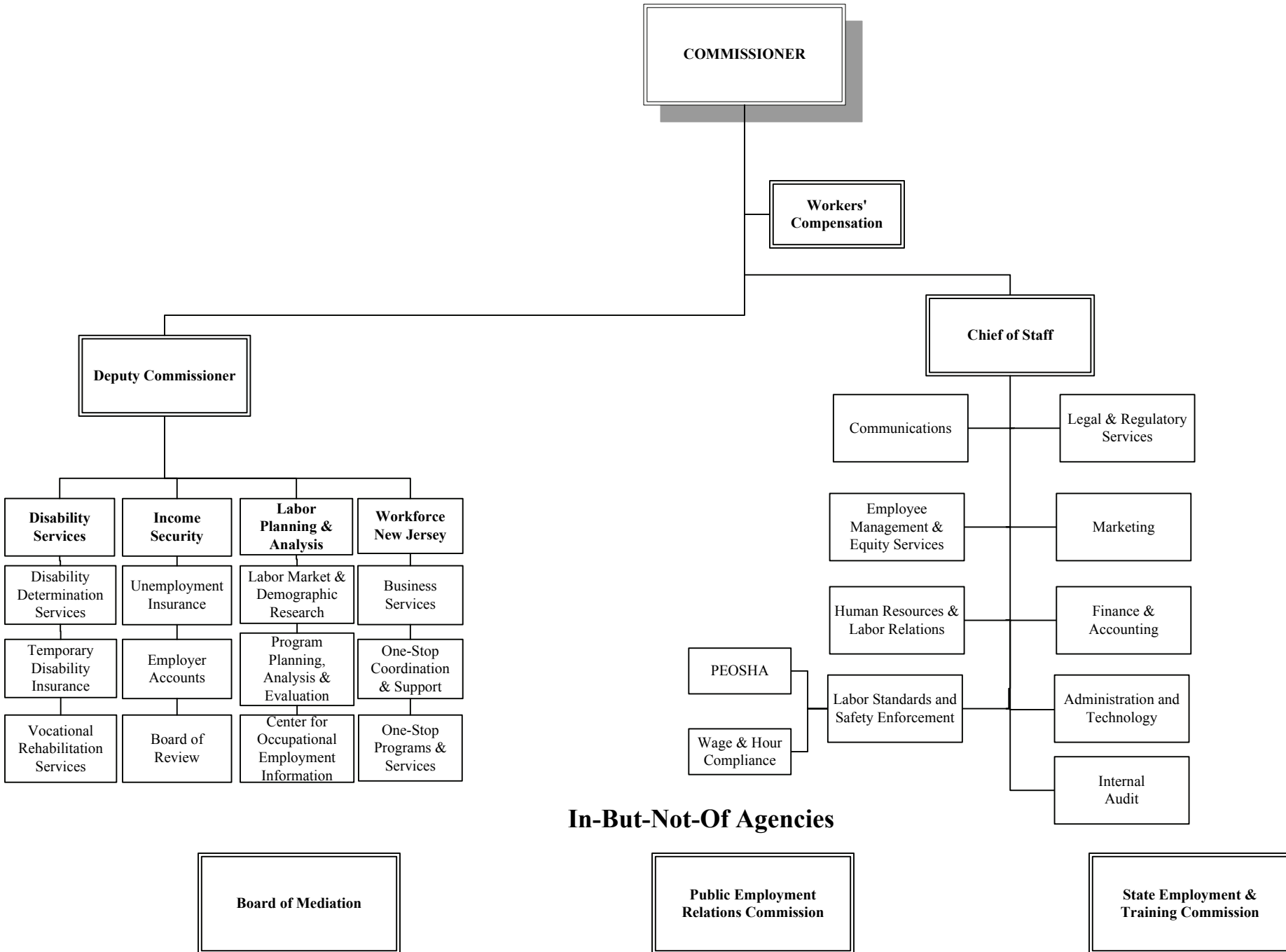


LABOR AND WORKFORCE DEVELOPMENT



LABOR AND WORKFORCE DEVELOPMENT

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

OVERVIEW

The Department of Labor and Workforce Development works to further the development of the state's world-class workforce through the statewide One-Stop Career Center system; provides almost \$3 billion per year in vital income security to workers who are unemployed or unable to work due to illness, accident, or injury; equitably enforces New Jersey's labor laws and standards; analyzes the state's labor market and demographic information; helps disabled individuals succeed in the workplace; promotes labor management harmony and protects the health and safety of workers on the job. The Department also provides funding for job training to employed, unemployed, and underemployed workers, enabling them to align their skills with the needs of businesses. The Department also ensures safe and equitable working conditions and provides or oversees wage replacement benefits to workers idled due to layoff or disability.

The Public Employment Relations Commission (PERC), which is concerned with the scope of public sector negotiations, unfair practices, mediation, fact-finding, and arbitration, is organizationally in-but-not-of the Department. The Board of Mediation and the State Employment and Training Commission also retain in-but-not-of status in the Department of Labor and Workforce Development. The Board of Mediation monitors labor negotiations, resolves disputes by providing arbitrators, and conducts consent elections to determine matters of union representation in the private sector. The State Employment and Training Commission is an administrative body created to assist in the implementation of a coordinated State employment, training, and education policy.

Budget Highlights

The Fiscal 2008 Budget for the Department of Labor and Workforce Development (NJLWD), including PERC, totals \$136.4 million, an increase of \$14.7 million or 12.1% over the fiscal 2007 adjusted appropriation of \$121.7 million. The Direct State Services recommendation totals \$63.3 million, an increase of \$0.1 million or 0.2%, from the fiscal 2007 adjusted appropriation of \$63.2 million. The Grants-In-Aid budget, including Casino Revenue funds, for fiscal 2008 is \$71.6 million, an increase of \$14.6 million or 25.6% over the fiscal 2007 adjusted appropriation of \$57 million. The additional funding primarily consists of a \$14.3 million increase needed to meet case management work activity requirements. The State Aid budget for fiscal 2008 of \$1.5 million remains unchanged from fiscal 2007.

Supplemental Workforce Fund for Basic Skills (SWFBS)

The New Jersey Supplemental Workforce Fund for Basic Skills (SWFBS, via P.L. 2001, c. 152) is funded from a portion of employer and employee tax contributions to support a Basic Skills program. The primary goal of the Basic Skills program is to promote adult literacy in the workplace by providing basic skills training for unemployed and employed workers. The funds are to be used as follows: 24% for One-Stop Career Centers; 28% for Workforce Investment Boards; 38% for individual employers, employer organizations, labor organizations, community-based organizations, or educational institutions; and 10% to provide for administrative costs for the program.

Also funded out of the SWFBS, the Workforce Learning Link model uses interactive technology to quickly target individual areas in need of improvement and move customers into jobs or towards the fulfillment of other employment-directed goals such as vocational training or achievement of their General Education Development (GED). In fiscal 2008, this model will be expanded beyond the traditional One-Stop Career Center sites to community-based sites

such as libraries, adult high schools and faith-based centers. Customers with internet access will be able to work from home using state-of-the-art learning tools under the guidance of qualified counselors and instructors to improve basic skills needed to get a job, sit for the GED test, or enter post-secondary training. In fiscal 2007, \$12.6 million was made available to support more than fifty Workforce Learning Links to provide literacy services to approximately 6,500 residents of New Jersey. Projections in fiscal 2008 are that the Workforce Learning Links will receive a similar level of funding and expand services to meet the literacy needs of 7,000 participants.

In addition, \$20 million will be used in fiscal 2008 to offset the cost of basic skills education at New Jersey's county colleges. This amount is \$6 million higher than the amount provided in fiscal 2007.

Workforce Development

In fiscal 2008, the Workforce Development Partnership Fund will continue to provide funding to strengthen job training efforts. The Workforce Development Partnership (WDP) program, funded through a dedicated assessment on workers and their employers, is a key component in the State's effort to train workers and job seekers, to satisfy the needs of employers, and to move people from welfare to work. The customized training aspect of the WDP program provides matching grants to employers to upgrade the skills of their workforce and is an important component of the State's economic development package. In fiscal 2006, \$19.5 million was provided in State funding to train 38,817 workers employed by 258 firms. These employers invested approximately \$25.8 million in matching dollars. Projections in fiscal 2007 are for \$27.5 million in State funding with \$34.4 million of employer matching dollars to provide training for 42,500 workers from 300 firms.

