
**DEPARTMENT OF LABOR
OVERVIEW**

The Department of Labor is charged with three major responsibilities: providing income maintenance to the disabled and the unemployed; training and re-training the State's workforce; and ensuring safety in the workplace. Most of the Department's programs are fully supported with federal or dedicated funds.

In fiscal 1998, the Department's recommended budget is approximately \$387 million, including \$330 million (85 percent) from federal grants, \$27.8 million (7 percent) from dedicated or trust funds, and \$29 million (8 percent, excluding PERC) from State appropriations. Funding needs in programs such as Planning and Research, Vocational Rehabilitation, and the Board of Mediation are offset by penalties and interest collected from employers for late or inaccurate filing of tax reports and deposited into the Unemployment Insurance Auxiliary Fund.

The State appropriation of \$29 million will maintain the Department's current level of service in fiscal 1998. The Division of Workplace Standards, which receives \$5.5 million of the State appropriation, also uses fees and penalties to support enforcement activities. The Budget recommendation also includes a funding increase of \$233,000 to expand Vocational Rehabilitation services for an additional 706 clients and an increase of \$15,000 for an additional 114 clients in the Independent Living program.

Federal funds are the primary source of revenue for the Department of Labor. The Department is principally responsible for providing income maintenance services through the Unemployment Compensation program (\$94.3 million) and job training through the Job Training Partnership Act (nearly \$105 million). An additional \$122 million is provided for Vocational Rehabilitation Services (\$44 million), Employment Services (\$41 million), and Disability Determinations (\$37 million).

The Trust Fund appropriation of \$27.8 million includes \$11 million for Workers Compensation, \$8.8 million for Disability Insurance, \$6.5 million for the Workforce Development Partnership Program, and \$1.5 million for Special Compensation. The Workers Compensation program oversees benefits paid to individuals who are hurt on the job. The Special Compensation Fund provides benefits to totally and permanently disabled individuals (while encouraging the employment of the handicapped).

The Workforce Development Partnership program, which was made permanent in January 1996, provides over \$60 million per year in job training grants. The program is supported through employer and employee contributions and serves as a model program for other states. Workforce grants are awarded to individuals seeking to enhance existing job skills, as well as to private companies under the customized training component of the program. Customized training grants make the companies more competitive and productive and are a key incentive for attracting new businesses to New Jersey.

This Budget proposes the sale of the State Disability Insurance Plan. Disability insurance is mandatory for all workers covered under the Unemployment Insurance Compensation law to insure against loss of earnings due to non-work related sickness or accident. Benefit payments and administrative costs are financed through employer and employee contributions. The proposed sale of the plan is expected to generate an estimated \$200 million in revenue. The sale is expected to take place in the summer of 1997. Beginning in fiscal 1998, private insurers will provide all disability insurance coverage. The Private Disability Insurance Plan is not part of the proposed sale. Administrative costs for the State Disability Insurance Plan have been reduced to provide for continued State operation during the first quarter of fiscal 1998.

The Public Employment Relations Commission (PERC) is an independent agency within the Department of Labor. PERC resolves disputes that result from collective bargaining negotiations involving public employees. PERC, along with the PERC Appeal Board has a combined budget of \$2.6 million, including funding of \$163,000 for computer upgrades to effectively carry out the new responsibilities of the Police and Fire Public Interest Arbitration Reform Act.

