245.3	242.4	242.4
Industrial Safety and Health	24.0	24.0	24.0	22.1	22.1
Workers Compensation	102.0	89.0	89.0	89.0	87.0
Labor Relations	10.0	10.0	10.0	10.0	10.0
Off Budget	0.0	4.1	4.1	4.7	4.7
TOTAL	552.0	499.0	499.0	500.2	490.2

A. Administration

The Administration program includes the central management and administrative support function of the Department of Labor. Three sub-programs support the activities of the agency's programs: General Administration; Data Processing; and Support Services. There are six divisions in Support Services: Legal; Fiscal; Personnel; Building and Office Services; Marketing and Communications; and Information Technology.

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2011 - FY 2013					
Item	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Expenditures:					
Salaries and Wages	\$ 9,569,922	\$ 7,051,769	\$ 7,051,769	\$ 6,873,176	\$ 6,583,931
Contractual Services	5,989,737	4,422,337	4,422,337	4,447,457	4,447,457
Commodities	127,329	129,510	129,510	133,398	133,398
Capital Outlay	1,007,895	730,383	730,383	870,978	870,978
Subtotal - Operations	\$ 16,694,883	\$ 12,333,999	\$ 12,333,999	\$ 12,325,009	\$ 12,035,764
Aid to Local Units	0	0	0	0	0
Other Assistance	4,950	5,054	5,054	5,206	5,206
TOTAL	\$ 16,699,833	\$ 12,339,053	\$ 12,339,053	\$ 12,330,215	\$ 12,040,970
Financing:					
State General Fund	\$ 203,421	\$ 113,837	\$ 113,837	\$ 114,163	\$ 104,120
All Other Funds	16,496,412	12,225,216	12,225,216	12,216,052	11,936,850
TOTAL	\$ 16,699,833	\$ 12,339,053	\$ 12,339,053	\$ 12,330,215	\$ 12,040,970
FTE Positions	125.7	99.6	99.6	105.0	100.0
Non-FTE Uncl. Perm. Pos.	52.7	26.1	26.1	27.0	27.0
TOTAL	178.4	125.7	125.7	132.0	127.0

The **agency** requests FY 2013 operating expenditures of \$12.3 million for the Administration program, a decrease of \$8,838, or 0.1 percent, below the revised FY 2012

estimate. The request includes \$114,163 from the State General Fund. This is an increase of \$326, or 0.3 percent, above the revised FY 2012 estimate. The increase in State General Fund expenditures is attributable to an increase in legal expenditures. The major changes in the FY 2013 request include the following:

- **Salaries and Wages.** The agency request includes \$6.9 million in salaries and wages, a decrease of \$178,593, or 2.5 percent, below the revised FY 2012 estimate. The decrease is attributable to a lay off of employees and retirements within the agency.
- **Contractual Services.** The agency request includes \$4.4 million in contractual services, an increase of \$25,120, or 0.6 percent, above the revised FY 2012 estimate. The increase is attributable to increases in the cost indices for contractual services, such as postage and utilities.
- **Commodities.** The agency request includes \$133,398 in commodities, an increase of \$3,888, or 3.0 percent, above the FY 2012 revised estimate. The increase is attributable to an increase in the cost indices for commodities, such as office supplies and fuel.
- **Capital Outlay.** The agency request includes \$870,978 in capital outlay, an increase of \$140,595, or 19.2 percent, above the FY 2012 revised estimate. The increase is attributable to replacement of computers and computer equipment.

The **Governor** recommends an operating budget of \$12,040,970, including \$104,120 from the State General Fund, in the Administration program for FY 2013. This is a decrease of \$289,245, or 2.4 percent below the agency's request. The decrease is in salaries and wages and includes a recommended reduction of 5.0 FTE positions in the program due to the voluntary retirement incentive program.

B. Labor Market Information

The Labor Market Information program is the major research and statistical arm of the agency. The Labor Market Information Program maintains the state's reporting requirements for the United States Department of Labor - Bureau of Labor Statistics. The Labor Market Information Program responsibilities include the following:

- Calculating and reporting the monthly and annual unemployment rates for the state, each county, and the metropolitan statistical areas of the state;
- Calculating the number of employed in each industrial sector;
- Preparing periodic reports and surveys concerning the labor market in Kansas; and
- Serving as the actuarial trustee for the Unemployment Insurance Trust Fund.