Of the State funds available in fiscal 2007, \$18 million has been set aside to fund High-Growth Workforce Investment Grants. These funds will be obligated using two "Notice of Grant Opportunity (NGO)" competitive grant application cycles during the fiscal year. Seven industry sectors: Pharmaceutical, Science, Information Technology, Energy, Finance, Logistics, and Hospitality are included in this competition. Forty-five applications for \$9.5 million in funding were received for the first cycle.

The fiscal 2008 projection provides \$27 million in customized training grants, \$18 million of which will be set aside for High Growth Industries.

Labor Standards and Safety Enforcement

The Labor Standards and Safety Enforcement program is responsible, in part, for the Prevailing Wage Act, which addresses most publicly funded construction projects, including school construction. The Divisions of Wage and Hour Compliance, and Public Safety and Occupational Safety and Health are responsible for administering and enforcing a wide variety of labor laws. These programs provide employees with safe and equitable working conditions; protect our good faith employers from unfair competition by employers who willfully violate our labor laws; and protect the public from various hazardous business operations.

Unemployment Insurance

The New Jersey Department of Labor and Workforce Development administers the federally funded Unemployment Insurance (UI) program, the primary function of which is to provide wage replacement benefits to workers who have become involuntarily unemployed. The program provides a safety net for New Jersey workers and their families during periods of economic downturn. New Jersey's unadjusted unemployment rate averaged 4.9% for

calendar year 2006. The seasonally adjusted unemployment rate ranged from a high of 5.3% in August 2006 to a low of 4.2% in December 2006. In the past, funds have been diverted from this program to offset costs in Medicaid and Health, specifically the Charity Care program. No diversion was made in 2007 nor is a diversion proposed in fiscal 2008.

Vocational Rehabilitation Services

The Vocational Rehabilitation Services program, which enables individuals with disabilities to achieve employment outcomes consistent with their strengths, priorities, needs, abilities, and capabilities is recommended to receive \$37.4 million in State funds in fiscal 2008. A broad range of medical and training services are provided to assist individuals in preparing for and acquiring employment, including Sheltered Workshop Support, which offers adult training services for individuals who need help with basic vocational skills, and supported employment services that include on-site job coaches.

Disability Determination Services

The Division of Disability Determination Services (DDS) adjudicates Social Security Disability claims filed by residents of New Jersey. The Division receives 100% of its funding from the Social Security Administration (SSA). During the federal fiscal year 2006, the Division received 63,702 claims. It is projected that 68,274 claims will be received during federal fiscal year 2007. The NJDDS budget increased by 1.3% to \$47.5 million during federal fiscal year 2006 to cover costs related to the implementation of an electronic disability folder process (eDib). At the present time, almost 97% of our initial and reconsideration claims are being processed electronically. Funding for the Division is projected to be reduced during federal fiscal year 2007, in spite of the projected increase of case receipts, due to anticipated reductions in the budget for the Social Security Administration.

Temporary Disability Insurance

New Jersey is one of only five states (and Puerto Rico) to provide workers with compulsory temporary disability insurance coverage. This program was established in 1948 and the first benefit check was issued in January, 1949. The primary purpose of the Division of Temporary Disability Insurance is to provide protection against wage loss to persons who meet certain requirements when an accident or sickness occurs that is not work related. Workers who become disabled may be eligible for cash benefits under the State Plan or an approved Private Plan. A third program, Disability During Unemployment, is designed for those who become disabled during the period they are eligible for unemployment insurance benefits. Each program is independent and all are funded from dedicated taxes paid by employers and employees.

Workers' Compensation

The Division of Workers' Compensation continues to fulfill the mandate of the Workers' Compensation Law (N.J.S.A. 34:15-1 et seq.) by providing services relating to the adjudication of benefits to the injured workers of New Jersey. Most importantly, the Division provides a forum in which a fair and impartial hearing can determine whether compensation is warranted. The Division's fiscal 2008 recommendation is \$12.6 million, which is comparable to the fiscal 2007 adjusted appropriation. The Division is supported by dedicated funding from surcharges paid by employers.

Labor Planning and Analysis

The Office of Labor Planning and Analysis (LPA) is composed of three divisions: the Divisions of Labor Market and Demographic

Research (LMDR) and Program Planning, Analysis and Evaluation (PPAE), and the Center for Occupational Employment Information (COEI). LPA is the Department of Labor and Workforce Development's primary information gatherer, with a wide constituency both from internal and external customers. LPA is responsible for a broad range of activities that include: conducting statistical surveys, compiling management reports, providing projections of labor market information, monitoring and producing reports on employment and population trends, overseeing data pertaining to occupational supply and demand, evaluating training programs and vendors, and disseminating Census information. LPA's products/services are provided based on an annual budget of approximately \$11.2 million (88.3% federal funding, 2.4% state funding, and 9.3% state trust fund).

Board of Mediation Commission

The Board of Mediation Commission is an independent agency within the Department that monitors labor negotiations, facilitates the resolution of disputes, and conducts consent elections involving matters of union representation. The Commission's Fiscal 2008 Budget of \$474,000 remains unchanged from its fiscal 2007 appropriation.

Department Accomplishments

Unemployment Insurance (UI) benefits are the gateway to the One-Stop Career System for many dislocated workers. In 2004, the Department initiated a project to redesign all unemployment insurance business processes and technical systems. This federally funded project will improve the way claims are evaluated and benefits are paid, providing a positive first contact for workers claiming UI benefits and enhancing service to employers. New technology will replace the many antiquated and incompatible systems that currently support the UI program with a single, comprehensive UI benefits system, NJ SUCCESS (New Jersey State Unemployment Compensation Claimant and Employer Service System). The conceptual design phase of the initiative was completed in March 2006 and the vendor working on the project is now in the iterative design and development phase scheduled for completion in late 2007. Pilot implementation of NJ SUCCESS is targeted for 2008, to be followed by a one-year roll-out period.

The Department is responsible for ensuring that New Jersey's workers are properly classified as employees or independent contractors based on specific criteria found in the Unemployment Compensation Law. Misclassified workers suffer an economic disadvantage and are involuntarily disenfranchised from the benefits provided to individuals classified as employees, such as unemployment and disability insurance, Social Security wage credits, workers' compensation coverage, and any employee health and pension benefits offered by the employer to its workforce. Recognizing that there are increasing attempts to avoid taxes through the misclassification of workers as independent contractors, the Department has increased its enforcement efforts and exchanges audit information with the Division of Taxation (Treasury).

The Division of Temporary Disability Insurance has been very successful with an initiative to identify and recover overpaid benefits. The process identifies claimants who have not reported that they have recovered from a disability or returned to work, but have continued collecting temporary disability benefits beyond their recovery or return to work date. Letters are sent to employers/claimants to determine an end of disability date. If an overpayment exists, the claim is set up in refund. Manual processing of these refunds has recovered an average of \$800,000 annually during the last two years. This initiative has been so successful that the Division plans to automate the processing, which is expected to significantly increase the recovery amount.

LABOR AND WORKFORCE DEVELOPMENT

Full automation of New Jersey's Workers' Compensation Program continues with the completion of Phases I and II of the Case Organization Utilization Reporting Tracking System (COURTS). Phase I created the web-based application and Phase II provided for internet, read-only access by attorneys and insurance carriers representing injured workers and employers. Phase III, enables attorneys to electronically file legal pleadings through the internet. In April of 2006, the COURTS Electronic Filing project was completed.

Electronic filing has not only reduced the volume of data entry for Division staff but has also improved the quality of the data. Currently, the rate of electronic filing is over 40%. Since the program was launched, over 440 law firms and insurance carriers have signed on to participate in electronic filing and more than 74,000 legal pleadings have been electronically filed.