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SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998			
Orig. & (S)Supple- mental	Reapp. & (R)Repts.	Transfers & (E)Emer- gencies	Total Available	Expended		1997 Adjusted Approp.	Requested	Recom- mended
540	—	—	540	540	Economic Planning and Development			
568	1	5	574	573	Planning and Research	425	257	257
					Management and Administrative Services	504	360	360
<u>1,108</u>	<u>1</u>	<u>5</u>	<u>1,114</u>	<u>1,113</u>	<i>Subtotal</i>	<u>929</u>	<u>617</u>	<u>617</u>
					Economic Regulation			
5,711	2,082	—	7,793	7,786	Workplace Standards	5,539	5,479	5,479
<u>5,711</u>	<u>2,082</u>	<u>—</u>	<u>7,793</u>	<u>7,786</u>	<i>Subtotal</i>	<u>5,539</u>	<u>5,479</u>	<u>5,479</u>
					Economic Assistance and Security			
1,725	—	—	1,725	1,125	Unemployment Insurance	—	—	—
22,324	2,442	—	24,766	24,627	State Disability Insurance Plan	21,324	5,331	5,331
3,443	468	—	3,911	3,903	Private Disability Insurance Plan	3,443	3,443	3,443
11,694	4,990	-2,600	14,084	13,613	Workers' Compensation	11,029	11,029	11,029
1,540	803	—	2,343	1,875	Special Compensation	1,540	1,540	1,540
<u>40,726</u>	<u>8,703</u>	<u>-2,600</u>	<u>46,829</u>	<u>45,143</u>	<i>Subtotal</i>	<u>37,336</u>	<u>21,343</u>	<u>21,343</u>
					Manpower and Employment Services			
2,447	—	—	2,447	2,447	Vocational Rehabilitation Services	2,361	2,348	2,348
6,451	1,284	658	8,393	8,384	Employment Services	6,451	6,451	6,451
150	—	—	150	150	Employment and Training Services	—	—	—
2,500	92	5	2,597	2,491	Public Sector Labor Relations	2,462	2,625	2,625
535	—	—	535	535	Private Sector Labor Relations	468	468	468
<u>12,083</u>	<u>1,376</u>	<u>663</u>	<u>14,122</u>	<u>14,007</u>	<i>Subtotal</i>	<u>11,742</u>	<u>11,892</u>	<u>11,892</u>
<u>59,628</u>	<u>12,162</u>	<u>-1,932</u>	<u>69,858</u>	<u>68,049</u>	Total Appropriation	<u>55,546</u>	<u>39,331</u>	<u>39,331</u>

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 research and 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 Research.** 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. **Management and Administrative Services**—Comprised of four functional activities: The Office of the Commissioner, Office of the Controller, Office of Internal Audit, and the Division of Administrative Services.

The Office of the Commissioner provides upper level management, strategic planning, and formulates the policies and priorities of the Department.

The Office of the Controller is responsible for all accounting and budgeting functions of the Department, and the evaluation of all programs from a financial management viewpoint. The Office is also charged with fiscal oversight of the collection of Unemployment and Disability Insurance taxes, collection of the Special Compensation Fund assessments and the assessment functions of the Disability Insurance Services.

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

The Division of Administrative Services provides the departmental programs with 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, purchasing and equipment and building management.

EVALUATION DATA

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	290	311	309	305
Male Minority %	7.0	8.0	8.1	8.0
Female Minority	980	975	989	979
Female Minority %	24.0	25.0	25.1	25.3
Total Minority	1,273	1,286	1,298	1,284
Total Minority %	24.0	32.9	33.2	33.1
Position Data				
Filled Positions by Funding Source				
State Supported	40	39	38	38
Federal	434	439	423	453
Total Positions	474	478	461	491
Filled Positions by Program Class				
Planning and Research	130	131	126	137
Management and Administrative Services	344	347	335	354
Total Positions	474	478	461	491

Notes: Actual fiscal years 1995 and 1996 and Revised fiscal year 1997 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1998 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended
540	—	—	540	540				
<u>568</u>	<u>1</u>	<u>5</u>	<u>574</u>	<u>573</u>	Distribution by Program			
					Planning and Research	18	425	257
					Management and Administrative Services	99	<u>504</u>	<u>360</u>
1,108	1	5	1,114	1,113	Total Appropriation		929^(a)	617

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Year Ending June 30, 1996					Year Ending June 30, 1998			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recommended
784	—	—	784	761				
—	—	—	—	23				
784	—	—	784	784		740	430	430
22	—	3	25	24		12	12	12
201	—	15	216	216		76	82	82
35	—	-13	22	22		35	28	28
62	—	—	62	62		62	62	62
62	—	—	62	62	99	62	62	62
4	1	—	5	5		4	3	3