LABOR MARKET INFORMATION SUMMARY OF EXPENDITURES FY 2011 - FY 2013					
Item	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Expenditures:					
Salaries and Wages	\$ 1,466,471	\$ 1,536,709	\$ 1,536,709	\$ 1,551,002	\$ 1,395,699
Contractual Services	567,997	485,913	485,913	500,713	500,713
Commodities	16,827	17,179	17,179	17,694	17,694
Capital Outlay	30,115	30,748	30,748	31,670	31,670
Subtotal - Operations	\$ 2,081,410	\$ 2,070,549	\$ 2,070,549	\$ 2,101,079	\$ 1,945,776
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 2,081,410	\$ 2,070,549	\$ 2,070,549	\$ 2,101,079	\$ 1,945,776
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	2,081,410	2,070,549	2,070,549	2,101,079	1,945,776
TOTAL	\$ 2,081,410	\$ 2,070,549	\$ 2,070,549	\$ 2,101,079	\$ 1,945,776
FTE Positions	29.0	27.0	27.0	27.0	24.0
Non-FTE Uncl. Perm. Pos.	1.5	1.0	1.0	1.0	1.0
TOTAL	30.5	28.0	28.0	28.0	25.0

The agency requests FY 2013 operating expenditures of \$2.1 million for the Labor Market Information program, an increase of \$30,530, or 1.5 percent, above the revised FY 2012 estimate. The request includes no State General Fund expenditures. The major changes in the FY 2013 request include the following:

- **Salaries and Wages.** The agency request includes \$1.6 million in salaries and wages, an increase of \$14,293, or 0.9 percent, above the revised FY 2012 estimate. The increase is attributable to increases in benefit costs.
- **Contractual Services.** The agency request includes \$500,713 in contractual services, an increase of \$14,800, or 3.0 percent, above the revised FY 2012

estimate. The increase is attributable to increases in the cost indices for contractual services such as postage, utilities, and consultant fees.

- **Commodities.** The agency request includes \$17,694 in commodities, an increase of \$515, or 3.0 percent, above the FY 2012 revised estimate. The increase is attributable to an increase in the cost indices for commodities such as office supplies and fuel.
- **Capital Outlay.** The agency request includes \$31,670 in capital outlay, an increase of \$922, or 3.0 percent, above the FY 2012 revised estimate. The increase is attributable to computer equipment and software expenses.

The **Governor** recommends operating expenditures of \$1,945,776, all from special revenue funds, for FY 2013 in the Labor Market Information program. This is a decrease of \$155,303, or 7.4 percent, below the agency's request. The decrease is in salaries and wages and includes a recommended reduction of 3.0 FTE positions in the program due to the voluntary retirement incentive program.

C. Unemployment Insurance

The Unemployment Insurance program provides benefits to eligible applicants to replace part of the wages lost from involuntary unemployment. The agency collects funds for benefits from employers and deposits the revenue in a federally controlled Trust Fund account. The federal Employment Security Administration Fund (ESAF) provides funding for Unemployment Insurance Services Administration costs. The Federal Unemployment Tax Act allows the IRS to collect taxes from employers to administer the Unemployment Insurance program. Unemployment Insurance Services receives a base budget from the ESAF. The program can also receive contingency funds from ESAF in proportion to increases in workload. Unemployment Insurance Services (also known as the Employment Security Division) operates through the following units:

- **Benefits Section.** This unit is responsible for processing unemployment insurance claims and oversees the call center that takes claims.
- **Contributions Section.** This unit is responsible for ensuring that employers in Kansas pay unemployment taxes on qualifying employees.
- **Appeals Section.** This unit is composed of unemployment insurance hearing judges who review appeals of determinations concerning unemployment insurance benefits eligibility and whether employers are charged for provided benefits.
- **Board of Review.** This unit confirms, denies, or changes any appeal made by the unemployment insurance judges.