For attorneys and insurance carriers representing injured workers and employers, COURTS on-line and particularly the e-filing program have provided them with the ability to conduct real time business with the Division and with each other, resulting in visible improvements to case processing time.

As part of P.L. 2004, c. 39, which consolidated all workforce development services within the Department of Labor and Workforce Development, a new program was designed to enable welfare eligible individuals to pursue two- and four-year college degree programs. Funding for Smart STEPS is provided by the State's Workforce Development Partnership program, as opposed to the federal Temporary Assistance for Needy Families (TANF) program, thereby effectively stopping the clock on TANF's five-year limitation and eliminating the TANF requirement, which mandates individuals must work part-time while attending school. While participating in the program, welfare recipients can devote all of their time to pursuing their education, which will aid in their success. The program was initiated in March, 2005. To date, 496 participants have been enrolled. Slot levels were increased for fiscal 2007 and 2008 to allow additional participants to the program. This increase should prove valuable in increasing the TANF federal participation rate. The program provides an opportunity for low income residents to attain the higher education needed to obtain good paying jobs and self-sufficiency for their families.

The NJ State Parole Board (NJSPB) and NJLWD are working together to integrate NJSPB's employment efforts into the local One-Stop Career Center System, in order to ensure that employment and training services to adult and juvenile parolees and other ex-offenders under the supervision of the NJSPB are maximized. The MOU with the NJ State Parole Board (NJSPB) continues to be in effect, and LWD continues to provide services to parolees who are referred to the One-Stop Career Centers. In the fiscal year ending June 30, 2006, 3,116 individuals were served, of which 1,980 were referred to jobs.

New Jersey was the recipient of a federal grant for \$1.5 million from the United State Department of Labor for the Disability Program Navigator (DPN) initiative, a two year project to help people with disabilities to "navigate" through the challenges of seeking work. This partnership between Labor and the Social Security Administration is designed to encourage people who are currently receiving federal benefits for a qualifying disability to pursue job training and employment, and to remove whatever barriers exist in the workplace in order to provide universal access to services. The DPN initiative develops partnerships to achieve seamless, comprehensive and integrated access to services, creating systemic change and expanding the workforce development system's capacity to serve employers and customers with disabilities. A funded half-time position for DPN has been identified for each of the 18 Workforce Investment Board areas. Staff training for this initiative has begun, and with support from our Division of Vocational Rehabilitation Services partners, the DPN will continue to foster better relationships between employers, community-based agencies, and the One-Stop system for serving people with disabilities.

Overall, New Jersey's One-Stop Career System served approximately 270,000 residents in the past year. Individuals could receive the aforementioned literacy services, various forms of work readiness, and job search assistance or job training. Additionally, the One-Stop Career Centers have served the business community in their recruitment needs as well as other business-related services through the Business Resource Centers. The workforce development services that New Jersey provides using federal Workforce Investment Act funding are meeting or exceeding performance requirements established by the United States Department of Labor. These targets focus on job placement, retention, skills and wage gains. Our success in meeting or surpassing these targets is due in part to the partnerships that have been developed between State and local partners in the workforce system.

Partnership is a key component of another effort of the Department of Labor and Workforce Development. This past year the United States Department of Labor initiated a project termed WIRED (Workforce Innovation in Regional Economic Development). The project recognizes that Workforce Development is Economic Development. New Jersey is included in two of the 26 WIRED projects across the nation. In a partnership with Pennsylvania and Delaware, we are targeting growth and expansion possibilities in the southwestern part of the state. In northern New Jersey, eight workforce areas are involved in an effort that includes a number of crucial industry clusters including logistics, advanced manufacturing, and life sciences.

Both programs received \$100,000 grants from the federal government and include partnerships with educational, professional, and governmental organizations at the local and state levels. As these groups develop, their intent is to consider regional needs and develop grants and related services that speak to the larger economic needs of their respective areas and demand clusters.

LABOR AND WORKFORCE DEVELOPMENT

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2006						Year Ending June 30, 2008		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2007 Adjusted Approp.	Requested	Recom- mended
					GENERAL FUND			
60,696	41,001	732	102,429	97,273	Direct State Services	63,169	63,264	63,264
44,842	---	-3,000	41,842	41,812	Grants-In-Aid	54,533	69,139	69,139
1,522	---	---	1,522	1,506	State Aid	1,522	1,522	1,522
107,060	41,001	-2,268	145,793	140,591	<i>Total General Fund</i>	119,224	133,925	133,925
					CASINO REVENUE FUND			
2,440	---	---	2,440	2,440	Grants-In-Aid	2,440	2,440	2,440
2,440	---	---	2,440	2,440	<i>Total Casino Revenue Fund</i>	2,440	2,440	2,440
109,500	41,001	-2,268	148,233	143,031	<i>Total Appropriation, Department of Labor and Workforce Development</i>	121,664	136,365	136,365

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2006						Year Ending June 30, 2008		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2007 Adjusted Approp.	Requested	Recom- mended
					DIRECT STATE SERVICES - GENERAL FUND			
					Economic Planning and Development			
683	33	---	716	696	Administration and Support Services	707	707	707
683	33	---	716	696	<i>Subtotal</i>	707	707	707
					Economic Assistance and Security			
21,539	6,611	---	28,150	26,910	State Disability Insurance Plan	22,388	22,388	22,388
4,216	1,234	---	5,450	5,161	Private Disability Insurance Plan	4,563	4,563	4,563
12,130	8,299	---	20,429	20,316	Workers' Compensation	12,639	12,639	12,639
1,685	353	---	2,038	1,874	Special Compensation	1,739	1,739	1,739
39,570	16,497	---	56,067	54,261	<i>Subtotal</i>	41,329	41,329	41,329
					Manpower and Employment Services			
2,446	---	---	2,446	2,445	Vocational Rehabilitation Services	2,446	2,446	2,446
9,119	16,633	-14,568	11,184	8,789	Employment Services	9,386	9,386	9,386
83	---	14,568	14,651	14,643	Employment and Training Services	---	95	95
5,096	7,829	583	13,508	12,632	Workplace Standards	5,540	5,540	5,540
3,225	9	149	3,383	3,366	Public Sector Labor Relations	3,287	3,287	3,287
474	---	---	474	441	Private Sector Labor Relations	474	474	474
20,443	24,471	732	45,646	42,316	<i>Subtotal</i>	21,133	21,228	21,228
60,696	41,001	732	102,429	97,273	<i>Total Direct State Services - General Fund</i>	63,169	63,264	63,264
60,696	41,001	732	102,429	97,273	TOTAL DIRECT STATE SERVICES	63,169	63,264	63,264

LABOR AND WORKFORCE DEVELOPMENT

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	2007 Adjusted Approp.	Requested	Recommended	
					GRANTS-IN-AID - GENERAL FUND			
					Manpower and Employment Services			
29,604	---	---	29,604	29,588	Vocational Rehabilitation Services	32,295	32,488	32,488
4,000	---	-3,000	1,000	986	Employment Services	---	---	---
11,238	---	---	11,238	11,238	Employment and Training Services	22,238	36,651	36,651
44,842	---	-3,000	41,842	41,812	<i>Subtotal</i>	54,533	69,139	69,139
44,842	---	-3,000	41,842	41,812	<i>Total Grants-In-Aid - General Fund</i>	54,533	69,139	69,139
					GRANTS-IN-AID - CASINO REVENUE FUND			
					Manpower and Employment Services			
2,440	---	---	2,440	2,440	Vocational Rehabilitation Services	2,440	2,440	2,440
2,440	---	---	2,440	2,440	<i>Subtotal</i>	2,440	2,440	2,440
2,440	---	---	2,440	2,440	<i>Total Grants-In-Aid - Casino Revenue Fund</i>	2,440	2,440	2,440
47,282	---	-3,000	44,282	44,252	TOTAL GRANTS-IN-AID	56,973	71,579	71,579
					STATE AID - GENERAL FUND			
					Manpower and Employment Services			
1,522	---	---	1,522	1,506	Employment and Training Services	1,522	1,522	1,522
1,522	---	---	1,522	1,506	<i>Subtotal</i>	1,522	1,522	1,522
1,522	---	---	1,522	1,506	<i>Total State Aid - General Fund</i>	1,522	1,522	1,522
1,522	---	---	1,522	1,506	TOTAL STATE AID	1,522	1,522	1,522
109,500	41,001	-2,268	148,233	143,031	<i>Total Appropriation, Department of Labor and Workforce Development</i>	121,664	136,365	136,365

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

51. ECONOMIC PLANNING AND DEVELOPMENT

OBJECTIVES

1. To compile, analyze, and disseminate labor market and economic data for distribution; to facilitate decision-making in the private and public sectors; and to provide statistical services to aid departmental managers in planning, operating, and evaluating programs under their jurisdiction.
2. To provide centralized support services for the Department.
3. To develop policy, evaluate performance, and implement and coordinate programs of the Department.