OTHER RELATED APPROPRIATIONS

Federal Funds								
9,445						6,132		
567 ^S	1,316	-1,820	9,508	5,255	18	408 ^S	6,906	6,906
13,041	2,168	-13,041	2,168	143	99	—	—	—
23,053	3,484	-14,861	11,676	5,398		6,540	6,906	6,906
All Other Funds								
—	852	—	4,559	3,535	99	—	—	—
—	3,707 ^R	—	4,559	3,535		—	—	—
24,161	8,044	-14,856	17,349	10,046		7,469	7,523	7,523

Notes: (a) The fiscal year 1997 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary Increases and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

Such sums as may be necessary to collect the contributions pursuant to the Health Care Reform Act, P.L.1996, c.28 (C.26B:2H-18.51 et al.), are appropriated from the Health Care Subsidy Fund, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Planning and Research program classification is appropriated from the Unemployment Compensation Auxiliary Fund.

The amount necessary to provide administrative costs incurred by the Department of Labor to meet the statutory requirements of the "New Jersey Urban Enterprise Zone 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 Employment and Workforce Development Act, "P.L. 1992, c.44, in addition to the amounts hereinabove appropriated for Planning and Research, there shall be made available from the Workforce Development Partnership Fund an amount of \$168,000 to fund planning and research activities related to the Workforce Development Partnership program, subject to the approval of the Director of the Division of Budget and Accounting.

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

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY
52. ECONOMIC REGULATION

OBJECTIVES

1. To prevent employment practices which are injurious to workers or which abrogate workers' rights and to assure equitable wages and working hours.
2. To prevent injuries to persons and damage to property from explosives, liquified petroleum gases, hazardous materials and mining operations; and to prevent injuries and fatalities to the public on carnival-amusement rides, and ski lifts and also from high voltage lines, boilers, machinery, pressure vessels, refrigeration systems, electric power generating plants and nuclear installations.
3. To prevent injuries and illnesses to public employees.
4. To provide on-site consultation service to employers on matters of safety and health of employees.
5. To provide safety and health training to miners.

PROGRAM CLASSIFICATIONS

12. **Workplace Standards.** Enforces statutes and rules by inspections of premises, contents and working conditions. Covered are places of public employment (C39:6A-25 et seq); certain provisions of the Worker and Community Right to Know Act (C39:5A-18 et seq); boilers (including nuclear components), pressure vessels and refrigeration plants(C34:7-14 et seq); carnival-amusement

rides(c5:3-331 et seq); mines, pits and quarries (34:6-98.1 et seq); explosives (C21:1A-128 et seq); proximity to high voltage lines (C34:6-47.1 et seq); liquefied petroleum gas (C21:1B-1 et seq); ski lifts (C34:4A-1 et seq); fireworks (C21:2-1 et seq and C21:3-1 et seq); service stations (C34A-1 et seq); and the examination and licensing of stationary engineers and firemen (C34:7-1 et seq).

Develops and interprets rules, issues formal variances and hears appeals. Issues licenses to power plant engineers and boiler operators and issues approvals for operation of boilers, pressure vessels and nuclear components. Annually registers all mines, pits and quarries and aerial tramways. In addition, annual permits are issued for explosives and carnival-amusement rides.

Also covered are minimum wage and overtime (C34:11-56A et seq); wage payment (C34:11-4.1 et seq); child labor (C34:2-21.1 et seq); industrial homework (C34:6-120 et seq); lie detectors (C2A:170.90.1); wage collection (C34:11-57 et seq); prevailing wage (C34:11-56.25 et seq) crew leaders (C34:8A-7 et seq); drinking water and toilet facilities (C34:9A-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.

Provides safety and health training for miners under a Federal Mine Safety and Health Administration agreement.