UNEMPLOYMENT INSURANCE SUMMARY OF EXPENDITURES FY 2011 - FY 2013					
Item	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Expenditures:					
Salaries and Wages	\$ 16,041,196	\$ 11,689,067	\$ 11,689,067	\$ 11,435,278	\$ 11,435,278
Contractual Services	3,612,605	3,150,628	3,150,628	3,084,165	3,084,165
Commodities	122,400	124,960	124,960	123,913	123,913
Capital Outlay	558	570	570	35,787	587
Subtotal - Operations	<u>\$ 19,776,759</u>	<u>\$ 14,965,225</u>	<u>\$ 14,965,225</u>	<u>\$ 14,679,143</u>	<u>\$ 14,643,943</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	969,024,041	735,907,707	735,907,707	450,558,825	450,558,825
TOTAL	<u><u>\$ 988,800,800</u></u>	<u><u>\$ 750,872,932</u></u>	<u><u>\$ 750,872,932</u></u>	<u><u>\$ 465,237,968</u></u>	<u><u>\$ 465,202,768</u></u>
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	988,800,800	750,872,932	750,872,932	465,237,968	465,202,768
TOTAL	<u><u>\$ 988,800,800</u></u>	<u><u>\$ 750,872,932</u></u>	<u><u>\$ 750,872,932</u></u>	<u><u>\$ 465,237,968</u></u>	<u><u>\$ 465,202,768</u></u>
FTE Positions	261.3	245.3	245.3	242.4	242.4
Non-FTE Uncl. Perm. Pos.	128.1	71.9	71.9	74.6	74.6
TOTAL	<u><u>389.4</u></u>	<u><u>317.2</u></u>	<u><u>317.2</u></u>	<u><u>317.0</u></u>	<u><u>317.0</u></u>

The agency requests FY 2013 operating expenditures of \$465.2 million for the Unemployment Insurance program, a decrease of \$285.6 million, or 38.0 percent, below the

revised FY 2012 estimate. The request includes no State General Fund. The major changes in the FY 2013 request include the following:

- **Salaries and Wages.** The agency request includes \$11.4 million in salaries and wages, a decrease of \$253,789, or 2.2 percent, below the revised FY 2012 estimate. The decrease is attributable to a lay off of employees in the agency.
- **Contractual Services.** The agency request includes \$3.1 million in contractual services, a decrease of \$66,463, or 2.1 percent, below the revised FY 2012 estimate. The decrease is attributable to decreases in information technology consulting services.
- **Commodities.** The agency request includes \$123,913 in commodities, a decrease of \$1,047, or 0.8 percent, below the FY 2012 revised estimate. The decrease is attributable to decreases in fuel and office supplies.
- **Capital Outlay.** The agency request includes \$35,787 in capital outlay, an increase of \$35,217, or 6,178.4 percent, above the FY 2012 revised estimate. The increase is attributable to an enhancement to replace two vehicles.
- **Other Assistance.** The agency request includes \$450.6 million in other assistance, a decrease of \$285.3 million, or 38.8 percent, below the FY 2012 revised estimate. The decrease is attributable to the end of two federal programs: the Emergency Unemployment Compensation (EUC), which ended January 3, 2012; and the federal funding of Extended Benefits (EB), which ended January 4, 2012.

The **Governor** recommends operating expenditures of \$465,202,768, all from special revenue funds, for FY 2013 in the Unemployment Insurance program. This is a decrease of \$35,200, or less than 0.1 percent, below the agency's request. The decrease is attributable to the Governor not recommending the enhancement request to replace two vehicles.

D. Industrial Safety and Health

The Industrial Safety and Health program coordinates five programs: Boiler Safety Inspection; Accident Prevention; 21(d) Consultation Project; Public Sector Compliance; and Industrial Safety and Health. The Boiler Safety Inspection program and the Industrial Safety and Health program are both fee-funded. Accident Prevention and Public Sector Compliance receive funding from the Division of Workers' Compensation Assessments. These funds also supply the state funded match for the 21(d) Consultation Project, which derives 90.0 percent of its funding from a federal government grant.

- **Boiler Safety Inspection** oversees the inspection and certification of all Kansas boilers. There are approximately 42,700 registered boilers in the state which are required by law to be inspected by an insurance company or by a state inspector.
- **Workers' Compensation Accident Prevention** is responsible for reviewing the quantity and quality of safety and health services provided by insurance companies. The Workers' Compensation Act requires insurance carriers to provide these services for their clients. This program is administered by the Industrial Safety and Health. However, it is funded through Workers' Compensation Fee Fund.
- **21(d) Consultation Project** offers free and confidential advise to small and medium sized businesses with priority given to high-hazard work sites. Consultants from the Kansas Department of Labor work with employers to identify workplace hazards, provide advise on compliance with OSHA standards, and assist in establishing safety and health management systems.
- **Public Sector Compliance** covers those public sector, state and local government workers, who are excluded from federal coverage under the Occupational Safety and Health Act of 1970.
- **Industrial Safety and Health** is partially funded by the United States Department of Labor and provides a free program to the private sector which interprets the requirements of the federal Occupational Safety and Health Administration (OSHA) laws, rules, and regulations. The program also provides the private sector advice as to how to identify, eliminate, and control safety and health hazards.