PROGRAM CLASSIFICATIONS

18. **Planning and Analysis.** Charged with coordinating departmental planning, evaluating programs, assisting in the formulation of policy and compiling, analyzing and disseminating operational, labor market, and demographic data.

99. **Administration and Support Services.** The Office of the Commissioner formulates the policies and priorities of the Department, including strategic planning.

The Office of Internal Audit is charged with safeguarding assets, preventing and/or detecting fraud and abuse and assuring that the Department conforms to established laws, rules, regulations, and procedures.

The Division of Administrative Services provides the following services: personnel; affirmative action and equal employment opportunity; training; program analysis and development; and central support, such as word processing, printing, supplies and mail distribution, equipment and building management.

The Division of Accounting provides for all accounting, budgeting, and purchasing functions for the Department, including evaluation of operating programs from a financial management viewpoint.

LABOR AND WORKFORCE DEVELOPMENT

EVALUATION DATA

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	354	376	382	382
Male Minority %	9.4	10.0	10.0	10.0
Female Minority	1,152	1,259	1,275	1,275
Female Minority %	30.5	33.4	33.4	33.4
Total Minority	1,506	1,635	1,657	1,657
Total Minority %	39.9	43.4	43.4	43.4
Position Data				
Filled Positions by Funding Source				
State Supported	30	33	34	38
Federal	429	426	406	406
Total Positions	459	459	440	444
Filled Positions by Program Class				
Management and Administrative Services	459	459	440	444
Total Positions	459	459	440	444

Notes:

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008					
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended		
<u>DIRECT STATE SERVICES</u>										
Distribution by Fund and Program										
683	33	---	716	696	Administration and Support Services	99	707	707	707	
683	33	---	716	696	Total Direct State Services		707^(a)	707	707	
Distribution by Fund and Object										
Personal Services:										
350	---	---	350	344	Salaries and Wages		417	417	417	
350	---	---	350	344	Total Personal Services		417	417	417	
11	---	-1	10	10	Materials and Supplies		11	11	11	
232	---	20	252	239	Services Other Than Personal		192	192	192	
25	---	-19	6	6	Maintenance and Fixed Charges		25	25	25	
Special Purpose:										
---	30 ^R	---	30	30	Urban Enterprise Zone - Administrative Costs		99	---	---	
62	---	---	62	62	Affirmative Action and Equal Employment Opportunity		99	62	62	
3	3	---	6	5	Additions, Improvements and Equipment		---	---	---	
683	33	---	716	696	Grand Total State Appropriation		707	707	707	
OTHER RELATED APPROPRIATIONS										
Federal Funds										
9,813					Planning and Analysis		18	9,829	10,243	10,243
1 ^S	2,230	---	12,044	7,568	Administration and Support Services		99	---	---	---
---	14,229	---	14,229	9,767	Total Federal Funds		9,829	10,243	10,243	

LABOR AND WORKFORCE DEVELOPMENT

Year Ending June 30, 2006							Year Ending June 30, 2008	
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended
OTHER RELATED APPROPRIATIONS								
All Other Funds								
---	1,131	---	6,485	5,237				
---	5,354 ^R	---	6,485	5,237	99	---	---	---
---	6,485	---	6,485	5,237		---	---	---
10,497	22,977	---	33,474	23,268		10,536	10,950	10,950
GRAND TOTAL ALL FUNDS								

Notes -- Direct State Services - General Fund

(a) The fiscal year 2007 appropriation has been adjusted for the allocation of salary program, as well as the reallocation of State appropriations supporting information technology services to the Office of Information Technology within the Department of Treasury.

Language Recommendations -- Direct State Services - General Fund

In addition to the amounts appropriated hereinabove for Administration and Support Services, there are appropriated from the New Jersey Redevelopment Investment Fund and the Economic Development Fund an amount of \$142,000 to provide for administrative costs incurred by the Department of Labor for activities related to the New Jersey Redevelopment Authority and the New Jersey Economic Development Authority programs, as determined by the Director of the Division of Budget and Accounting.

Of the amount hereinabove for the Administration and Support Services program classification, \$288,000 is appropriated from the Unemployment Compensation Auxiliary Fund.

In addition to the amount hereinabove for Administration and Support Services, an amount not to exceed \$550,000 is appropriated from the Unemployment Compensation Auxiliary Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amounts hereinabove for Administration and Support Services, \$31,000 are payable out of the State Disability Benefits Fund, and in addition to the amounts hereinabove there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to administer Administration and Support Services, subject to the approval of the Director of the Division of Budget and Accounting.

The amount necessary to provide administrative costs incurred by the Department of Labor and Workforce Development to meet the statutory requirements of the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) is appropriated from the Enterprise Zone Assistance Fund, subject to the approval of the Director of the Division of Budget and Accounting.

The amount necessary to provide employer rebate awards as a result of the "New Jersey Urban Enterprise Zones Act," P.L.1983,c.303 (C.52:27H - 60 et seq.), is appropriated from the Enterprise Zone Assistance Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "New Jersey Urban Enterprise Zones Act," P.L. 1983, c.303 (C.52:27H - 60 et seq.), the Department of Labor and Workforce Development, based upon the authorization of the Chief Executive Officer and Secretary of the New Jersey Commerce, Economic Growth and Tourism Commission, shall make employer rebate awards.

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY
53. ECONOMIC ASSISTANCE AND SECURITY

OBJECTIVES

1. To accumulate adequate reserves for the payment of benefits to temporarily and involuntarily unemployed and disabled individuals.
2. To provide prompt, efficient payment of benefits to eligible individuals.
3. To ensure the integrity of trust funds by utilizing modern fraud control techniques in cooperation with other state and federal agencies.
4. To act as an agent for the federal government in payment of unemployment insurance to federal employees and recently discharged veterans.
5. To provide prompt and efficient economic assistance to workers disabled by non-occupational sickness or accident.
6. To assure prompt, equitable adjudication of claims by employees for job-related illnesses and injuries and to expedite the return of employees to useful employment.

7. To make prompt and efficient determinations of disability claims under Title II and Title XVI of the Social Security Act.

PROGRAM CLASSIFICATIONS

01. **Unemployment Insurance.** C.43:21 et seq. establishes the State-administered, federally-funded programs of unemployment insurance covering virtually all non-agricultural units employing one or more persons. Claims are filed, monetary and eligibility determinations made, and benefits paid through communication terminals in 35 offices located throughout the State.
All unemployment benefit claims are based upon wage information collected by the Department of Labor. In addition, automated cross matches are performed to identify fraudulent collection of unemployment and public assistance benefits.
02. **Disability Determination.** The federal government fully funds the Division of Disability Determinations from the Social Security Act for the purpose of adjudicating long term disability claims. Activities include medical, legal, and qualitative review of claims.