EVALUATION DATA

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
PROGRAM DATA				
Workplace Standards				
Mine, pit and quarry inspections	1,150	1,150	1,150	1,150
Liquified petroleum gas inspections	3,000	2,053	2,053	2,050
Amusement ride inspections	3,700	4,836	4,836	4,836
Ski lift inspections	170	178	178	178
High voltage inspections	150	90	90	90
Mechanical Inspection				
Boilers inspected by State	5,000	17,000	20,000	20,000
Boilers inspected by insurance inspectors	38,000	38,000	38,000	38,000
OSHA On-site Consultant Services				
Consultations	771	800	500	700
Hazards identified	5,483	5,400	2,000	4,000
Wage and Hour, Child Labor and Public Contracts				
Complaints received	8,956	8,956	8,742	9,404
Formal complaints filed	4,480	4,480	3,998	4,500
Employees receiving back wages	13,010	13,010	11,389	13,050
Net back wages paid to employees	\$4,322,489	\$4,322,489	\$5,213,902	\$5,514,901
Public Employees Safety				
Inspections	3,000	2,000	1,500	1,500
Hazards identified	18,000	9,000	6,500	6,500
Asbestos Control and Licensing				
Employer licenses issued	130	130	130	130
Employee permits issued	3,700	3,700	3,700	3,700
Apparel Registration				
Registrations issued	1,345	1,345	1,232	1,294
Firms with violations	350	350	251	251

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	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	171	162	172	182
Federal	18	16	19	20
Total Positions	189	178	191	202
Filled Positions by Program Class				
Workplace Standards	189	178	191	202
Total Positions	189	178	191	202

Notes: Actual fiscal years 1995 and 1996 and Revised fiscal year 1997 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1998 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1996						Year Ending June 30, 1998		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended
<u>5,711</u>	<u>2,082</u>	<u>---</u>	<u>7,793</u>	<u>7,786</u>	Distribution by Program			
5,711	2,082	---	7,793	7,786	12	<u>5,539</u>	<u>5,479</u>	<u>5,479</u>
						5,539^(a)	5,479	5,479
					Distribution by Object			
					Personal Services:			
<u>4,969</u>	<u>2,067^R</u>	<u>-160</u>	<u>6,876</u>	<u>6,876</u>		<u>4,922</u>	<u>4,922</u>	<u>4,922</u>
4,969	2,067	-160	6,876	6,876		4,922	4,922	4,922
86	---	---	86	86		86	84	84
410	---	30	440	440		305	286	286
142	---	---	142	142		122	82	82
					Special Purpose:			
35	---	---	35	31	12	35	35	35
1	---	---	1	1	12	1	1	1
<u>3</u>	<u>---</u>	<u>---</u>	<u>3</u>	<u>3</u>	12	<u>3</u>	<u>3</u>	<u>3</u>
39	---	---	39	35		39	39	39
65	15	130	210	207		65	66	66

OTHER RELATED APPROPRIATIONS

<u>1,410</u>	<u>292</u>	<u>---</u>	<u>1,702</u>	<u>1,332</u>	Federal Funds			
1,410	292	---	1,702	1,332	12	<u>1,488</u>	<u>1,488</u>	<u>1,488</u>
						1,488	1,488	1,488
					All Other Funds			
<u>---</u>	<u>1</u>	<u>---</u>	<u>1</u>	<u>---</u>	12	<u>1,657</u>	<u>1,800</u>	<u>1,800</u>
---	1	---	1	---		1,657	1,800	1,800
7,121	2,375	---	9,496	9,118		8,684	8,767	8,767

Notes: (a)The fiscal year 1997 appropriation data has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary Increases and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

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.

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 for the Worker and Community Right to Know Act account is payable out of the "Worker and Community Right to Know Trust 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 Trust 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.

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 insure the integrity of Trust Funds by utilizing modern fraud control techniques in cooperation with other state and federal agencies.
4. To act as 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.

Act for the purpose of adjudicating long term disability claims. Activities include medical, legal and qualitative review of claims.