**INDUSTRIAL SAFETY AND HEALTH
SUMMARY OF EXPENDITURES FY 2011 - FY 2013**

Item	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Expenditures:					
Salaries and Wages	\$ 1,439,533	\$ 1,391,245	\$ 1,391,245	\$ 1,415,614	\$ 1,339,499
Contractual Services	316,077	322,664	322,664	331,502	331,502
Commodities	59,766	60,960	60,960	62,479	62,479
Capital Outlay	99,364	101,450	101,450	139,694	104,494
Subtotal - Operations	<u>\$ 1,914,740</u>	<u>\$ 1,876,319</u>	<u>\$ 1,876,319</u>	<u>\$ 1,949,289</u>	<u>\$ 1,837,974</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u><u>\$ 1,914,740</u></u>	<u><u>\$ 1,876,319</u></u>	<u><u>\$ 1,876,319</u></u>	<u><u>\$ 1,949,289</u></u>	<u><u>\$ 1,837,974</u></u>
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	1,914,740	1,876,319	1,876,319	1,949,289	1,837,974
TOTAL	<u><u>\$ 1,914,740</u></u>	<u><u>\$ 1,876,319</u></u>	<u><u>\$ 1,876,319</u></u>	<u><u>\$ 1,949,289</u></u>	<u><u>\$ 1,837,974</u></u>
FTE Positions	24.0	24.0	24.0	22.1	22.1
Non-FTE Uncl. Perm. Pos.	8.0	4.4	4.4	4.4	4.4
TOTAL	<u><u>32.0</u></u>	<u><u>28.4</u></u>	<u><u>28.4</u></u>	<u><u>26.5</u></u>	<u><u>26.5</u></u>

The **agency** requests FY 2013 operating expenditures of \$2.0 million for the Industrial Safety and Health program, an increase of \$72,970, or 3.9 percent, above the revised FY 2012 estimate. The request includes no State General Fund. The major changes in the FY 2013 request include the following:

- **Salaries and Wages.** The agency request includes \$1.4 million in salaries and wages, an increase of \$24,369, or 1.8 percent, above the revised FY 2012 estimate. The increase is attributable to an increase in benefit costs.
- **Contractual Services.** The agency request includes \$331,502 in contractual services, an increase of \$8,838, or 2.7 percent, above the revised FY 2012 estimate. The increase is attributable to increases in the cost indices for contractual services such as postage and utilities.
- **Commodities.** The agency request includes \$62,479 in commodities, an increase of \$1,519, or 2.5 percent, above the FY 2012 revised estimate. The increase is attributable to an increase in the cost indices for commodities such as office supplies, food, and fuel.
- **Capital Outlay.** The agency request includes \$139,694 in capital outlay, an increase of \$38,244, or 37.7 percent, above the FY 2012 revised estimate. The increase is mainly attributable to an enhancement to replace two vehicles (\$35,200).

The **Governor** recommends operating expenditures of \$1,837,974, all from special revenue funds, for FY 2013 in the Industrial Safety and Health program. This is a decrease of

\$111,315, or 5.7 percent, below the agency's request. The decrease is attributable to the Governor not recommending the enhancement request (\$35,200) and an additional decrease in salaries and wages (\$76,115) due to the voluntary retirement incentive program.

E. Workers' Compensation

The Workers' Compensation program administers the Kansas Workers' Compensation Act, K.S.A. 44-501, et seq. The program files and maintains required reports of industrial accidents and discretionary notices of the employment of disabled workers; directs and audits physical and vocational rehabilitation for injured workers; provides the trial court, appellate review, and records repository for contested workers compensation claims; certifies qualified employers as self-insured; and through its Claims Advisory Section, provides information and claims assistance to injured workers, insurance carriers, employers, and attorneys. Workers' Compensation Services is fee-funded by assessments from insurance carriers and self-insured employers. Assessments are based on paid claims during the most recent calendar year in relation to the approved budget. The program is funded entirely from special revenue funds.