LABOR AND WORKFORCE DEVELOPMENT

03. **State Disability Insurance Plan.** The State's Temporary Disability program was established in 1948, at a time when private insurance of this type was not widely available. It provides direct, temporary cash benefits to nearly all workers covered under the Unemployment Compensation Law to insure against loss of earnings due to non-occupational sickness or accident.
04. **Private Disability Insurance Plan.** Employers may, with the approval of the Director of Temporary Disability Insurance, select coverage under a private plan; otherwise coverage must be under the State Plan. Activities are comparable to those under the State Plan program, including oversight of the initiation and modification of plans. Benefit costs of this activity are charged to the State Disability Benefits Fund. Administrative costs are charged partly to the State Plan administrative fund and assessed proportionately against the private plans.
05. **Workers' Compensation.** Workers' Compensation benefits are provided through three procedures: voluntary direct

settlements, informal hearings, and formal hearings. Voluntary payments made by insurance carriers and self-insurers are reviewed as to adequacy of payments, and if deemed potentially inadequate, an informal hearing is scheduled. If an equitable settlement cannot be made at the informal hearing, a formal claim may be filed. Judges hear formal claims at 17 different statewide locations. As the result of legislation enacted during 1990, funding for the Workers' Compensation program is derived from the Second Injury Fund created by the Workers' Compensation Law (C.34:15-1 et seq.) through an assessment against carriers of workers' compensation insurance and self-insurers.

06. **Special Compensation.** This fund, paid for entirely by self-insurers and insurance companies, provides benefits to totally and permanently disabled workers with prior disabilities to encourage employment of individuals with disabilities. Special Compensation also determines special adjustment benefits payable to qualified persons under C.34:15-95.4. The purpose of this legislation is to increase benefits to pre-1980 victims of occupational injuries.

EVALUATION DATA

PROGRAM DATA	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
Unemployment Insurance				
Covered workers	3,836,301	3,877,600	3,923,300	3,955,600
Net benefits paid (millions)	\$1,911	\$1,806	\$1,851	\$1,834
Average insured unemployed rate	3.10%	2.80%	2.80%	2.60%
Initial claims	546,216	526,425	526,000	494,500
Average weekly benefit payment	\$323	\$327	\$337	\$350
Disability Determination				
Total claims adjudicated	67,181	61,862	67,600	71,000
Social Security Disability payments (millions)	\$2,447	\$2,714	\$2,730	\$2,870
Average cost per case	\$721	\$774	\$780	\$790
State Disability Insurance Plan				
Covered workers	2,806,700	2,837,000	2,870,500	2,894,000
Claims received	172,919	168,188	168,500	168,500
Benefits paid (millions)	\$429	\$432	\$447	\$462
Cost per claim processed	\$104	\$106	\$107	\$107
Average weekly benefit payment	\$354	\$366	\$377	\$388
Private Disability Insurance Plan				
Covered workers	729,700	737,600	746,300	752,400
Plans in force	5,123	5,147	5,170	5,200
Claims received	11,315	10,617	11,000	11,300
Benefits paid (millions)	\$24	\$23	\$24	\$24
Cost per claim processed	\$196	\$217	\$219	\$219
Workers' Compensation				
First reports of accident received	192,140	191,946	200,000	200,000
Cases pending July 1	100,751	100,251	97,676	96,676
Cases filed, reopened, reassigned	46,000	42,338	44,000	44,000
Cases closed	46,500	44,913	45,000	44,000
Cases pending June 30	100,251	97,676	96,676	96,676
Special Compensation				
Balance July 1	2,127	2,238	2,271	2,372
Verified petitions assigned	1,560	1,571	1,691	1,706
Advisory reports recovered	1,449	1,538	1,590	1,681
Balance June 30	2,238	2,271	2,372	2,397
Beneficiaries	6,738	7,060	7,119	7,144

LABOR AND WORKFORCE DEVELOPMENT

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	---	---	---	---
Federal	1,588	1,617	1,502	1,543
All Other	412	402	404	411
Total Positions	2,000	2,019	1,906	1,954
Filled Positions by Program Class				
Unemployment Insurance	1,290	1,290	1,188	1,245
Disability Determinations	298	327	314	298
State Disability Insurance Plan	174	166	171	167
Private Disability Insurance Plan	68	69	68	72
Workers' Compensation	150	148	144	152
Special Compensation Fund	20	19	21	20
Total Positions	2,000	2,019	1,906	1,954

Notes:

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
21,539	6,611	---	28,150	26,910	03	22,388	22,388	22,388	
4,216	1,234	---	5,450	5,161	04	4,563	4,563	4,563	
12,130	8,299	---	20,429	20,316	05	12,639	12,639	12,639	
1,685	353	---	2,038	1,874	06	1,739	1,739	1,739	
39,570	16,497	---	56,067	54,261		41,329^(a)	41,329	41,329	
Distribution by Fund and Object									
Personal Services:									
24,713	15,318 ^R	-5,900	34,131	25,465		26,472	26,472	26,472	
---	---	---	---	8,666		---	---	---	
24,713	15,318	-5,900	34,131	34,131		26,472	26,472	26,472	
257	---	---	257	246		257	257	257	
5,290	---	1,075	6,365	6,244		5,340	5,340	5,340	
3,007	---	1,135	4,142	4,110		3,007	3,007	3,007	
Special Purpose:									
---	---	160	160	156	03	300	300	300	
5,500	---	3,000	8,500	8,500	03	5,500	5,500	5,500	
---	---	230	230	159	04	50	50	50	
---	---	300	300	300	05	363	363	363	
40	---	---	40	14	06	40	40	40	
763	1,179	---	1,942	401		---	---	---	
39,570	16,497	---	56,067	54,261		41,329	41,329	41,329	
OTHER RELATED APPROPRIATIONS									
Federal Funds									
133,100	72,369	---	205,469	164,244	01	117,516	143,492	143,492	

LABOR AND WORKFORCE DEVELOPMENT

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended
OTHER RELATED APPROPRIATIONS								
49,000	13,516	---	62,516	48,648	02	50,176	53,000	53,000
<u>182,100</u>	<u>85,885</u>	---	<u>267,985</u>	<u>212,892</u>	Total Federal Funds		<u>196,492</u>	<u>196,492</u>
All Other Funds								
---	---	---	---	---	01	---	2,000	2,000
---	---	---	---	---	03	8,850	10,000	10,000
---	---	---	---	---	04	1,280	1,280	1,280
---	---	---	---	---	05	7,681	8,017	8,017
---	74,979	---	---	---	06	142,800	147,914	147,914
---	<u>137,601</u> ^R	1,705	214,285	149,749	Total All Other Funds		<u>169,211</u>	<u>169,211</u>
---	<u>212,580</u>	<u>1,705</u>	<u>214,285</u>	<u>149,749</u>	GRAND TOTAL ALL FUNDS		<u>407,032</u>	<u>407,032</u>
<u>221,670</u>	<u>314,962</u>	<u>1,705</u>	<u>538,337</u>	<u>416,902</u>				

Notes -- Direct State Services - General Fund

(a) The fiscal year 2007 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

The amounts hereinabove for the State Disability Insurance Plan and Private Disability Insurance Plan are payable out of the State Disability Benefits Fund and, in addition to the amounts hereinabove, there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to pay disability benefits, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for administrative costs associated with the State Disability Insurance Plan there is appropriated from the State Disability Benefits Fund an amount not to exceed \$10,000,000, such amount to include \$1,000,000 for a reengineering study of the business process, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amounts appropriated hereinabove, there are appropriated out of the State Disability Benefits Fund such additional sums as may be required to administer the Private Disability Insurance Plan.

Receipts in excess of the amount anticipated for the Workers' Compensation program are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated for the Second Injury Fund are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Special Compensation Fund shall be payable out of the Special Compensation Fund and, notwithstanding the \$12,500 limitation set forth in R.S.34:15-95, in addition to the amounts hereinabove, there are appropriated out of the Special Compensation Fund such additional sums as may be required for costs of administration and beneficiary payments.

There is appropriated out of the balance in the Second Injury Fund an amount not to exceed \$1,000,000 to be deposited to the credit of the Uninsured Employers Fund for the payment of benefits as determined in accordance with section 11 of P.L. 1966, c.126 (C.34:15-120.2). Any amount so transferred shall be included in the next Uninsured Employers Fund surcharge imposed in accordance with section 10 of P.L. 1966, c.126 (C.34:15-120.1) and any amount so transferred shall be returned to the Second Injury Fund without interest and shall be included in net assets of the Second Injury Fund pursuant to paragraph (4) of subsection c. of R.S.34:15-94.