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 Unemployment and 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. If potentially inadequate, an informal hearing is scheduled. If an equitable settlement can not be made at the informal hearing, a formal claim may be filed. Formal claims are heard by judges sitting in 17 different locations statewide. 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 (C34:15-1 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 the handicapped. Special Compensation also determines special adjustment benefits payable to qualified persons under C34:15-95.4. The purpose of this legislation is to increase benefits to bring victims of pre-1980 occupational injuries in line with current rates.

PROGRAM CLASSIFICATIONS

01. **Unemployment Insurance.** C43:21 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 on line in 35 offices located in population centers throughout the State.
In March 1984, C43:21 et seq. was revised to incorporate the quarterly collection of wage records by the Department of Labor as of September 1984. This activity was formerly performed by the Division of Taxation under C54:1-55 et seq. Effective July 1, 1986 all unemployment benefit claims are based upon the 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

EVALUATION DATA

PROGRAM DATA	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Unemployment Insurance				
Covered workers	3,398,500	3,467,500	3,481,400	3,468,800
Net benefits paid (millions)	\$1,361	\$1,329	\$1,621	\$1,763
Average insured unemployed rate	3.1%	3.3%	3.2%	3.8%
Initial claims	549,500	619,700	562,200	654,700
Average weekly benefit payment	\$248	\$251	\$252	\$260

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	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Disability Determination				
Total claims adjudicated	85,826	86,973	92,600	93,000
Social Security Disability payments (millions)	\$952	\$962	\$1,191	\$1,251
Average cost per case	\$421	\$426	\$410	\$420
State Disability Insurance Plan				
Covered workers	2,493,981	2,517,000	2,534,200	—(a)
Claims filed	165,458	163,652	167,000	—(a)
Benefits paid (millions)	\$304	\$303	\$310	—(a)
Cost per claim processed	\$102	\$104	\$88	—(a)
Average weekly benefit payment	\$257	\$262	\$270	—(a)
Private Disability Insurance Plan				
Covered workers	588,300	661,641	653,400	651,200
Plans in force	3,600	3,900	4,070	4,100
Claims received	18,000	18,000	22,000	22,000
Benefits paid (millions)	\$27	\$27	\$23	\$27
Cost per claim processed	\$88	\$95	\$86	\$86
Workers' Compensation				
First reports of accident received	225,000	225,000	225,000	225,000
Cases pending July 1	104,519	100,419	115,380	112,780
Cases filed, reopened, reassigned	47,900	52,526	49,900	49,500
Cases closed	52,000	53,526	52,500	51,500
Cases pending June 30	100,419	115,380	112,780	110,780
Special Compensation				
Balance July 1	2,121	2,065	2,085	2,155
Verified petitions assigned	1,301	1,343	1,371	1,382
Advisory reports recovered	1,357	1,323	1,301	1,319
Balance June 30	2,065	2,085	2,155	2,218
Beneficiaries	4,550	4,568	4,582	4,599
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	445	424	416	250
Federal	1,849	1,763	1,710	1,876
All Other	7	5	7	7
Total Positions	2,301	2,192	2,133	2,133
Filled Positions by Program Class				
Unemployment Insurance	1,489	1,399	1,363	1,480
Disability Determinations	360	364	347	396
State Disability Insurance Plan	199	187	182	—(a)
Private Disability Insurance Plan	80	76	75	84
Workers' Compensation	154	148	146	153
Special Compensation Fund	19	18	20	20
Total Positions	2,301	2,192	2,133	2,133

Notes: Actual fiscal years 1995 and 1996 and Revised fiscal year 1997 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1998 reflects the number of positions funded.