WORKER'S COMPENSATION SUMMARY OF EXPENDITURES FY 2011 - FY 2013					
Item	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Expenditures:					
Salaries and Wages	\$ 6,182,980	\$ 5,912,184	\$ 5,912,184	\$ 6,006,427	\$ 5,911,218
Contractual Services	1,618,711	1,655,787	1,655,787	1,706,646	1,706,646
Commodities	84,068	85,751	85,751	87,876	87,876
Capital Outlay	169,039	172,588	172,588	212,967	177,767
Subtotal - Operations	<u>\$ 8,054,798</u>	<u>\$ 7,826,310</u>	<u>\$ 7,826,310</u>	<u>\$ 8,013,916</u>	<u>\$ 7,883,507</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u><u>\$ 8,054,798</u></u>	<u><u>\$ 7,826,310</u></u>	<u><u>\$ 7,826,310</u></u>	<u><u>\$ 8,013,916</u></u>	<u><u>\$ 7,883,507</u></u>
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	8,054,798	7,826,310	7,826,310	8,013,916	7,883,507
TOTAL	<u><u>\$ 8,054,798</u></u>	<u><u>\$ 7,826,310</u></u>	<u><u>\$ 7,826,310</u></u>	<u><u>\$ 8,013,916</u></u>	<u><u>\$ 7,883,507</u></u>
FTE Positions	102.0	89.0	89.0	89.0	87.0
Non-FTE Uncl. Perm. Pos.	7.2	4.7	4.7	4.7	4.7
TOTAL	<u><u>109.2</u></u>	<u><u>93.7</u></u>	<u><u>93.7</u></u>	<u><u>93.7</u></u>	<u><u>91.7</u></u>

The agency requests FY 2013 operating expenditures of \$8.0 million for the Workers Compensation program, an increase of \$187,606, or 2.4 percent, above the revised FY 2012 estimate. There is no State General Fund in this request. The major changes in the FY 2013 request include the following:

- **Salaries and Wages.** The agency request includes \$6.0 million in salaries and wages, an increase of \$94,243, or 1.6 percent, above the revised FY 2012 estimate. The increase is attributable to increases in benefit costs.

- **Contractual Services.** The agency request includes \$1.7 million in contractual services, an increase of \$50,859, or 3.1 percent, above the revised FY 2012 estimate. The increase is attributable to increases in the cost indices for contractual services such as postage, utilities, and consulting fees.
- **Commodities.** The agency request includes \$87,876 in commodities, an increase of \$2,125, or 2.5 percent, above the FY 2012 revised estimate. The increase is attributable to an increase in the cost indices for commodities such as office supplies, food, and fuel.
- **Capital Outlay.** The agency request includes \$212,967 in capital outlay, an increase of \$40,379, or 23.4 percent, above the FY 2012 revised estimate. The increase is mainly attributable to an enhancement to replace two vehicles.

The **Governor** recommends operating expenditures of \$7,883,507, all from special revenue funds, for FY 2013 in the Workers Compensation program. This is a decrease of \$130,409, or 1.6 percent, below the agency's request. The decrease includes a reduction of \$95,209 in salaries and wages and 2.0 FTE positions due to the voluntary retirement incentive program. The Governor does not recommend the enhancement request for \$35,200 for the replacement of two vehicles.

F. Labor Relations

The Labor Relations program enforces laws relating to employment standards, labor relations, and public employee relations.

- **Employment Standards** is primarily responsible for the enforcement of minimum wage, wage payment, and child labor laws and regulates private employment agencies. The Employment Standards Section consists of the Labor Relations and Employment Standards Program and the Public Employee Relations Board (PERB).
- **Labor Relations** provides assistance in the organizational or collective bargaining process to employers and employees in the private sector who are exempt from federal laws, agricultural employers and employees, and all public employers and employees of the state and its agencies as well as other public employers who elect to be brought under the provisions of K.S.A. 75-4321, et seq. Assistance provided by staff includes holding bargaining unit determination hearings, conducting elections, and holding hearings to resolve prohibited practice charges. Mediation, fact finding, and arbitration services are available in the event of an impasse.
- **Public Employee Relations** administers the Public Employer-Employee Relations Act (PEERA). PEERA covers employees of the state and its agencies, cities, counties, fire districts, school districts, (except for teachers) and some colleges.