The funds appropriated for Second Injury Fund benefits are available for the payment of obligations applicable to prior fiscal years.

Amounts to administer the Uninsured Employers Fund are appropriated from the Uninsured Employers Fund, subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed \$150,000 for the cost of notifying unemployment compensation recipients of the availability of New Jersey Earned Income Tax Credit information, pursuant to P.L. 2005, c.210 (C.43:21-4.2), is appropriated from the Unemployment Compensation Auxiliary Fund, subject to the approval of the Director of the Division of Budget and Accounting.

From the funds made available to the State under section 903(d)(4) of the Social Security Act (42 U.S.C. s.1103 et seq.), as amended, the sum of \$35,000,000, or so much thereof as may be necessary, is appropriated for the improvement of services to unemployment insurance claimants through the improvement and modernization of the benefit payment system and other technology improvements and to employment service clients through the continued development and maintenance of one-stop offices throughout the State and other investments in technology, processes, and services that will enhance job opportunities for clients.

In addition to the amounts appropriated hereinabove, there is appropriated out of the Unemployment Compensation Auxiliary Fund, an amount not to exceed \$2,000,000 to support collection activities in the unemployment insurance program subject to the approval of the Director of the Division of Budget and Accounting.

LABOR AND WORKFORCE DEVELOPMENT

50. ECONOMIC PLANNING, DEVELOPMENT, AND SECURITY

54. MANPOWER AND EMPLOYMENT SERVICES

OBJECTIVES

1. To develop and maintain employment opportunities.
2. To develop and revitalize manpower for employment opportunities.
3. To minimize public employer-employee disputes, to resolve such disputes when they arise and to enforce statutory rights of public employees.
4. To promote permanent harmony and stability in labor relations.
5. To prevent employment practices which are injurious to workers or which abrogate workers' rights and to assure equitable wages and working hours.
6. To prevent injuries to persons and damage to property from explosives, hazardous materials, and mining operations; and to prevent injuries and fatalities to the public from high voltage lines.
7. To prevent injuries and illnesses to public employees.
8. To provide on-site consultation service to employers on matters of safety and health of employees.

PROGRAM CLASSIFICATIONS

07. **Vocational Rehabilitation Services.** The Vocational Rehabilitation Program (P.L. 93-112 as amended; P.L. 97-35) provides services to individuals with disabilities who are unable to work. A broad range of medical and training services are provided to assist in preparing for and acquiring employment. Funding is provided primarily on an approximate 77%/23%, federal/state matching basis. The Sheltered Workshop Support program (P.L. 1971, c.272), through 100% State funds, is designed to provide long-term employment and rehabilitation services to severely disabled individuals who cannot be placed in open competitive employment.
09. **Employment Services.** Under the New Jersey Workforce Development Partnership Act, job training services are provided through training grants for displaced and disadvantaged individuals. In addition, customized training grants are awarded to employers to sustain employment in the State and to make the workforce more competitive.

Labor exchange services match unemployed workers with job openings. Placement is facilitated through interviewing, classification, and counseling.

Other federally-funded programs include Alien Labor Certification, Disabled Veterans Outreach Program, and the Trade Act Program. These programs are authorized by Wagner-Peyser as amended by the Jobs Training Partnership Act (P.L.97-300).
10. **Employment and Training Services.** Under the auspices of the federal Workforce Investment Act (WIA), and related federal and state legislation, contracts with federal, state and local governments and other institutions provide services to train the workforce which include: counseling, recruitment for Job Corps, intake and certification for WIA, job search assistance, referral and placement for General Assistance recipients, and job search to enhance economic development activities.

The State Employment and Training Commission is an administrative body created by P.L. 1989, c.293, to design and assist in the implementation of a State-based, locally-delivered employment, training, and education system. The Commission is responsible for the implementation and evaluation of an employment and training policy for the State.

12. **Workplace Standards.** Enforces statutes and rules by inspecting work premises and conditions. Covered are places of public employment (C.39: 6A-25 et seq.); certain provisions of the Worker and Community Right to Know Act (C.39: 5A-18 et seq.); boilers (including nuclear components), pressure vessels and refrigeration plants (C.34:7-14 et seq.); mines, pits, and quarries (C.34: 6-98.1 et seq.); explosives (C.21: 1A-128 et seq.); proximity to high voltage lines (C.34: 6-47.1 et seq.); fireworks (C.21: 2-1 et seq. and C.21: 3-1 et seq.); and service stations (C.34A-1 et seq.).

Develops and interprets rules, issues formal variances, and hears appeals. Issues licenses to long boom crane operators, power plant engineers, and boiler operators and issues approvals for operation of boilers, pressure vessels, and nuclear components.

Also covered are minimum wage and overtime (C.34: 11-56A et seq.); wage payment (C.34: 11-4.1 et seq.); child labor (C.34: 2-21.1 et seq.); industrial homework (C.34: 6-120 et seq.); lie detectors (C.2A: 170.90.1); wage collection (C.34: 11-57 et seq.); prevailing wage (C.34: 11-56.25 et seq.); crew leaders (C.34: 8A-7 et seq.); drinking water and toilet facilities (C.34: 9A-37 et seq.); and contract labor camps subject to the Wagner-Peyser Act.

Provides on-site occupational health and safety consultation services to employers by agreement with the federal Occupational Safety and Health Administration.

16. **Public Sector Labor Relations.** Provides services through the Public Employment Relations Commission (C.34:13A-1 et seq.), which establishes policy, rules, and regulations concerning employer-employee relations in the public sector, and resolves disputes involving unit determinations, representation, unfair practices and scope of negotiations, and upon request, provides mediators and fact-finders to assist in the resolution of collective negotiation disputes and designates arbitrators to resolve disputes over rights pursuant to collective bargaining agreements.

The Public Employment Relations Commission Appeal Board is an administrative body created by P.L. 1979, c.477, and is authorized to review and decide appeals filed by non-member employees as to the appropriateness of representation fees set by their majority representatives.

17. **Private Sector Labor Relations.** Provides services through the State Board of Mediation (C.34:13A-4 and C.34:1A-23), which monitors labor negotiations throughout the State and conducts separate and joint conferences with labor and management during negotiations of labor contracts; resolves disputes by providing arbitrators at the request of the parties; and conducts consent elections to determine matters of union representation.