(a) Fiscal year 1998 evaluation and position data for the State Disability Insurance Plan reflects the proposed privatization of the State Disability Insurance Plan.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recommended	
Distribution by Program									
1,725	—	—	1,725	1,125	01	—	—	—	
22,324	2,442	—	24,766	24,627	03	21,324	5,331	5,331	
3,443	468	—	3,911	3,903	04	3,443	3,443	3,443	
11,694	4,990	-2,600	14,084	13,613	05	11,029	11,029	11,029	
<u>1,540</u>	<u>803</u>	<u>—</u>	<u>2,343</u>	<u>1,875</u>	06	<u>1,540</u>	<u>1,540</u>	<u>1,540</u>	
40,726	8,703	-2,600	46,829	45,143		37,336	21,343	21,343	
Distribution by Object									
Personal Services:									
23,811	8,311 ^R	-4,820	27,302	22,879		23,205	15,104	15,104	
—	—	—	—	4,423		—	—	—	
<u>23,811</u>	<u>8,311</u>	<u>-4,820</u>	<u>27,302</u>	<u>27,302</u>		<u>23,205</u>	<u>15,104</u>	<u>15,104</u>	
426	—	—	426	270		376	156	156	
4,365	—	660	5,025	4,927		4,071	1,914	1,914	
2,665	—	215	2,880	2,802		2,000	1,863	1,863	
Special Purpose:									
25	—	—	25	—		—	—	—	
1,700 ^S	—	—	1,725	1,125	01	—	—	—	
—	—	231	231	231	03	—	—	—	
6,600	—	708	7,308	7,307	03	6,700	1,666	1,666	
—	—	59	59	57	04	—	—	—	
—	—	222	222	213	05	—	—	—	
60	—	—	60	49	06	—	—	—	
—	—	—	—	—		60	60	60	
<u>8,385</u>	<u>—</u>	<u>1,220</u>	<u>9,605</u>	<u>8,982</u>		<u>6,760</u>	<u>1,726</u>	<u>1,726</u>	
1,074	392	125	1,591	860		924	580	580	

OTHER RELATED APPROPRIATIONS

Federal Funds									
86,632	17,507	12,613	116,752	80,421	01	90,500	94,388	94,388	
<u>39,775</u>	<u>10,476</u>	<u>—</u>	<u>50,251</u>	<u>33,096</u>	02	<u>39,775</u>	<u>36,814</u>	<u>36,814</u>	
126,407	27,983	12,613	167,003	113,517		130,275	131,202	131,202	
All Other Funds									
—	—	—	—	—	03	4,466	992	992	
—	—	—	—	—	04	1,067	1,067	1,067	
—	4	—	4	—	05	2,641	2,791	2,791	
—	82,029	—	—	—	06	94,146	94,146	94,146	
<u>—</u>	<u>110,309^R</u>	<u>6,231</u>	<u>198,569</u>	<u>102,330</u>		<u>94,146</u>	<u>94,146</u>	<u>94,146</u>	
<u>—</u>	<u>192,342</u>	<u>6,231</u>	<u>198,573</u>	<u>102,330</u>		<u>102,320</u>	<u>98,996</u>	<u>98,996</u>	
167,133	229,028	16,244	412,405	260,990		269,931	251,541	251,541	

Notes: (a) The FY1998 Appropriation for the State Disability Insurance Program has been reduced to reflect the proposed privatization of the State Disability Insurance Plan.

LANGUAGE RECOMMENDATIONS

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 administer the Disability Insurance Program and to pay disability benefits, subject to the approval of the Director of the Division of Budget and Accounting.

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.

The amount hereinabove for Special Compensation is payable out of the Second Injury 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 Second Injury Fund such additional sums as may be required for costs of administration and beneficiary payments.

The State Treasurer is directed to transfer to the General Fund the sum of \$50,000 from the excess in the Second Injury Fund over the sum of \$1,250,000 accumulated as of June 30, 1997 pursuant to R.S.34:15-94.

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 R.S.34:15-120.2. Any amount so transferred shall be included in the next Uninsured Employers Fund surcharge imposed in accordance with R.S.34:15-120.1 and such amount shall be returned to the Second Injury Fund without interest. Furthermore, any amount so transferred shall be included in "net assets" pursuant to R.S.34:15-94c.(4).

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.