LABOR RELATIONS SUMMARY OF EXPENDITURES FY 2011 - FY 2013					
Item	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Expenditures:					
Salaries and Wages	\$ 409,324	\$ 373,157	\$ 373,157	\$ 365,571	\$ 307,412
Contractual Services	50,225	118,680	118,680	116,347	116,347
Commodities	1,521	2,855	2,855	2,797	2,797
Capital Outlay	208	520	520	511	511
Subtotal - Operations	<u>\$ 461,278</u>	<u>\$ 495,212</u>	<u>\$ 495,212</u>	<u>\$ 485,226</u>	<u>\$ 427,067</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u><u>\$ 461,278</u></u>	<u><u>\$ 495,212</u></u>	<u><u>\$ 495,212</u></u>	<u><u>\$ 485,226</u></u>	<u><u>\$ 427,067</u></u>
Financing:					
State General Fund	\$ 234,951	\$ 292,461	\$ 292,461	\$ 292,189	\$ 234,030
All Other Funds	226,327	202,751	202,751	193,037	193,037
TOTAL	<u><u>\$ 461,278</u></u>	<u><u>\$ 495,212</u></u>	<u><u>\$ 495,212</u></u>	<u><u>\$ 485,226</u></u>	<u><u>\$ 427,067</u></u>
FTE Positions	10.0	10.0	10.0	10.0	10.0
Non-FTE Uncl. Perm. Pos.	0.3	0.0	0.0	0.0	0.0
TOTAL	<u><u>10.3</u></u>	<u><u>10.0</u></u>	<u><u>10.0</u></u>	<u><u>10.0</u></u>	<u><u>10.0</u></u>

The **agency** requests FY 2013 operating expenditures of \$485,226 for the Labor Relations program, a decrease of \$9,986, or 2.0 percent, below the revised FY 2012 estimate. The request includes \$292,189 from the State General Fund, a decrease of \$272, or 0.1 percent, below the revised FY 2012 estimate. The major changes in the FY 2013 request include the following:

- **Salaries and Wages.** The agency request includes \$365,571 in salaries and wages, a decrease of \$7,586, or 2.0 percent, below the revised FY 2012 estimate. The decrease is attributable to a lay off of employees and retirements within the agency.
- **Contractual Services.** The agency request includes \$116,347 in contractual services, a decrease of \$2,333, or 2.0 percent, below the revised FY 2012 estimate. The decrease is attributable to decreases in costs due to fewer staff.
- **Commodities.** The agency request includes \$2,797 in commodities, a decrease of \$58, or 2.0 percent, below the FY 2012 revised estimate. The decrease is attributable to a decrease in the cost for commodities such as office supplies for fewer staff.
- **Capital Outlay.** The agency request includes \$511 in capital outlay, a decrease of \$9, or 1.7 percent, below the FY 2012 revised estimate. The decrease is attributable to less office equipment costs.

The **Governor** recommends operating expenditures of \$427,067, including \$234,030 from the State General Fund, for FY 2013 in the Labor Relations program. This is a State General Fund decrease of \$58,15, or 12.0 percent, below the agency's request and 19.9 percent, below the agency's State General Fund request. The decrease is in salaries and wages and is attributable to the governor recommending the agency's reduced resource budget and an additional State General Fund reduction for the voluntary retirement incentive program.

G. Debt Services

The Debt Service program includes the interest expenditures for repayment of two bonds: the Lease Revenue Bond, Series 2002H for the acquisition and renovation of the 401 Topeka Boulevard headquarters building; and a second bond for renovations at the Eastman Building. The Lease Revenue bond was obtained in 2002 for \$3,765,000 and was issued for fifteen years. The Eastman Building renovation bond was obtained in 2006 for \$511,980, and issued for six years.

DEBT SERVICES SUMMARY OF EXPENDITURES FY 2011 - FY 2013					
Item	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Expenditures:					
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	683,017	5,235,331	5,235,331	2,962,553	2,962,553
Subtotal - Operations	\$ 683,017	\$ 5,235,331	\$ 5,235,331	\$ 2,962,553	\$ 2,962,553
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 683,017	\$ 5,235,331	\$ 5,235,331	\$ 2,962,553	\$ 2,962,553
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	683,017	5,235,331	5,235,331	2,962,553	2,962,553
TOTAL	\$ 683,017	\$ 5,235,331	\$ 5,235,331	\$ 2,962,553	\$ 2,962,553
FTE Positions	0.0	0.0	0.0	0.0	0.0
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0

The **agency** requests FY 2012 expenditures of \$5.2 million, all from special revenue funds, for the interest payments on bonds and the federal unemployment insurance loan. The funding will come from the Special Employment Security Fund, Workers Compensation Fund and Employment Security Interest Assessment Fund. The increase in debt service payments in FY 2012 is due to the interest payments on the Unemployment Insurance loan amount.