LABOR AND WORKFORCE DEVELOPMENT

EVALUATION DATA

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
PROGRAM DATA				
Vocational Rehabilitation Services				
Total persons served	28,774	29,375	29,300	29,600
Total persons rehabilitated	4,177	4,178	4,200	4,250
Total continuing to be served	18,024	18,422	18,200	18,700
Average cost per rehabilitation	\$14,000	\$14,200	\$14,400	\$14,500
Earnings (Weekly)				
Before rehabilitation	\$79	\$84	\$89	\$94
After rehabilitation	\$393	\$385	\$390	\$395
Sheltered Workshops				
Persons served	2,721	2,699	2,699	2,699
Appropriation per client	\$6,935	\$7,062	\$7,132	\$7,132
Independent Living Rehabilitation				
Persons served	7,500	7,240	7,300	7,300
Cost per person	\$125	\$150	\$150	\$150
Employment Services				
Job openings received	112,257	176,410	177,000	177,000
Individuals placed (a)	8,111	---	---	---
Individuals entered employment (a)	---	132,297	149,000	153,000
Individuals counseled (b)	41,108	---	---	---
Individuals career guidance (b)	---	57,960	58,000	58,300
Disabled Veterans Outreach Program				
Veterans placed (a)	1,025	---	---	---
Veterans entered employment (a)	---	11,109	12,000	12,100
Veterans counseled (b)	1,832	---	---	---
Veterans career guidance (b)	---	4,074	4,100	4,150
Employment and Training Services				
Workforce Development Partnership Project				
Customized training grants	\$22,500,000	\$19,506,729	\$27,500,000	\$27,000,000
Individuals trained	38,146	38,817	42,500	47,000
Cost per individual	\$590	\$502	\$645	\$490
Companies served	404	258	300	400
Individual training grants-displaced workers	\$12,700,000	\$14,000,000	\$14,650,000	\$15,000,000
Individuals trained	4,233	4,375	3,662	3,750
Cost per individual	\$3,000	\$3,200	\$4,000	\$4,000
Workforce Investment Act				
Total enrollments	23,009	22,879	22,150	22,200
Total job placements	6,636	6,600	6,000	6,150
Workplace Standards				
Mine, pit and quarry inspections	1,910	2,000	2,000	2,000
Mechanical Inspection				
Boilers inspected by State	9,639	9,319	9,600	10,000
Boilers inspected by insurance inspectors	38,868	39,674	40,000	40,000
Asbestos Control and Licensing				
Employer licenses issued	62	50	50	50
Employee permits issued	2,050	3,264	3,264	3,264
Crane Operator Inspections	829	982	1,032	1,032
OSHA On-site Consultant Services				
Consultations	616	595	510	500
Hazards identified	1,937	2,000	1,750	1,700
Mine Safety Training				
Persons trained	1,430	2,000	2,000	2,000
Wage and Hour, Child Labor and Public Contracts				
Complaints received	7,983	6,919	7,500	7,750
Formal complaints filed	2,240	2,193	2,600	2,700
Employees receiving back wages	6,916	10,562	8,000	8,000
Net back wages paid to employees	\$6,047,583	\$8,170,281	\$8,000,000	\$8,000,000
Public Employees Safety				
Inspections	723	1,000	960	800
Hazards identified	4,139	5,000	6,720	5,600

LABOR AND WORKFORCE DEVELOPMENT

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
Apparel Registration				
Registrations issued	652	578	575	550
Firms with violations	122	96	75	75
Public Works Contractor Registration Act				
Registrations issued	4,734	7,723	8,500	8,500
Public Sector Labor Relations				
Dispute Disposition				
Balance July 1	1,932	1,886	1,946	2,151
Filed	1,974	1,972	2,120	2,185
Disposed	2,020	1,912	1,915	1,960
Unfair practices and representation	611	584	570	590
Mediation, fact-finding and arbitration	1,132	1,097	1,105	1,125
Scope of negotiation and issue definition	93	96	90	90
Other formal decisions	184	135	150	155
Balance June 30	1,886	1,946	2,151	2,376
Appeal Board				
Balance July 1	69	78	1,199	107
Petitions filed	19	1,122 (c)	90	70
Petitions disposed	10	1	1,182	55
Balance June 30	78	1,199	107	122

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	239	226	218	232
Federal	1,038	1,064	998	1,003
All Other	42	46	42	46
Total Positions	1,319	1,336	1,258	1,281

Filled Positions by Program Class

Vocational Rehabilitation Services	329	338	322	332
Workplace Standards	222	214	210	215
Employment Services	722	744	690	691
Public Sector Labor Relations	40	36	33	36
Private Sector Labor Relations	6	4	3	7
Total Positions	1,319	1,336	1,258	1,281

Notes:

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

- In fiscal year 2006, Federal Employment Services program reporting replaced "individuals placed" statistics with "entered employment", the number of individuals employed in the quarter after program exit as determined by wage record matches and acceptable supplemental data.
- In fiscal year 2006, Federal Employment Services program reporting replaced "counseling" statistics with a broader category defined as "career guidance".
- In fiscal year 2006, 1,112 petitions were filed involving certain alleged violations in a representation fee dispute. The matter was resolved in fiscal 2007 and is included in "Petitions disposed".

APPROPRIATIONS DATA (thousands of dollars)

Orig. & (S)Supple- mental	Year Ending June 30, 2006				Prog. Class.	2007 Adjusted Approp.	Year Ending June 30, 2008	
	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended			Requested	Recom- mended
2,446	---	---	2,446	2,445				
9,119	16,633	-14,568	11,184	8,789	07	2,446	2,446	2,446
83	---	14,568	14,651	14,643	09	9,386	9,386	9,386
5,096	7,829	583	13,508	12,632	10	---	95	95
					12	5,540	5,540	5,540

LABOR AND WORKFORCE DEVELOPMENT

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended
3,225	9	149	3,383	3,366	<u>DIRECT STATE SERVICES</u>			
474	---	---	474	441		3,287	3,287	3,287
20,443	24,471	732	45,646	42,316	16	474	474	474
					<u>DIRECT STATE SERVICES</u>			
					16	3,287	3,287	3,287
					17	474	474	474
					Total Direct State Services			
						21,133 ^(a)	21,228	21,228
					Distribution by Fund and Object			
					Personal Services:			
14,826	22,178 ^R	-16,242	20,762	17,749	Salaries and Wages			
---	---	---	---	1,408		15,609	15,634	15,634
					Employee Benefits			
						---	---	---
14,826	22,178	-16,242	20,762	19,157	Total Personal Services			
59	---	113	172	170		15,609	15,634	15,634
352	---	2,140	2,492	2,342	Materials and Supplies			
82	---	57	139	138		60	60	60
					Services Other Than Personal			
						327	304	304
					Maintenance and Fixed Charges			
						94	92	92
					Special Purpose:			
1,909	---	---	1,909	1,838	Workforce Development Partnership Program			
81	---	---	81	1	09	1,909	1,909	1,909
					Workforce Development Partnership - Counselors			
					09	81	81	81
					Workforce Literacy and Basic Skills Program			
					09	2,000	2,000	2,000
83	---	---	83	83	Council on Gender Parity			
---	---	14,568	14,568	14,560	10	---	95	95
38	---	---	38	9	Work First New Jersey			
					10	---	---	---
					Worker and Community Right to Know Act			
					12	38	38	38
378	---	---	378	378	Public Employees Occupational Safety			
					12	378	378	378
					Public Works Contractor Registration			
450	2,223 ^R	---	2,715	2,032	12	450	450	450
144	---	---	144	144	Mine Safety Program Expansion			
					12	144	144	144
3	---	---	3	3	Safety Commission			
					12	3	3	3
38	28	96	162	159	Additions, Improvements and Equipment			
						40	40	40
					<u>GRANTS-IN-AID</u>			
					Distribution by Fund and Program			
32,044	---	---	32,044	32,028	Vocational Rehabilitation Services			
					07	34,735	34,928	34,928
29,604	---	---	29,604	29,588	(From General Fund)			
						32,295	32,488	32,488
2,440	---	---	2,440	2,440	(From Casino Revenue Fund)			
						2,440	2,440	2,440
4,000	---	-3,000	1,000	986	Employment Services			
					09	---	---	---
11,238	---	---	11,238	11,238	Employment and Training Services			
					10	22,238	36,651	36,651
47,282	---	-3,000	44,282	44,252	Total Grants-in-Aid			
44,842	---	-3,000	41,842	41,812	(From General Fund)			
						54,533	69,139	69,139
2,440	---	---	2,440	2,440	(From Casino Revenue Fund)			
						2,440	2,440	2,440
					Distribution by Fund and Object			
					Grants:			
4,286	---	---	4,286	4,286	Services to Clients (State Share)			
					07	4,286	4,286	4,286
1,460	---	---	1,460	1,444	Sheltered Workshop Transportation			
					07	1,960	1,960	1,960
2,440	---	---	2,440	2,440	Sheltered Workshop Transportation (CRF)			
					07	2,440	2,440	2,440
3,550	---	---	3,550	3,550	Supported Employment Services			
					07	5,550	5,550	5,550
18,871	---	497	19,368	19,368	Sheltered Workshop Support			
					07	19,250	19,250	19,250