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY

54. MANPOWER AND EMPLOYMENT SERVICES

OBJECTIVES

1. To develop and maintain employment opportunities.
2. To develop and rehabilitate 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.

PROGRAM CLASSIFICATIONS

07. **Vocational Rehabilitation Services.** The Vocational Rehabilitation Program (PL 93-112 as amended; PL 97-35) provides services to handicapped individuals 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 80/20, Federal/State matching basis. The Sheltered Workshop Support program (Chapter 272, PL 1971), 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, services to train the State's workforce are provided through Individual Training grants for the disadvantaged and displaced unemployed and Customized Training grants for employers.

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

Other federally funded programs include Alien 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 Job Training Partnership Act (P.L. 97-300), and related federal and state legislation, contracts with federal, state and local governments and other institutions to provide services to train the workforce which include: Counseling, Recruitment for Job Corps, Intake and Certification for JTPA, 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.

16. **Public Sector Labor Relations.** Provides services through the Public Employment Relations Commission (C34:13A-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 (C34:13A-4 and C34:1A-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.

EVALUATION DATA

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
PROGRAM DATA				
Vocational Rehabilitation Services				
Total persons served	17,868	22,605	23,011	25,029
Total persons rehabilitated	2,560	3,400	3,516	3,716
Total continuing to be served	12,000	14,500	14,624	15,458
Average cost per rehabilitation	\$15,410	\$13,708	\$13,503	\$13,611
Earnings (Weekly)				
Before rehabilitation	\$46	\$41	\$41	\$40
After rehabilitation	\$236	\$248	\$248	\$250
Sheltered Workshops				
Persons served	2,500	2,574	2,573	2,573
Appropriation per client	\$3,969	\$4,595	\$4,595	\$4,595
Independent Living Rehabilitation				
Persons served	8,206	10,000	10,322	10,838
Cost per person	\$104	\$108	\$92	\$93
Employment Services				
Job openings received	81,153	103,240	115,000	120,000
Individuals placed	17,568	21,542	25,000	25,000
Individuals counseled	38,290	37,249	27,000	36,000
Disabled Veterans Outreach Program				
Veterans placed	4,000	3,400	3,500	3,600
Veterans counseled	4,300	6,600	4,300	5,200
Employment and Training Services				
General Assistance Employment Program				
Obtained employment	2,200	2,400	2,750	2,800
Workforce Development Partnership Project				
Customized Training Grants	\$18,900,000	\$22,822,770	\$24,000,000	\$24,000,000
Individuals Trained	18,900	20,273	25,000	25,000
Cost per Individual	\$1,000	\$1,125	\$900	\$950
Companies served	160	274	328	335
Individual Training Grants—Displaced Workers	\$9,720,171	\$10,805,400	\$10,150,000	\$10,500,000
Individuals trained	3,407	3,726	3,500	3,500
Cost per individual	\$2,853	\$2,900	\$2,900	\$3,000
Jobs Training Partnership Act				
Total Enrollments	25,000	27,000	36,000	36,000
Total Job Placements	7,500	7,500	9,500	9,500
Public Sector Labor Relations				
Dispute Disposition				
Balance July 1	3,481	3,986	2,260	2,440
Filed	2,591	2,563	2,765	2,860
Disposed	2,086	4,289	2,585	2,640
Unfair practices and representation	782	708	790	810
Mediation, fact-finding and arbitration	1,054	3,319	1,475	1,500
Scope of negotiation and issue definition	98	107	120	120
Other Formal Decisions	152	155	200	210
Balance June 30	3,986	2,260	2,440	2,660
Appeal Board				
Balance July 1	163	158	31	36
Petitions Filed	2	32	40	50
Disposed	7	159	35	45
Balance June 30	158	31	36	41

LABOR

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	100	103	97	107
Federal	913	955	888	975
Total Positions	1,013	1,058	985	1,082
Filled Positions by Program Class				
Vocational Rehabilitation Services	347	343	330	352
Employment Services	620	666	606	683
Public Sector Labor Relations	37	40	41	39
Private Sector Labor Relations	9	9	8	8
Total Positions	1,013	1,058	985	1,082