The **Governor** concurs with the agency's request of Debt Service expenditures in FY 2012.

The **agency** requests FY 2013 expenditures of \$3.0 million, all from special revenue funds, for the interest payments on bonds and the federal unemployment insurance loan. This is a decrease of \$2.3 million due to the expected payoff of one of the bonds in FY 2012. The funding will come from the Special Employment Security Fund, Workers Compensation Fund and Employment Security Interest Assessment Fund.

The **Governor** concurs with the agency's request of Debt Service expenditures for FY 2013.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Debt Service-Principal	\$ 2,384,625	\$ 2,384,625	\$ 2,204,079	\$ 2,204,079
General rehabilitation and repair	120,824	120,824	120,998	120,998
Renovation of 1309 SW Topeka Ave.	0	0	256,100	256,100
Repaving of parking lot at 1309 SW Topeka Ave.	0	0	71,020	71,020
Renovation of 427 SW Topeka Ave	0	0	29,600	29,600
TOTAL	\$ 2,505,449	\$ 2,505,449	\$ 2,681,797	\$ 2,681,797
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	2,505,449	2,505,449	2,681,797	2,681,797
TOTAL	\$ 2,505,449	\$ 2,505,449	\$ 2,681,797	\$ 2,681,797

FY 2012 – Current Year. The agency requests a capital improvements expenditure budget of \$2,505,449, an increase of \$1,764,186, or 238.0 percent, above the approved FY 2012 capital improvements budget. The increase is mainly attributable to payments to the principal of the federal Unemployment Insurance loan. All expenditures in capital improvements for FY 2012 would be funded by special revenue funds.

The **Governor** concurs with the agency's revised estimate for capital improvements expenditures in FY 2012.

FY 2013 – Budget Year. The agency requests a capital improvements expenditure budget of \$2,681,797, an increase of \$176,348, or 7.0 percent, above the FY 2012 revised estimate. The increase is mainly attributable to the renovation of the 1309 SW Topeka Avenue building. All expenditures in capital improvements for FY 2013 would be funded by special revenue funds.

The **Governor** concurs with the agency's request for capital improvements expenditures for FY 2013.

PERFORMANCE MEASURES

Measure	Gov. Rec. for FY 2011	Actual FY 2011	Gov. Rec. FY 2012	Gov. Rec. FY 2013
Administration & Support Services				
Average number of days to process vouchers for payment	N/A	1.5	2.0	2.0
Contracts reviewed and opinions rendered	N/A	50	30	30
Labor Market Information Services				
Percent of labor market requests processed within three days	94.1%	96.8%	95.0%	95.0%
Number of requests received	760	464	550	220
Unemployment Insurance Services				
Number of initial claims filed for benefits	295,746	268,027	275,713	217,481
Percent of intrastate claimants to be issued first payment within 14 days	75.0%	77.7%	80.0%	85.0%
Percent of claimants filing weekly claims via the electronic system	99.0%	99.0%	99.0%	99.0%
Average duration of unemployment benefit (in weeks)	19.0	16.5	15.7	14.9
Number of claimants exhausting unemployment benefits	58,714	48,978	43,300	42,800
Industrial Safety and Health				
Number of consultations performed under federal contract	500	589	529	530
Number of serious or imminent hazards identified	N/A	1,674	2,000	1,800
Number of boilers and pressure vessels inspected	4,100	4,301	4,100	4,100
Percent boilers found to be deficient	20.0%	21.3%	20.0%	20.0%
Workers Compensation Services				
Number of accident reports	75,000	59,791	62,000	66,000
Average number of days from initial report of fraud or abuse to investigation completion	40	37	45	45
Number of fraud abuse cases reviewed	675	795	700	700
Average number of days from hearing to issued order from appeal of final award	N/A	48	30	30
Labor Relations and Employment Standards				
Number of impasse cases	170	154	170	170
Number of prohibited practice cases processed	30	9	30	15
Number of wage claims filed	1,175	1,015	1,200	1,250
Amount of wages collected/recovered	\$1,100,000	\$2,081,892	\$1,100,000	\$1,250,000