LABOR AND WORKFORCE DEVELOPMENT

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended
GRANTS-IN-AID								
450	---	-309	141	141				
188	---	-188	---	---				
170	---	---	170	170				
625	---	---	625	625				
4	---	---	4	4				
4,000	---	-3,000	1,000	986				
3,048	---	---	3,048	3,048				
8,190	---	---	8,190	8,190				
STATE AID								
Distribution by Fund and Program								
1,522	---	---	1,522	1,506				
<u>1,522</u>	<u>---</u>	<u>---</u>	<u>1,522</u>	<u>1,506</u>		<u>1,522</u>	<u>1,522</u>	<u>1,522</u>
Distribution by Fund and Object								
State Aid:								
922	---	---	922	922				
<u>600</u>	<u>---</u>	<u>---</u>	<u>600</u>	<u>584</u>		<u>600</u>	<u>600</u>	<u>600</u>
<u>69,247</u>	<u>24,471</u>	<u>-2,268</u>	<u>91,450</u>	<u>88,074</u>		<u>79,628</u>	<u>94,329</u>	<u>94,329</u>
OTHER RELATED APPROPRIATIONS								
Federal Funds								
50,667	32,499	-1,581	81,585	45,336				
34,585								
14 ^S	7,037	---	41,636	29,737				
130,422	570	-281	130,711	114,335				
<u>3,967</u>	<u>1,169</u>	<u>-826</u>	<u>4,310</u>	<u>3,191</u>		<u>4,116</u>	<u>4,371</u>	<u>4,371</u>
<u>219,655</u>	<u>41,275</u>	<u>-2,688</u>	<u>258,242</u>	<u>192,599</u>		<u>236,214</u>	<u>238,392</u>	<u>238,392</u>
All Other Funds								
---	72	---	1,455	1,383				
---	1,383 ^R	---	1,455	1,383				
---	57	---	57	---				
---	---	---	---	---				
---	20	---	43	---				
---	28 ^R	-5	43	---				
---	<u>1,560</u>	<u>-5</u>	<u>1,555</u>	<u>1,383</u>		<u>34,920</u>	<u>35,619</u>	<u>35,619</u>
<u>288,902</u>	<u>67,306</u>	<u>-4,961</u>	<u>351,247</u>	<u>282,056</u>		<u>350,762</u>	<u>368,340</u>	<u>368,340</u>

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2007 appropriation has been adjusted for the allocation of salary program, as well as the reallocation of State appropriations supporting information technology services to the Office of Information Technology within the Department of Treasury.
- (b) Appropriation of \$191,000 for cost-of-living allowance adjustments distributed to the applicable grant account.

Language Recommendations -- Direct State Services - General Fund

Notwithstanding the provisions of the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), the cost of fact-finding shall be borne equally by the public employer and the exclusive employee representative.

The amount hereinabove appropriated for the Vocational Rehabilitation Services program classification is available for the payment of obligations applicable to prior fiscal years.

LABOR AND WORKFORCE DEVELOPMENT

- The amount hereinabove for the Vocational Rehabilitation Services program classification is appropriated from the Unemployment Compensation Auxiliary Fund.
- The amounts hereinabove for the Workforce Development Partnership Program and Workforce Development Partnership - Counselors shall be appropriated from receipts received pursuant to P.L.1992, c.44 (C.34:15D-12 et seq.), together with such additional sums as may be required to administer the Workforce Development Partnership Program, subject to the approval of the Director of the Division of Budget and Accounting.
- The amounts hereinabove for the Workforce Literacy and Basic Skills Program shall be appropriated from receipts received pursuant to P.L.2001, c.152 (C.34:15D-21 et seq.), together with such additional sums as may be required to administer the Workforce Literacy Program, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of the "Supplemental Workforce Fund for Basic Skills" P.L.2001, c.152 (C.34:15D-21 et seq.), or any law or regulation to the contrary, the unexpended balance at the end of the preceding fiscal year in the Supplemental Workforce Fund for Basic Skills is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.
- Receipts in excess of the amount anticipated for the Workplace Standards Program are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.
- Receipts in excess of the amount anticipated for the Public Works Contractor Registration Program and the unexpended balance at the end of the preceding fiscal year, are appropriated for the Public Works Contractor Registration Program, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of the "Worker and Community Right To Know Act," P.L.1983, c.315 (C.34:5A-1 et seq.), the amount hereinabove appropriated for the Worker and Community Right To Know Act account is payable out of the Worker and Community Right To Know Fund. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately. In addition to the amounts hereinabove, there are appropriated out of the Worker and Community Right To Know Fund such additional sums, not to exceed \$8,400, to administer the Right To Know Program, subject to the approval of the Director of the Division of Budget and Accounting.
- There are appropriated out of the Wage and Hour Trust Fund and the Prevailing Wage Act Trust Fund such sums as may be necessary for payments.
- The amount hereinabove for the Private Sector Labor Relations program classification is appropriated from the Unemployment Compensation Auxiliary Fund.
- From the appropriation provided hereinabove in support of office leases, and notwithstanding the provisions of N.J.S.A.52:18A-191.1 et seq., the State Treasurer in consultation with the Commissioner of Labor and Workforce Development, is hereby authorized to enter into cost-sharing agreements with any authorized non-State partner that offers programs and activities supported primarily by federal funds from the United States Departments of Labor and Education in the State's one-stop centers for the purpose of co-locating such partner in an office with the Department of Labor and Workforce Development providing rent costs shall be equitably shared in accordance with a cost allocation plan approved by the Commissioner of Labor and Workforce Development.

Language Recommendations -- Grants-In-Aid - General Fund

- The sum hereinabove for the Vocational Rehabilitation Services program classification is available for the payment of obligations applicable to prior fiscal years.
- Of the amount hereinabove for the Vocational Rehabilitation Services program classification, an amount not to exceed \$22,614,000 is appropriated from the Unemployment Compensation Auxiliary Fund.
- Of the amounts hereinabove appropriated for Supported Employment Services, \$1,000,000 shall be expended consistent with the recommendations in the final report of the Governor's Task Force on Mental Health.
- Amounts appropriated hereinabove for the Sheltered Workshop Employment Placement Incentive Program shall be available to support expenditures under the Sheltered Workshop Support Program and Supported Employment Program, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of any law or regulation to the contrary, in addition to the amounts hereinabove for the Work First New Jersey-Work Activities and Work First New Jersey-Training Related Expenses accounts, an amount not to exceed \$25,500,000 is appropriated from the New Jersey Workforce Development Partnership Fund, section 9 of P.L.1992, c.43 (C.34:15D-9), subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of any law or regulation to the contrary, of the amounts hereinabove for Work First New Jersey-Work Activities and Work First New Jersey-Training Related Expenses, \$8,190,000 is appropriated from the New Jersey Workforce Development Partnership Fund, section 9 of P.L.1992, c.43 (C.34:15D-9), subject to the approval of the Director of the Division of Budget and Accounting.
- Of the amounts hereinabove appropriated for Work First New Jersey Work Activities, an amount not to exceed 3% shall be made available for administrative costs incurred by the Department of Labor and Workforce Development.
- Notwithstanding the provisions of any law or regulation to the contrary, of the amount hereinabove for New Jersey Youth Corps, \$1,850,000 is appropriated from the New Jersey Workforce Development Partnership Fund, section 9 of P.L.1992, c.43 (C.34:15D-9) and an amount not to exceed 10% from all funds available to the program shall be made available for administrative costs incurred by the Department of Labor and Workforce Development.
- Notwithstanding the provisions of any law or regulation to the contrary, in addition to the amounts hereinabove for Youth Corps, there is appropriated an amount not to exceed \$2,200,000 from the "Supplemental Workforce Fund for Basic Skills" P.L. 2001 c.152 (C.34:15D-21 et seq.) subject to the approval of the Director of the Division of Budget and Accounting.
- Of the amount hereinabove for the New Jersey Youth Corps program, \$475,000 is appropriated from the Unemployment Compensation Auxiliary Fund.

LABOR AND WORKFORCE DEVELOPMENT

Notwithstanding the provisions of any law or regulation to the contrary, up to 15% of the amount available from the Workforce Development Partnership Fund for the Supplemental Workforce Development Benefits Program shall be appropriated as necessary to fund additional administrative costs relating to the processing and payment of benefits, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- State Aid - General Fund

Of the amount hereinabove appropriated in the Adult Literacy account, such sums as are necessary may be transferred to the applicant State department.