Notes: (a) Actual fiscal years 1995 and 1996 and Revised fiscal year 1997 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1998 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1996						Year Ending June 30, 1998		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended
					Distribution by Program			
2,447	—	—	2,447	2,447				
6,451	1,284	658	8,393	8,384	07	2,361	2,348	2,348
150	—	—	150	150	09	6,451	6,451	6,451
2,500	92	5	2,597	2,491	10	—	—	—
535	—	—	535	535	16	2,462	2,625	2,625
12,083	1,376	663	14,122	14,007	17	468	468	468
					Total Appropriation			
						11,742 ^(a)	11,892	11,892
					Distribution by Object			
					Personal Services:			
4,932	—	736	5,668	5,668		4,863	4,941	4,941
4,932	—	736	5,668	5,668		4,863	4,941	4,941
37	—	-1	36	33		35	34	34
460	—	7	467	462		340	268	268
32	—	—	32	32		32	28	28
					Special Purpose:			
4,405	1,275 ^R	-80	5,600	5,600	09	4,405	4,405	4,405
2,046	—	—	2,046	2,046	09	2,046	2,046	2,046
150	—	—	150	150	10	—	—	—
6,601	1,275	-80	7,796	7,796		6,451	6,451	6,451
21	101	1	123	16		21	170	170

OTHER RELATED APPROPRIATIONS

17,656	—	—	17,656	17,656	Total Grants-in-Aid	17,656	18,022	18,022
29,739	1,376	663	31,778	31,663	Total General Fund	29,398	29,914	29,914
1,740	—	—	1,740	1,740	Total Casino Revenue Fund - Grants-in-Aid	2,440	2,440	2,440
1,740	—	—	1,740	1,740	Total Casino Revenue Fund	2,440	2,440	2,440
31,479	1,376	663	33,518	33,403	TOTAL STATE APPROPRIATIONS	31,838	32,354	32,354

Year Ending June 30, 1996						Year Ending June 30, 1998			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	1997 Adjusted Approp.	Requested	Recommended
38,721	5,788	-860	43,649	36,637	Federal Funds				
47,917	2,346	2,473	52,736	38,544	Vocational Rehabilitation Services	07	41,345	44,490	44,490
111,250	35,997	-1,075	146,172	98,665	Employment Services	09	45,269	41,336	41,336
					Employment and Training Services	10	88,342	104,906	104,906
197,888	44,131	538	242,557	173,846	Total Federal Funds		174,956	190,732	190,732
					All Other Funds				
	14				REACH Grant Diversion	08	—	—	—
	65 ^R		79	79	Employment Services	09	1,395	1,465	1,465
	12		12		Employment and Training Services	10	—	—	—
	188				Total All Other Funds		1,395	1,465	1,465
	533 ^R		721	709	GRAND TOTAL		208,189	224,551	224,551
	812		812	788					
229,367	46,319	1,201	276,887	208,037					

Notes: (a) The fiscal year 1997 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary Increases and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

Notwithstanding the provisions of the “New Jersey Employer—Employee Relations Act,” P.L. 1941, c.100, as amended by P.L. 1968, c.303 (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 for the Vocational Rehabilitation Services program classification is available for the payment of obligations applicable to prior fiscal years.

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 shall be appropriated from receipts received pursuant to the “New Jersey Employment and Workforce Development Act,” P.L. 1992, c.44, 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.

Pursuant to the provisions of the “1992 New Jersey Employment and Workforce Development Act”, P.L.1992, c.43 (C.34:15D-1 et seq.), funds shall be made available to the Department of Labor and the State Employment and Training Commission, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Private Sector Labor Relations program classification is appropriated from the Unemployment Compensation Auxiliary Fund.

59,628	12,162	-1,932	69,858	68,049	Total Appropriation, Department of Labor		55,546	39,331	39,331
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